

Mapping the landscape of the media industry in contemporary Indonesia

Report Series

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

Oleh

Yanuar Nugroho
Dinita Andriani Putri
Shita Laksmi

A joint research project of

CIPG CENTRE for
INNOVATION
POLICY &
GOVERNANCE

Hivos
people unlimited

MANCHESTER
1824
The University of Manchester
Manchester Business School

Supported by

 **FORDFOUNDATION**

Mapping the landscape of the media industry in contemporary Indonesia

Published in Indonesia in 2013 by
Centre for Innovation Policy and Governance
Jl. Siaga Raya (Siaga Baru), Komp BAPPENAS No 43.
Pejaten Barat, Pasar Minggu , Jakarta Selatan 12130
Indonesia.
www.cipg.or.id

Cover designed by FOSTROM (www.fostrom.com); all rights reserved.

Except where otherwise noted, content on this report
is licensed under a Creative Commons Attribution 3.0 License



Some rights reserved.

How to cite this report:

(Nugroho, et al., 2012) - Nugroho, Y., Putri, DA., Laksmi, S. 2012. Mapping the landscape of the media industry in contemporary Indonesia. Report Series. Engaging Media, Empowering Society: Assessing media policy and governance in Indonesia through the lens of citizens' rights. Research collaboration of Centre for Innovation Policy and Governance and HIVOS Regional Office Southeast Asia, funded by Ford Foundation. Jakarta: CIPG and HIVOS.

Acknowledgements

The research was funded by the Ford Foundation Indonesia Office and undertaken by the Centre for Innovation Policy and Governance (CIPG), Jakarta and HIVOS Regional Office Southeast Asia

Principal Investigator : *Dr. Yanuar Nugroho, University of Manchester*

Co-investigator (CIPG), Coordinator : *Mirta Amalia*

Co-investigator (HIVOS) : *Shita Laksmi*

Researchers (CIPG) : *Dinita Andriani Putri*
Leonardus Kristianto Nugraha
Muhammad Fajri Siregar

Academic Advisors : *Dr. B. Herry-Priyono, STF Driyarkara, Jakarta*
Dr. Sulfikar Amir, Nanyang Technological University, Singapore

Throughout the research, the team received huge support and assistance from numerous Indonesian media companies, public policymakers, civil society contacts and partners, and individuals who participated in our study through the survey, interviews, focus group discussions and workshops. We particularly owe thanks and gratitude to Ahmad Suwandi, Ignatius Haryanto, Dandhy Dwi Laksono, Abdul Manan, R. Kristiawan, Aliansi Jurnalis Independen (Alliance of Independent Journalists), Ria Ernunsari, all participants of the CREAM (Critical Research Methodology) training, Combine Resource Institution and Ambar Sari Dewia and Muhammad Amrun (Yogyakarta), our compatriots in community radio stations; Radio Sadewa, JRKY (Yogyakarta Network of Community Radio), and the interns at CIPG: Satrya P. Adhitama and Jauharul Anwar, who have been a big help during the research.

Rebecca Ehata read and corrected the language of this report.

List of abbreviations

AJI	Aliansi Jurnalis Independen / Alliance of Independent Journalists
APJII	Asosiasi Penyelenggara Jasa Internet Indonesia/ Indonesian Internet Service Provider Association
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 Statistics
BRTI	Badan Regulasi Telekomunikasi Indonesia / Indonesia Telecommunication Regulation Body
Deppen	Departemen Penerangan / Department of Information
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
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
MPPI	Masyarakat Pers dan Penyiaran Indonesia / Indonesian Press and Broadcasting Society
MASTEL	Masyarakat Telematika Indonesia/ Indonesian Telematics 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 Nasional Indonesia / Indonesian National Private Radio Union
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 Perusahaan Pers / Newspaper Company Union
TVRI	Televisi Republik Indonesia / Television of the Republic of Indonesia
USO	Universal Service Obligation
UU	Undang-Undang / Law

Executive Summary

The purpose of this research is to empirically examine the development dynamics of the media industry in Indonesia and how those dynamics characterise the ways in which civil society and citizens' groups exercise their rights to media. This research aims to portray the landscape of the country's media industry development and how this has affected citizen participation in the media.

1. The Indonesian media industry has evolved since the late 1980s. The 1998 *reformasi* (reform) became a turning point after which media businesses started to flourish noticeably. In the past fifteen years, the growth of the media industry in Indonesia has been driven by capital interest, leading to a media oligopoly and the concentration of ownership.
2. Today, twelve large media groups control nearly all of Indonesia's media channels, including broadcasting, print media and online media. They are *MNC Group*, *Kompas Gramedia Group*, *Elang Mahkota Teknologi*, *Visi Media Asia*, *Jawa Pos Group*, *Mahaka Media*, *CT Group*, *Beritasatu Media Holdings*, *Media Group*, *MRA Media*, *Femina Group*, and *Tempo Inti Media*. *MNC Group* has three free-to-air television channels – the highest number owned by any media group– with 20 local television networks and 22 radio networks under its subsidiary *Sindo Radio*. *Jawa Pos Group* has 171 print media companies including its *Radar Group*. *KOMPAS*, Indonesia's most influential newspaper, has expanded its network to include a content provider by establishing *KompasTV*, besides the existing 12 radio broadcasters under its subsidiary *Sonora Radio Network*, and 89 other print media companies. *Visi Media Asia* has grown into a powerful media group with two terrestrial television channels (*ANTV* and *tvOne*) and its quickly-growing online media channel *vivanews.com*. A new media company under *Lippo Group*, i.e. *Berita Satu Media Holding*, has already established an Internet-Protocol Television (IPTV) *BeritasatuTV*, online media channel *beritasatu.com*, and additionally owns a number of newspapers and magazines.
3. Concentration in the media industry happens as an inevitable consequence of the capital interest which drives media industry development in the country. The current media oligopoly has endangered citizens' rights to information as the media industry has become profit-led, and media companies represent a profitable business which can be shaped by the owner's interests and are thus highly beneficial for those seeking power. This is particularly the case with a number of media owners who are closely connected to politics. Aburizal Bakrie, both the chairman of *Golkar* — one of the country's biggest political parties — and owner of *Viva Group* and Surya Paloh, the founder of a new political party *NasDem* and owner of *Media Group*, are two clear examples of this trend. There is an increasingly common perception that these media owners' interests have endangered citizens' rights to media, since they are using their media as a political campaign tool to influence public opinion. In short, the media have become a mechanism by which businessmen and politicians convey their interests while gaining profit from the business.
4. Our research finds that media owners turn the media into a simple commodity, with the audience being treated as mere consumers rather than rightful citizens. The concentration of the media industry through mergers and acquisitions (M&A) between media companies has threatened the spirit of 'diversity of ownership' and 'diversity of information' in the media. Some important M&As have taken place recently: *Indosiar* was acquired by *Elang Mahkota*

Teknologi, a holding company of *SCTV*; *detik.com* was bought out by *CT Group*, the owner of *Trans TV* and *Trans 7*; a number of local television channels were taken over by large groups such as *MNC Group* with its *Sindo TV* network and *Jawa Pos*, which has its own TV network. Laws and regulation seem to be toothless in controlling the concentration of the industry as such.

5. Community media have also been developing, although the development is not as extensive as for the mainstream media since they encounter problems competing with the latter. Community radio is the most popular community medium since community television stumbled upon the limited availability of channels, making it hard to survive. Community radio has developed quite significantly, and has been playing a pivotal role in the dynamics of grassroots communities. However, the development of community radio is not without problems. The difficult process in getting a permit to broadcast is one of the most crucial problems faced by community radio. Although the importance of community radio as a non-profit-making broadcasting institution has been acknowledged in the draft Broadcasting, less concrete government support and the long and winding process of acquiring a permit has complicated its development.
6. As the previous two points indicate, our research suggests that the dynamics of the media industry correlate closely with the development of media policy, or lack thereof. In many cases, the government as the regulator finds it difficult to synchronise the regulations with the fast-changing media industry environment, and this has allowed the industry to run loose without firm regulations. The inadequacy of the regulatory framework is obvious with regard to Broadcasting Law No. 32/2002, which has been simultaneously criticised by numerous civil society organisations and media activists as well as the media industry itself. Each party has different interpretations of the Law, which seems to be ambiguous: on the one hand it promotes democratisation and diversity through the media, while on the other it lacks details for concrete implementation. This vague regulation has granted the media a free ride, letting businesses use public goods without firm control by the government. Other media regulations, such as the Electronic Transaction and Information (ITE) Law, have also threatened citizens' rights to participate in the media and have excluded citizens from their role as media controller.
7. As a tool for power, the media suffers an inevitable bias due to the deliberate interventions of media owners, which include favouring government and corporate policies when creating content (particularly news) and distributing it to the audience. Public information in the media becomes the industry's privilege: they construct it, and at the same time contest it with and among other media broadcasters. As a result, citizens are exposed to a more limited range of information, as most important social, economic, political, and cultural issues are selectively presented in the media. Most media companies also refer to ratings in order to produce their content. The highest-rated programmes will be duplicated, resulting in content duplication. Evidently, the media tends to operate on the logic of manufacturing people's desire and then claiming that this represents the people's need. That is how the media shape public opinions on and interest in many issues. In short, the media industry has become more a profit-oriented business than a public medium. Furthermore, the power to control the media has now appears to include the power to control media policies and law, thereby rendering these also more corporate-oriented than public-oriented.
8. The problem we found is that the development of the media industry is not necessarily in line with the development of the media infrastructure and the development of citizens' media literacy. As the business side of the industry grows, access to the media is still uneven and is still concentrated on the main islands only, such as in Java, Bali and Sumatra. There is a stunning gap in the media infrastructure distribution between developed provinces and those less developed in the eastern part of the country. This gap concerns not only the fast-growing new and digitalised media which require particular kinds of Internet access, but also access to conventional media such as newspapers and television, which is still unavailable for most

citizens living in remote and less developed areas. This has made the information gap grow wider. Community media could be, and have actually been, an alternative, which provides information related specifically to the local community. Although community radio is growing, complicated regulations and rapid technological developments across the media industry make it hard for community radio initiatives to survive and compete with other, profit-making media channels.

9. The advances in media and communication technology have changed the media industry environment but have nonetheless opened a wider space for citizens to participate in the media through the Internet and social media. The Internet has probably emerged as the principal space in which citizens can communicate without restriction. Spaces like blogs, social networking sites, and micro-blogging have allowed citizens to create their own public sphere and engage freely with others. With 64% of Internet users using social media, it is not surprising to see that a number of civic activisms and movements have been organised by means of new and social media. The spread of information through social media is so remarkable that is even referred to by mainstream media. The Internet has become an instrumental infrastructure in which the media industry must face the new challenge in media technology: convergence and digitalisation.
10. The future challenges for the media are media convergence and digitalisation. They have forced and will continue to push the media industry to create multiplatform businesses which go beyond conventional media. The result will be an integration of content provider industry with the telecommunications industry as a way to create multiplatform, technology-based media. Media convergence has forced the industry to prepare their infrastructure, which inevitably plays a central role. However, its impact on citizens and their media rights have not yet been fully taken into account. With regard to digitalisation, although citizens may have a wider range of channel options, specific infrastructure is needed to access this range, and its provision has not been made clear. Community media appear to be left behind in this convergence-and-digitalisation hullabaloo.
11. Our research suggests that proper development of the media industry necessitates proper media infrastructure and requires media literacy among citizens. Media development should be oriented towards creating a well-informed society by providing public-oriented information and providing public spaces for citizen participation. Only when the industry embraces citizens' right to information and does so in a more public-oriented way, can we expect to see the media play a more significant role as a public medium. Despite being currently marginalised, community media offer an alternative example of this: they are run by the community and serve the community. This provides a working model of how to revive public media in Indonesia: the state-owned television TVRI and radio RRI have to undergo fundamental reform and to be revitalised as national community media. This need is imminent to ensure not only media literacy among citizens but also the fulfilment of citizens' rights to media.

The landscape of the media industry in Indonesia is highly dynamic. As the media will continue to be an inseparable part of human life, so the development of the industry remains vital to society. However, measures need to be taken to ensure that the industry should first serve the interests of society, for we cannot surrender our shared life to the mercy of the profit logic.

Table of Contents

Acknowledgements	iii
List of Abbreviations	v
Executive Summary	vii
Table of Contents	xi

1. Mapping the landscape of the media industry in Indonesia: An introduction	1
1.1. Why research the media industry? Background and rationale	3
1.2. Objectives	5
1.3. Questions and research undertaken	6
1.4. Understanding the dynamics of the media industry in Indonesia: A preview	6
1.5. Structure of the report	9
2. Understanding the dynamics of the media industry: A political economic perspective	11
2.1. The media: Striving to guard the res publica	12
2.2. The medium and the message: Inseparable duo	15
2.3. Manufacturing content, manufacturing consent	17
2.4. The political economy of the media industry: A framework for investigation	19
2.5. The media industry in Indonesia: Some previous studies	20
3. Researching the media industry in Indonesia: Methods and data	23
3.1. Approach	24
3.2. Methods	25
3.3. Data collection strategy and instruments	26
3.4. Limitations	27
3.5. Data profile	28
4. The media industry in the archipelago: A dynamic landscape	31
4.1. The boom and doom in the media industry in Indonesia	33
The media industry in Indonesia: A brief history	33
The rise of community media and the advent of new media	38
Regulation of the media	41
4.2. Media conglomeration: An inevitable business development?	42
4.3. Key issues underpinning the media industry in Indonesia	45
4.4. The message, or the medium?	48
4.5. Civilising the media, protecting citizens' rights	50
5. Conventional Media: Reaching saturation point?	53
5.1. Television: The top influencer	55

Broadcasting permits: A never-ending problem	57
The curse of ratings	58
5.2. Radio: Democratising public voices	59
5.3. Print media: On life support?	63
5.4. Community media: Between 'needs' and 'want'	66
Community Radio	67
The role of the government	70
5.5. Key issues in conventional media development in Indonesia	74
5.6. Towards citizens' rights to media	78
6. Online media: From zero to hero?	81
6.1. Online media: Old content in a new face?	83
6.2. New media and social media: The birth of a new type of journalism?	87
Online Media and Social Media: A double-edged sword	88
Citizen journalism and mainstream media watchdog	89
6.3. Key problems facing online and new media	90
6.4. Online and new media: Infrastructure matters	93
The role of the government	94
6.5. The online media industry in Indonesia: A newborn niche media?	97
7. Media convergence and digitalisation: Future challenges in the media industry in Indonesia	101
7.1. Media convergence	103
Reasons for conglomeration?	103
The role of government in media convergence	105
7.2. Digitalisation: A flowery dream?	107
7.3. Media convergence and digitalisation: Impact on citizens	109
7.4. Future media development: Worsening disembeddedness?	112
8. Reclaiming the media, reclaiming the res publica: Implications and conclusions	115
8.1. Major findings	116
8.2. Implications for citizens' rights	118
8.3. Ensuring citizens' rights to media: A conclusion	118
8.4. Future Agenda	119
References	121
Appendix 1	127
Appendix 2	139

1. Mapping the landscape of the media industry in Indonesia: An introduction

1. Mapping the landscape of the media industry in Indonesia: An introduction

The media industry is not a post-reformation phenomenon. The media as an industry has been conceived of since the repression era. At first, people established the media because of their idealism. Moechtar Lubis' 'Indonesia Raya' is one of the example. The industrial era started when the media no longer belonged to journalists and was no longer affiliated with the political parties. It has moved towards a stronger media, and has followed a global trend ... Consolidations are now happening because this is now a capital-intensive business. If we talked about television and multimedia, both of these are capital-intensive businesses and are consolidating more rapidly than print-media. Print media are more profitable but nowadays they are starting to be left behind. That is the difference. So consolidation is indeed happening.
(Dandhy Dwi Laksono, WatchDoc, Interview, 21/09/2011)

The year 2011 saw the greatest number of mergers and acquisitions among media groups in the Indonesian media industry's history. *Indosiar Visual Mandiri (Indosiar)* was bought by *Elang Mahkota Teknologi*, the holding company of *Surya Citra Televisi (SCTV)*. The *CT Group*, the holding company of *Trans TV* and *Trans 7*, recently bought *detik.com* – one of the largest online media companies in Indonesia. In addition, several small groups such as *beritasatu.com* were acquired by the *Lippo Group*. This, certainly, is not the end of the story. More acquisitions and mergers are inevitable in the future, considering the growth of the media industry in Indonesia. What is more, the media industry in Indonesia has been moving towards oligopoly and hegemony. Alongside the industry's rapid growth, the concentration of media ownership seems to be inevitable, as has become evident in this research. Conglomeration has characterised the development of the media industry in Indonesia, leaving the audience as mere consumers rather than rights-bearing citizens. The implications of such developments are twofold: firstly, it endangers the public role of the media; and secondly, it deliberately renders citizens insignificant in shaping the workings of the media.

The media play a pivotal role in our contemporary public life. Even etymologically, the media constitutes the *locus publicus* – a public sphere. However, as is perhaps the case in other countries, it appears that the media in Indonesia have become more and more driven by profit motives. Nonetheless, a closer look reveals that the media remain a contested sphere as various interest groups, from political and business to religious-fundamentalist blocs, fight for control and influence, though some are clearly more powerful than others. Capital accumulation seems to be controlling the media, allowing the industry to evade regulations and in turn strengthening media businesses through the acquisition of as many channels/companies as possible.

The growth of the media industry everywhere is closely attached to the political economy system (Mansell, 2004) – such is also the case in Indonesia. The changing political and economic situations in Indonesia also affect the dynamics of its media industry. Not only are the media nowadays being used as a channel for political interests, they have also become powerful business tools. In the media, the 'marriage' between politics and business can be seen very clearly. But where are the citizens in this picture? Do they exist in the first place? While the dynamics of politics regard citizens as voters, business

sees them as consumers. Both of these representations of the citizen are very blatantly reflected in our media today. The media no longer provide a space in which citizens can connect, reflect and engage. Do the media still bear their public character? With the influence of politics and business, do the media still function to mediate the public? How does the media industry grow and characterise the development of the Indonesian public – and the development of the society, if any?

These are the questions driving this study. In this report we map the landscape of the media industry in Indonesia, in our effort to understand how capital interests – across different time periods in the country – affect the public character of the media. It is not an easy task, since mapping the media industry requires not only knowledge and comprehension in unveiling the often-hidden business processes and negotiations, but also ability to make sense of business phenomena and pinpoint them with clarity. Despite these difficulties, we find this study challenging in two senses. Firstly, it has allowed us to uncover, if not scrutinise, the *publicness* of the 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 business practices in Indonesia. Secondly, while confirming the media's importance as the 'Fourth Estate' (Carlyle, 1840:392; Schultz, 1998:49) which plays the vital role of maturing society in an infant democracy, this research also identifies some problems and contradictions in that the media have now become a business platform and have hence abandoned their own social function.

In this report we focus on mapping the landscape of the media industry in Indonesia and its implications for citizens' rights to media content and infrastructure. We hold the assumption that while the media is central to the establishment of open, democratic, and informed citizenship, it is also vulnerable to the control of capital interests. What we look at here is the extent to which the industrialisation process of the media sector impacts upon the fulfilment of citizens' rights to media. This study itself is part of a research project on the media and citizens' rights which also maps the trajectory of media policy in Indonesia (Nugroho *et al.*, 2012), and uses case studies at the national level to investigate how a number of vulnerable citizens' groups in the country exercise their rights to media (Nugroho *et al.*, forthcoming). Certainly this study is not the first of its kind. There have been a number of pieces of research on the media industry in Indonesia in recent years, but few of these have systematically and thoroughly explained the dynamics of the media in Indonesia and shown empirically how the media have reached a crossroads between corporations and the public. This is our motivation in carrying out this research.

1.1. Why research the media industry? Background and rationale

At present, the content of all media channels in Indonesia has become very similar; diversity of information is disappearing as a result of the growing concentration of media ownership. Given that the ownership of media companies increasingly lies in the hands of those who are also politicians, the media exposure of some sensitive political issues tends to be controlled by these powerful groups. They take control of what can be seen, read or listened to by the citizen. The interest of the general public is not fully conveyed and the media controls the content of the public news. In other words, what is reported to the public as important depends on what those controlling the media consider to be important. Regulations of the media in Indonesia have also changed over time, reflecting the *realpolitik* of the country. Yet there are no specific rules to control media concentration. Broadcasting Law No. 32/2002, Article 18, stipulates that the cross-ownership of radio, television, and print media institutions must be limited, but it explains neither how such limitation will be enforced, nor the ways in which the ownership should be limited.

Since the *reformasi* of 1998, the media landscape in Indonesia has changed dramatically. For instance, prior to 1998, there were 279 print media companies and just five private television stations. Less than

a decade later, the numbers had doubled for private television broadcasters (excluding some 20 local television stations) and tripled for print media companies (Laksmi and Haryanto, 2007:53).

This might have been evidence of the impact of globalisation on the media, not just the associated growth of global advertising and improved communications technology that has facilitated cross-border operations and control but also the uniformity of content (Gabel and Bruner, 2003). The culture and ideology fostered in this globalisation process relate largely to the 'lifestyle' themes and goods and their acquisition, and they tend to weaken any sense of community helpful to civic life (Herman and Chomsky, 1988). This argument is worth examining in a context in which the media industry is growing; the focus of such an examination should be not only the growth itself and the media content which it produces, but also the ways in which the changing structure of media industry affects citizens.

We aim to map the landscape of Indonesia's media industry and portray it from a citizens' rights perspective, which greatly interests us (Berkhout et al., 2011). In this section we enhance and underline the rationale for the research. The media industry has been growing rapidly and has become a profit-oriented business, shaping public needs and interests in both contemporary and new ways with the help of advancing technology. However, this research does not focus on the media industry as a business; it seeks instead to build our understanding of the ways in which the media industry has reduced citizens' rights to those of mere consumers rather than enabling citizens to contribute to and shape the media. Nevertheless, there is little literature available that conceptualises citizens' media rights. As such we borrow from what UNESCO has conceptualised about citizens' rights to media (Joseph, 2005)¹ and use it to examine how these rights are exercised in three aspects of the current media industry landscape. These are; firstly, citizens' access to information; without which they will be excluded from the development and transformation of their own lives. Secondly, citizens' access to media infrastructure; without which access to information and other media content is impossible. Lastly, citizens' access to the means of influencing the regulatory framework, without which citizens will be left out of the decision-making process which affects their lives. We also extend the understanding of citizens' rights to include the perspectives on media ethics, media watch, access to information and information infrastructure, and discourse of the role of the media in society.

Why is the perspective of citizens' rights so important in mapping the media industry in Indonesia? This industry has naturally become a promising business. While this seems inevitable, the development shows that in Indonesia (and elsewhere in the world), the profit motive of the media industry has taken over its public character.

With its concentration in developed areas of the country and huge gaps in the least developed regions, media infrastructure remains unequally distributed. In addition, the public also suffers from low quality, non-educative content – without any other options. It is in this context that local television stations and community radio initiatives emerged as a response, spreading across the country in 2005-2008 (Nielsen, 2011b). The rise of community media seems to be a response to Bagdikian's (2004) theory that the major news media fail to deal systematically with the variety of compelling social needs of the entire population. Many needs remain hidden, obscured in the daily flood of other kinds of news. Community media have offered a way for the citizens to access more socially-oriented information which is of greater relevance to their activities and thus has a greater impact on their lives. However, even local media have now been targeted by the profit-driven industry, and big business groups have begun to buy them out to be part of their network. Examples which illustrate this development include *Jawa Pos National Network's* ownership of 20 local television stations throughout Indonesia, while *Sindo TV*, as part of *MNC Group*, has 17 local television stations; many other local television stations are partners of the larger groups.

1 See also <http://www.unesco.org/new/en/communication-and-information/flagship-project-activities/world-press-freedom-day/previous-celebrations/worldpressfreedomday200900/themes/empowering-citizenship-media-dialogue-and-education/>

The only space properly left to the public is probably the Internet. There are undeniably major changes in the scope and scale of new media supply and in the ways that our lives are mediated by digital technologies and services (Mansell, 2004). Indeed, advances in Internet technology have benefitted the media industry — but have also benefitted citizens. The Internet provides a public space of a kind which has not been created adequately by the media industry. However, there is one problem: access to Internet technology is not equally distributed. In Indonesia, as in other countries, the digital divide (Norris, 2001) is real. The infrastructure for the Internet, such as cable broadband and fibre optics — is concentrated on a handful of the country's islands, and many people still do not have access to it (Kominfo, 2010; 2011; Manggalanny, 2010). However, the Internet has become a new medium in which citizens can participate freely and exercise their media rights. Several social movements have even been initiated through and sustained by the Internet and social media, such as the case of the Prita Mulyasari movement which called for the mobilisation of aid in the aftermath of Mt. Merapi's eruption, among others (for more detailed account, consult Nugroho, 2011a). Indeed, media technology promises to be very beneficial for citizens, but only if a rights-based approach to new media policy is available (Mansell, 2001).

In this study we aim to explore the development of the media industry in Indonesia and the extent of its impact on citizens. To do this we gathered the empirical data accessible to us, primary and secondary, quantitative and qualitative. We then tried to give meaning to it and put it into the perspective of the political economy of the media industry.

As such, this research is intended not primarily as an academic exercise, but rather to help the wider public to gain a better understanding of the complexities of the media industry in the country. In particular we expect that the findings will inform the discourse of civil society groups and organisations in Indonesia and their attempts to strategise their links with the media groups. Ultimately, we hope this study can be useful for civil society in using the media to foster their civic activism.

1.2. Objectives

The purpose of this research is to comprehend the political economy of the media: the industry and its ownership, the distribution of infrastructure, the creation of content, and stakeholder engagement in the media industry which involves government, business and civil society. In particular, this study looks at the ways in which the changes in media business patterns take place; what factors influence the changes, and how these factors interrelate. As the media exist to channel information, we take a closer look at how the configuration of the media industry in Indonesia affects citizens' rights to media content. Finally, assuming that present trends continue, we aspire to see how the media industry business unfolds in the future and how this might impact on the fulfilment of citizens' media rights.

We approach the understanding of the nature and the role of the media using McLuhan's (1994) idea of distinguishing the medium from the message – and how this idea is adapted to portray the media in the new millennium (Levinson, 1999). In order to understand the political economy of mass media, our research will be guided by the framework which views the media as a propaganda tool in manufacturing consent (Herman and Chomsky, 1988), and the development of the media industry as creating a new monopoly (Bagdikian, 2004). With regard to new media, we use the framework offered by Mansell (2004), especially to understand how power works through the media. Lastly, the link between democracy and freedom of expression will be examined using the notion of "rich media-poor democracy" (McChesney, 1999).

In understanding citizens' rights to media we highlight three dimensions as briefly discussed earlier.

Firstly, the rights to access trustworthy information and access to the process of generating information, which is crucial for citizens if they are to make appropriate decisions on issues which affect their lives – including their participation and involvement in the decision-making processes in matters relating to their citizenship. However, the fulfilment of this right assumes the accomplishment of another right: access to infrastructure, which is important in a context such as Indonesia, where most of the media and telecommunications infrastructure is unequally distributed.

The final aspect concerns the right to access and to influence the media's regulatory framework, which is central to ensuring that the public policymaking process which regulates the media takes citizens into account.

1.3. Questions and research undertaken

This research aims to find the answers to these following questions:

How has the landscape of the media industry in Indonesia evolved over time? What conjunctions shape it today?

What factors and processes contribute to the shaping and construction of the media industry in Indonesia? How do those processes and factors interrelate with one another?

To what extent and in what ways has the development of the media industry in Indonesia characterised the ways in which civil society and citizens groups exercise their rights to media? What are the implications?

To answer the questions, a combination of methods and research instruments were used, combining secondary data collection (e.g. through a desk study to map the media industry landscape and a media corporation analysis to answer the first question) and primary data gathering (i.e. through in-depth interviews conducted to identify factors shaping the industry and the extent of the exercise of citizens' rights to media in response to the second and third questions), which took place between July and December 2011. In the inception phase we analysed secondary data and sourced statistics, news and reports. We then moved forward by conducting a series of primary data-gathering interviews to provide us with detailed, nuanced, and insightful stories. Chapter Three will elaborate our methods in more detail.

1.4. Understanding the dynamics of the media industry in Indonesia: A preview

The media industry in Indonesia has been growing since the late 1980s when some non-journalists began to own press industries, for example *Golkar Party*, a political party which established *Suara Karya*; Harmoko (the then Minister of Information) who bought *Pos Kota*, and B.J. Habibie (the then Minister for

Research and Technology) who bought *Republika*.

At the time, the government of Indonesia under Soeharto's presidency (also known as the *New Order* administration) controlled the media with a strong grip while making money out of it. Regulation of the media was so strict that the press found it hard to criticise the government. Several newspapers were banned, some of them more than once. For example, *Tempo Magazine* was banned twice, in 1982 and 1994, and its publication permit revoked. *Tempo* was not the only one; several other newspapers and magazines experienced the same fate.

In 1998, along with the fall of Soeharto and the *reformasi* new rules and regulation of the media came out. Press industries were emerging, but in the course of the industry's development few of them have survived. The reform era that brought liberalisation of the economy also brought changes to the media industry landscape in Indonesia. Several landmark changes are briefly presented here; we discuss them in more detail in the later sections of the report.

Firstly, in the big picture, as a response to the very recent wave of media convergence, it perhaps seems natural to see media companies competing to have all forms of media under one roof and under their control: broadcasting, print, and online media. Mergers and acquisitions have taken place in order to gather different media channels into one group. Laws and regulation seem to be toothless in controlling the expansion of the industry as such. This is the picture that briefly represents what is going on in the Indonesian media landscape today. To give some examples: *TV7*, which was established by *Kompas Gramedia Group* in 2000, were acquired by *CT Group* (previously *Para Group*) in 2006; *Lativi*, which was formed by the former Minister of Labour and Workforce (Abdul Latief) in 2002, was taken over by *Bakrie Group* and changed its name to *tvOne*. Since then, mergers and acquisitions have been seen as a strategy by which any media group can take over TV stations, radio stations, newspaper and magazines. From a business point of view this process is allowed, nonetheless these mergers and acquisitions have violated the regulations of Broadcasting Law No. 32/2002.²

Secondly, a careful look at this landscape will quickly expose the acceleration of conglomeration in the Indonesian media industry. Nowadays, 12 big media groups control most channels in Indonesia. Most of these have also other, property-related business, such as *Kompas Group*, which has a convention centre property business, and *CT Group*, which also owns *Banking* business and *Trans Property* business. Moreover, since the owners of these media groups are also politicians, they will benefit from their own media and use them to steer public opinion in their favour. The obvious examples here are Surya Paloh, owner of *Media Group* (Metro TV and Media Indonesia newspaper) and Aburizal Bakrie, who owns *Viva group*. Their own media have helped them shape public opinion for the benefit of their interests in a way perhaps explainable by the 'Hypodermic Needle Theory' (Croteau and Hoynes, 1997)³. Other TV stations use ratings to produce their content, which results in content duplication across the media. This demonstrates how the media business is now more of a profit-oriented business than a public good.

2 Forums and discussion about this case has been held between KPI (*Komisi Penyiaran Indonesia/Indonesian Broadcasting Commission*), KPPU (*Komisi Pengawas Persaingan Usaha/Commission for the Supervision of Business Competition*) and Bapepam-LK (*Badan Pengawas Pasar Modal dan Lembaga Keuangan/Supervisory Body for Capital Market and Financial Institutions*). Despite the debate, mergers and acquisitions keep happening: creating conglomeration in media industry.

3 The theory argues that the media 'injects' the content into the passive audience, which is then immediately affected. The assumption here is that the public as audience have no power to escape from the media's influence. This model views the public as vulnerable to the messages targeted at them due to the limited access to communication tools and content (Croteau and Hoynes, 1997). Although this theory is actually not as widely accepted by scholars as indicated, it may hold true in the Indonesian context.

Thirdly, as a result of this convergence, local media have become the most effective alternative means of providing citizens with information that is relevant to them and of salvaging the media's role as a public good. In the development process, however, they have found it difficult to survive amidst the competition with bigger media groups. As a matter of fact, these bigger media groups have also bought up the local media. At present, *Sindo TV* – a part of MNC Group – controls 19 local television stations and *Jawa Pos News Network* operates 120 local television stations throughout Indonesia. Such acquisitions are justified as preparations for the Network Broadcasting (*siaran berjaringan*) scheme⁴ as mandated by Broadcasting Law No 32/2002, which promotes diversity of content, but instead they are being used by media conglomerates for the opposite purpose. Consequently, the last resort for citizens seems to be community radio. According to JRKI (*Jaringan Radio Komunitas Indonesia* or Indonesian Community Radio Network), in 2009 there were 372 of community radio stations located in 18 provinces.⁵

However, these community initiatives are also hampered by a number of problems, from organisational survival to human resources – and on top of these, they face difficulties in getting official permission to broadcast.

Fourthly, the rapid adoption of the Internet has changed both the workings of the media industry and citizens' strategies for engagement. Online media have developed rapidly over the past few years. Among many, *detik.com* (now owned by CT Group) and *vivanews.com* (part of *Bakrie's Viva Group*) are the major Internet resources at the moment in addition to the establishment of major online versions of daily newspapers and magazines such as *Kompas*, *Republika*, *The Jakarta Post* and *Tempo*. As result of this massive move to online media print media circulation has not shown any significant increase in the last few years, while the large media groups are recording a high number of 'hits' on their online channels. On reflection, the growth of online media seems to be closely related to the 'mobilisation of society', i.e. facilitating social interaction via mobile phones. Yet, the imminent problem here is unequal access to the Internet infrastructure in Indonesia, which is concentrated in big cities in Java and Sumatra.

Lastly, we have now arrived at a situation where the role and position of citizens in the Indonesian media sector have probably been completely undermined. With the media merely following business logic and profit motives, citizens no longer feature in the sector; what is left before the media industry is consumers. This has serious implications: on the one hand, the media no longer serve their purpose of providing and creating a 'public sphere' which is central to the development of democratic and civilised society (after Habermas, 1984; 1989). On the other hand, as a result, the *publicness* of the media disappears; leaving them without a *raison d'être* – which is a tragedy for our society.

It is within these contexts that preserving the public character of the media (as implied in the role of media as the 'Fourth Estate' in modern society, suggested by Carlyle, 1840:392; Schultz, 1998:49) becomes a crucial agenda not only for the state, but also for society. The public needs to actively engage in the development of the media mainly and precisely because the media shapes and constructs most, if not all, of the societal aspects in our shared life. It is therefore imperative that citizens take part in shaping the workings of the media and its content. They need to be cautious of not only how the industry expands, but also of how these developments implicate the quality of the media channels and the journalists. And, more importantly, the public has to have a say on the quality of the media content. What is desperately needed here is the 'civilising media', i.e. media whose content educates and elevates the level of public civility, rather than the media that 'dumb down' their audiences for the sake of profit, ratings, and their owner's interests.

4 The Network Broadcasting scheme requires broadcasters with national coverage to relinquish the use of their allocated frequency in their coverage areas to local broadcasters. If the broadcasters located in the capital city (Jakarta) want 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.

5 See <http://jabar.tribunnews.com/read/artikel/53399> last accessed 12/12/2011

The media can civilise and democratise society if and only if they retain their function to mediate the public. Otherwise, our own future civilisation is at risk.

1.5. Structure of the report

We have briefly presented the dynamics of the media industry in *Chapter One*. Following this, *Chapter Two* provides some theoretical perspectives and lenses necessary to view and understand the political economy of the media and how it implicates citizens and citizens' rights. Then, *Chapter Three* outlines the approach and methods used in this study to collect the data and methods of analysis, along with their limitations. *Chapter Four* and the following chapters present the empirical data. We start by showing the dynamics of the media in Indonesia, taking into account the history and development of the media industry, outlining its ups and downs, and the issues underpinning the media as an industrial sector. *Chapter Five* then reveals the ways in which capital interest drives the development of each media sector respectively: television, radio, and print media, including local and community media. Meanwhile, the rise of online media and its development into what is acknowledged to be one of the most reliable media is explained in *Chapter Six*. *Chapter Seven* continues by discussing the most recent and influential trend of media convergence and digitalisation and its consequences for the media industry and citizens. *Chapter Eight* concludes and offers some implications and points of actions.

2. Understanding the dynamics of the media industry: A political economic perspective

2. Understanding the dynamics of the media industry: A political economic perspective

The [growth of the] number of media companies shows the breadth of the media and [the increasing] the role of the media [in society]. The owner of a media company is no longer the journalist, but business people. The character of businessmen is to invest as much as they can; this is the reason why the media are producing more and more products, so that when one experiences profit-loss, the other could still be profitable. This grouping of media companies is inevitable.
(A. Armando, interview, 27/10/2011)

Since Johannes Gutenberg invented the printing press in 1436, technological advances have always characterised the development of the media. However, technology is not the only factor which shapes the media. Other factors significant to the progress of the media are politics and economic motives, which operate in the background of media development. Fuelled by ICT innovations, the media have now become a powerful industry and tools of what Herman and Chomsky term as 'manufacturing public consent' (1988) – putting economic and political interests ahead of their social and public function. In this picture, citizens and their rights are marginalised.

However, a closer look at the workings of the media sector reveals that even economic motives and political interests do not always work in accord. In fact, they never do. By essence the media comprise a contested arena which is fought over by a number of interest groups: business, politics, religion, and tribal-communal groups, among many others. However, some contenders are more powerful than others, and they shape the contestation. This is what we are seeing in Indonesia today: whilst becoming more and more commercialised, the media are at the same time highly politicised. This is why it is important to understand the political economy of the media industry, in order to reveal the ways in which different kinds of power are embedded in media practices and how this influences the lives of citizens. Moreover, this analysis can be used to expose the role of capital, organisation and control in the media industry, and also to demonstrate the extent to which the media are protected only to enable a free political system to operate (Bagdikian, 2004).

We now briefly lay down some political economic perspectives on the media in order to help us understand the complexities of the empirical data on the Indonesian media. We do not aim to be exhaustive or to provide a complete, thorough critical literature review. Rather, we aim to give sketches of some theoretical perspectives that can be used to explain the intricacy of the media industry and without which it will be difficult to understand the power relations involved in it.

2.1. The media: Striving to guard the res publica

The term 'media' is a Latin word (singular: *medium*) which means something 'in between', or 'appear publicly', or 'belonging to the public' – a *locus publicus*, public space. As such, the nature of the media cannot be separated from the connection between the private and the public spheres. The media mediate these two areas in order to create or to find possibilities (or impossibilities) for moving towards

a shared life⁶. In this sense, what constitutes the media spans quite widely from physical arenas such as the court, plaza, theatre and meeting venues, to television, newspapers, radio, and other spaces for social interaction. As such the media play a central role in the development of our society, and consequently become contested. Controlling the media has become more and more synonymous with controlling the public in terms of discourse, interest, and even taste (Curran, 1991). The basic tenets of the media, both physical and non-physical, have shifted from being a medium and mediator of the public sphere that enables the critical engagement of citizens (Habermas, 1984; 1987; 1989), to being tools for power to ‘manufacture consent’ (Herman and Chomsky, 1988). This notion is important to understand the dynamics of the media today – particularly mass media in any form.

The media and access to information are central to the development of society. The media are supposed to provide a space in which the public can freely interact and engage over matters of public concern – the *res publica*. Using Habermas’ term, it is the creation of the ‘public sphere’ (Habermas, 1989; 2006) that not only makes the media so pivotal, but also makes public engagement so instrumental in today’s democracy, where freedom of expression is eminent. In linking what is public and what is private, what matters is a network for communicating information and points of view. With the power of the media, private ideas can eventually and quickly become public opinion.

This is central not only to understanding how public rationality is ‘manufactured’, and that there should be more careful attention paid to the border between the private sphere and the public sphere; 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 other members of society at large.

In a similar vein and related to Habermas’ theory, McLuhan (1964) coined the idea of the ‘global village’, in which he argues that indirect representative government is necessary because the affairs of state and society are altogether too numerous, too complicated, and too obscure in their effects to be comprehended by private citizens.⁷ Here, what McLuhan refers to as ‘indirect representative government’ is in fact the emerging media technology which allows everyone to sit in their living rooms watching the news on television, or listening to the radio at the same time. In McLuhan’s view, the new ‘village’ is the world that has shrunk as an effect of the powerful (broadcast) media.⁸ Powerful media as such do not only contract the global world and make it accessible locally, but also create a new form of participation in which anyone can be involved in any global issue thanks to the global spread of information. Through media channels, what is local can now quickly become global; likewise, what used to be applicable at the global level can now be adopted locally. Such is the story of democracy. The media are praised as the champions of spreading democracy to the farthest corner of the world (e.g. Castells, 2010; Mansell, 2004). But, the media spread of democracy is not without problems.

According to Lippmann (1922), one of the basic problems of the media in a democracy is the accuracy of news and protection of sources. To Lippmann, this problem arises from the expectation that the media (press) can make up for or correct deficiencies in the theory of democracy. Here, the media (newspapers) are regarded by democrats as a panacea for their own defects, whereas analysis of the nature of news and of the economic basis of journalism seems to show that the newspapers necessarily and inevitably reflect, and therefore, in greater or lesser measure, intensify, the defective organisation of public opinion. Furthermore, Lippmann (1922) stipulates that the media’s role in democracy has still not achieved what is expected of it, and that the ‘creation of consent’ still exists:

6 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.

7 The statement is from Walter Lippmann’s *The Phantom Public* (Lippmann, 1927), cited in Levinson (1999:72).

8 McLuhan emphasized broadcast media because the book was written in 1970 - the era in which broadcast media were emerging.

The creation of consent is not a new art. It is a very old one; which was supposed to have died out with the appearance of democracy. But it has not died out. It has, in fact, improved enormously in technic, because it is now based on analysis rather than on rule of thumb. And so, as a result of psychological research, coupled with the modern means of communication, the practice of democracy has turned a corner. A revolution is taking place, infinitely more significant than any shifting of economic power (p.87).

The implications of this claim are that the media and the news have become a powerful tool in setting public opinion through propaganda. Lippmann continues:

Within the life of the generation now in control of affairs, persuasion has become a self-conscious art and a regular organ of popular government. Under the impact of propaganda, not necessarily in the sinister meaning of the word alone, the old constants of our thinking have become variables. (Lippmann, 1922:87)

Herman and Chomsky (1988) take on this issue. As a tool to mediate the private and the public, the media form a powerful means for propaganda due to their ability to manage public opinion. Although the function of the media is not solely to produce propaganda, it is a very important aspect of their overall services.

The “societal purpose” of the media is to inculcate and defend the economic, social, and political agenda of privileged groups that dominate the domestic society and the state. The media serves this purpose in many ways: through selection of topics, distribution of concerns, framing of issues, filtering of information, emphasis and tone, and by keeping debate within the bounds of acceptable premises (Herman and Chomsky, 1988:xi).

It seems that to Herman and Chomsky the media are always at risk of being manipulated and used by the ‘privileged groups’ which are more powerful than others in society. This is why public has to play a more central role in controlling the media, as suggested by Levinson (1999; who extends the argument of McLuhan, 1964):

Control of information by disparate individuals is better than its control by central authorities. Propaganda in heightened form may even be needed on some occasions. But we can recognize that in such instances we nonetheless are playing with fire, and seek better means to control it. (p.200)

Levinson is correct: controlling the media is the only way to preserve their public character. Yet it is not always easy. In fact, it is very difficult and nearly impossible for common people to control the media as they quickly become controlled by capital and work according to a profit logic rather than for the public interest. The emergence and advances of the Internet and new media have therefore come to be seen as a new alternative for citizens to create their own ‘public sphere’ – online. Through and on the Internet, the ‘new’ public sphere is created as an embodiment of citizens’ networks and relations.

The Internet has become a new medium in its very essence: providing space in which the public can engage freely and exercise their rights independent from the control of state and business. Networking has become a new norm in Internet-enabled citizens’ engagement. Now networking is not just a medium, but it has become a locus of power for transformation.

Because of the power of this new network, Mansell (2001) argues that it is essential to move beyond the concerns about issues such as technological access and social exclusion, and instead to link the discussions about the new media and the power of networks with discussions about human rights, entitlements and social development. New media can indeed help create a new form of democracy, a new form of *res publica*; but with business and political interests contesting their control, we need an accountable set of policies that ensures this new media retains its 'public character'. One of many reasons for this is that with the advances in new technology, the boundary between the medium and the message has now become more blurred than ever, the consequences of which very possibly need serious rethinking.

2.2. The medium and the message: Inseparable duo

Our understanding that "the medium is the message" in today's media realm can be traced back to McLuhan's seminal, but once-ignored, work, *'Understanding Media: The extensions of man'* (McLuhan, 1964). Using a light bulb as an example, McLuhan showed that it is the embedded properties of the light bulb that enable people to create 'spaces', which otherwise would be confined by darkness. He argued that this is how we should perceive our media. Just like the light bulb which does not have 'content' helps people to create 'spaces' in the darkness, a medium such as newspapers or television in itself has a social effect, independent of its content (McLuhan, 1964:8). While in the past the medium could easily be distinguished from the message (content), with many media becoming more widely available, content is no longer the message – instead, the medium is. As the 'extension of man', McLuhan argued, the medium now shapes and controls the scale and form of human association and action, not by the content delivered over the medium, but by the characteristics of the medium itself.

The content or uses of such media are as diverse as they are ineffectual in shaping the form of human association. Indeed, it is only too typical that the "content" of any medium blinds us to the character of the medium.(McLuhan, 1964:9)

McLuhan's idea is useful for looking at and understanding the transformation and evolution of the media alongside the transformation of the society upon which they have an impact.

From the telegraph to print media and now the Internet, human behaviour in processing information is also changing. Using McLuhan's framework, we can see how societal changes and the development of technology affect the development of the media, which in turn also affects the society. The progress of the media is a 'function' of technology: technological progress has been transforming the media (including how the message is conveyed), which in turn transforms society – for better or worse. Hence, central to McLuhan's theory are these four main linked concerns (Levinson, 1999:189): (i) the aspect of society or human life the medium enhances or amplifies; (ii) the aspects which were in favour or high prominence prior to the arrival of the medium in question which the medium then eclipses or renders obsolescent; (iii) what the medium retrieves or pulls back into centre stage from the shadows of obsolescence; and (iv) what the medium reverses or flips into when it has run its course or been developed to its fullest potential. The effects of these four core concerns,

... are rarely singular. Instead, given media usually enhance, obsolesce, retrieve, and reverse into many things. Further, more than one medium may enhance, obsolesce, retrieve, or reverse into the same thing. (Levinson, 1999:190)

We can see how this occurs by considering particular media. The appearance of radio somewhat superseded print as a medium in that radio vastly amplifies information at a single point in time to a mass audience. The same process applies to the next medium, television, which came with not just audio, but also visual, transmission, giving people audio-visual information that consequently superseded radio. In fact, television also supersedes the movie-theatre as people can watch various programmes without having to leave home. The Internet, too, has emerged as a new medium as a result of developing technology and therefore – if we see it through McLuhan’s lens – supersedes television⁹. Such a trajectory not only reflects the transformation of technology in society, but also the transformation of the audience experience of the medium. This reflects McLuhan’s suggestion that each medium “adds itself on to what we already are”, making real the “amputations and extensions” to our senses and physicalities, giving them in a new form (McLuhan, 1964:11).

As the medium progresses through a degree of ‘path dependence,’ the impact of each medium is somewhat limited by the previous social condition in which it was situated, adds to itself, and amplifies the existing process. This explains why different societies are transformed differently by the same media. While the effect of a medium on society is significant, it is impossible to understand the working mechanism unless the discernment of the ‘principles and lines of force’ of a medium (or structure) is made. And to McLuhan (1964) this can only be done by standing aside and being detached from the medium, precisely because the medium is so powerful that it can impose ‘assumptions, bias, and values’ (p.15) on unsuspecting audiences. Therefore, taking a detached position enables us to predict and control the effects of the medium.

Our conventional response to all media, namely that it is how they are used that counts, is the numb stance of the technological idiot. For the “content” of a medium is like the juicy piece of meat carried by the burglar to distract the watchdog of the mind.(p. 18)

Clearly, the media continually shape and reshape the way in which individuals, societies, and cultures learn, perceive, and understand the world. Therefore the importance of media studies, to McLuhan, is to make visible what is invisible: that is, to pinpoint the effects of the media technologies underpinning societal changes, rather than merely analysing the messages they convey. Because, to him, a characteristic of every medium is that its content is always another medium (McLuhan, 1964:8-9). In addition,

The effects of technology do not occur at the level of opinions or concepts, but alter sense ratios or patterns of perception steadily and without any resistance. (McLuhan, 1964:18)

In our capitalistic world today, what McLuhan suggests resonates well when we think of the current practices of the media as an industry and as a sector of society. The media have become an arena for power struggles, since those who control the medium will clearly have the power to control the content. What is crucial here is that while the essence of the media cannot be separated from technological progress, the media – as the extension of man — transforms human senses and rationalities in a particular way, and modifies how societies work. This might have never been so apparent as it is today: the progress of the media has transformed our society into an ‘information-thirsty’ society (Castells, 2010). This has given birth to the ‘bad news is good news’ mentality in the media industry. Providing society with ‘civilising content’ has never been the intention of today’s media; rather, the accumulation of profit and the wider adoption of media technology form their motivation, since the media have become an extension of mass production:

However, the diversification of the media, because of the conditions of their corporate

⁹ However, we need to be careful here that ‘supersede’ here does not necessarily mean ‘replace’. The birth of the Internet never replaced television as television never did to radio. Yet, both television and radio were transformed with the birth of the Internet.

and institutional control, did not transform the unidirectional logic of their message, nor truly allow the audience's feedback except in the most primitive form of market reaction. It was, and still is, the extension of mass production (Castells, 2010:368).

Since the media have become an extension of mass production, they are controlled by actors involved in that production.

As Castells continues:

Only very powerful groups resulting from alliances between media companies, communication operators, Internet service providers and computer companies, will be in a position to master the economic and political resources necessary for the diffusion of multimedia (Castells, 2010:397).

With the advancement of technology, Castells noted that all messages become enclosed in the medium because the medium has "... become so comprehensive, so diversified, so malleable that it absorbs in the same multimedia text the whole human experience, past, present, and future" (Castells, 2010:404)

The understanding that 'the medium *is* the message' does not undermine the discussion about the content (message). In fact, it makes the analysis of media content more relevant, firstly because content is always another medium (McLuhan, 1964:8-9), and secondly because content matters in the construction of consent.

2.3. Manufacturing content, manufacturing consent

Edward S. Herman and Noam Chomsky in their book '*Manufacturing Consent*' (Herman and Chomsky, 1988) suggest that the way in which the consent of citizens is being 'manufactured' through the media content amounts to propaganda. Using the case of the US media, they provide an analytical framework that attempts to explain the performance of the media in terms of the basic institutional structures and relationships within which they operate. Despite its focus on the US case, the perspective offered by Herman and Chomsky can also be used to explain the way in which the media work elsewhere, including Indonesia.

To Herman and Chomsky, the media serve and propagandise on behalf of the powerful societal interests that control and finance them (Herman and Chomsky, 1988:xi). Media corporations, be they print, radio, or television, are business entities subject to business competition for profit. As such, the distortion in their contents and how they are presented is a consequence of the profit motive, which necessitates a stable, profitable media business. They found that in order to succeed, the media need to favour profit over public interest; otherwise they will be relegated to the margins of their markets (in terms of low sales and ratings). Therefore bias is inevitable in the media; it is even deliberate and includes favouring government and corporate policies when constructing content (particularly news) and distributing it to the audience.

Many of the large media companies are fully integrated into the market, and for the others, too, the pressures of stockholders, directors, and bankers to focus on the bottom line are powerful... This has encouraged the entry of speculators and increased the pressure and temptation to focus more intensively on profitability (Herman and Chomsky, 1988:5).

Herman and Chomsky further detail the process by which media bias becomes established. It arises, they suggest, from the pre-selection of right-thinking people, internalized preconceptions, and the adaptation of personnel to the constraints of a series of objective filters they present in their propaganda model. Hence, the bias occurs largely through self-censorship (p. ix). Here, the debate within the dominant media is limited to 'responsible' opinions acceptable to some segment of the elite. On issues where the elite are in general consensus, the media will always toe the line. No dissent will then be countenanced, let alone acknowledged, except when necessary for ridicule or derision.¹⁰

The national media typically target and serve elite opinion; groups that, on the one hand, provide an optimal 'profile' for advertising purposes, and, on the other, play a role in decision-making in the private and public spheres. The national media would be failing to meet their elite audience's needs if they did not present a tolerably realistic portrayal of the world. But their 'societal purpose' also requires that the media's interpretation of the world reflects the interests and concerns of the sellers, the buyers, and the governmental and private institutions dominated by these groups (p. 303).

With the problem of bias inherent in the media as such, 'media as propaganda' seems to be a natural outcome. However, Herman and Chomsky suggest that there are five filters which create the 'propaganda model' of the media. One, the high concentration of *ownership* of the media among a small number of for-profit corporations. Their need for profits severely influences the news operations and overall content of the media. Two, *advertising* – as a major source of the media's income, the political prejudices and economic desires of those who advertise must be served. Three, *sourcing* – the mass media are drawn into a symbiotic relationship with powerful sources of information by economic necessity and reciprocity of interest. Four, *flak and the enforcers* – flak here refers to negative responses to a media statement or programme, organised by powerful influence groups. From a different perspective, flak and the enforcers can be used to advocate citizens' agendas through the media. Lastly, *anticommunism* – the anticommunism control mechanism reaches through the system to exercise a profound influence on the mass media. In most cases of anticommunism in the world, it is the mass media that identify, create, and push such cases into the limelight. Therefore the ideology and religion of anticommunism is a potent filter. Since the end of the Cold War, the term 'anticommunism' has been replaced by 'war on terror' as a major social control. These filters allow the government and dominant private interests to get their messages across to the public.

The elite domination of the media and marginalization of dissidents that results from the operation of these filters occurs so naturally that media news people, frequently operating with complete integrity and goodwill, are able to convince themselves that they choose and interpret the news "objectively" and on the basis of professional news values. Within the limits of the filter constraints they often are objective; the constraints are so powerful, and are built into the system in such a fundamental way, that alternative bases of news choices are hardly imaginable. (p.2)

In sum, indeed, the media have now developed into a powerful means for propaganda. As Levinson (1999) argues, with the media we are only telling a part of the story. We are advertising just the part that we think will attract most of the attention (p.201), but actually we leave the rest to reside outside our control. This seemingly uncontrolled part is in fact controlled by media business owners. The more media canals under the control of a single owner, the more effectively the group can be used for propaganda. Therefore, media concentration is never a new phenomenon; it was previously known as

¹⁰ See 'The Political Economy of the Mass Media'. Edward S. Hermann interviewed by Robert W. McChesney. Monthly review. 1989. <http://www.chomsky.info/onchomsky/198901--.htm>

horizontal integration in the media business: an attempt to bring together as many canals as possible under the control of the same business group. The ultimate form of this integration, if it continues, is monopoly (McChesney 2004:16), with which the total control of the media, as both the medium and the content/message, will be made possible.

Here, the understanding of the political economy of the media industry is central, not only to reveal how power relations in the media industry work and construct the configuration of media ownership and control, but more importantly to prevent total monopoly of the media, which would annul their social function and cause them to lose their *raison d'être*. For the particular purpose of this study, such understanding will also help shed light on giving meaning to the complex empirical data on the contemporary media industry in Indonesia that we gathered during this research.

2.4. The political economy of the media industry: A framework for investigation

Having discussed some main perspectives above, we now put them together in a simple framework to investigate the political economy of the media in Indonesia. There are a number of particular dimensions of investigation which need particular perspectives. Firstly, we use the propaganda model proposed by Herman and Chomsky (1988) and Bagdikian (2004) to analyse the dynamics of the media industry and the formation of media content. In particular we focus our analysis on finding an explanation for the tension between the development of the public sphere and the contestation over its control. With the concentration of the media being more apparent than ever, the fight is not just about the sphere, but also about manufacturing the content, as this is the lethal weapon with which audience consent is constructed. To enrich the discussion we also consult other relevant perspectives (Lippmann, 1922; McChesney, 1999; McLuhan, 1964) particularly to elaborate on the link between the media industry, public space and democracy.

Secondly, we borrow Mansell's idea concerning the link between power and new media (Mansell, 2001; 2004) to explain the current political economy settings in the development of the media industry in Indonesia. It seems that the political economy dynamics in the country have become one of the biggest influences in the changing media industry landscape. Thirdly, the analysis in this research revolves in large part around the notion of the media as a powerful tool to shape public opinion.

We use Herman and Chomsky's idea (1988) to complement Mansell's framework (2001; 2004), which allows us to have a closer look at how the liberalisation of the economy has boosted the growth of the media industry, conglomeration in the industry and the power of new media.

Fourthly, we learn that the 1998 *reformasi* has significantly affected the media sector, which grew at an unprecedented rate, partly as a result of press freedom and the democratisation that also allowed the market sector to blossom. Yet we know that the link between the two –media and democracy—cannot just be taken for granted. Here we use McChesney's idea (1999) to see how it evolved over time and how it now impacts upon society in the heightened period of the transition to democracy. Likewise, we also see the shift of control in the media, from being under the state's tight control to being under business control – both in terms of the media infrastructure and media content. While the notion of the media as a means to impose content (i.e. propaganda) can be explained using Herman and Chomsky's (1988) model, we are also interested to see how the control of the medium has transformed and affected the societal context in which the media work. McLuhan's (1964) model will be referred to, to help us understand our empirical findings on this issue.

Finally, we also need to address the latest developments in the Internet and new media that have

transformed the face of the media sector in Indonesia. Such a phenomenon can be seen as a ‘trajectory of obsolescing’ (as in McLuhan, 1964) in that the new medium is expanding and supersedes the previous one; and as such, the advent of the new medium itself affects the behaviour of society towards information. Yet we also want to address how the advent of these new media technologies has brought about a new form of democracy (or lack thereof). In particular, it is not just to see the new medium as a new message (again, as in McLuhan, 1964), but to understand the extent to which it provides spaces for the public to express their thoughts and to engage in democratic communication (Habermas, 1984; 1987; 1989). This is central in our quest since the public sphere is a *conditio sine qua non* for the healthy democratic society that all societies idealise. Only with a working public sphere can citizens network and challenge any exercise of power that works against the public interest (Mansell, 2001; 2004).

In the end, we want this report to be accessible and to have an impact on wider society, particularly on civil society groups, to enable civic-driven change (Berkhout et al., 2011) in the media sector in Indonesia. Hence, our aim is to prepare this report in an easily-understood and user-friendly format without losing its depth in the discussion and breadth of the crucial data being presented here.

2.5. The media industry in Indonesia: Some previous studies

Before we present our own research on the landscape of the media industry in Indonesia, we feel obliged to briefly recall some previous studies on the same, similar, or related topics. This is important not just to avoid ‘reinventing the wheel’ but more so to help us situate our research within the existing work. However, after a careful search, we found that research which thoroughly and specifically looks at the dynamics of the media industry in Indonesia, and subsequently offers deep analysis, is sparse, if not non-existent. What we have to hand are some studies, academic and non-academic, which attempt to portray the Indonesian media sector from different but unconnected perspectives. As a result, while we have some anecdotal cases, it is quite difficult to build a comprehensive view of the development of the media sector in the country from the existing literature. This is perfectly understandable, as being in an infant democracy the media are in constant flux. Hence, we intend neither to critique nor to build a comprehensive analysis linking these previous related studies, but rather use them to position this study in the context.

We first describe a series of in-depth reports very recently published by *Satu Dunia* (One World), a Civil Society Organisation (CSO) working on ICT and media issues, on the development of the media industry in Indonesia. These reports try to look at media conglomeration and cross-ownership and how citizens are being co-opted in the present structure of the media industry (Cahyadi, 2011a; 2011b; Surbakti, 2011). Taking the contexts of the capitalisation and conglomeration of the media in Indonesia, these reports also highlight the absence of the state in regulating the media sector. Providing an opportunity for other CSOs to engage in the discussion of the media industry in Indonesia, there are plenty of aspects in this report that we can use to further elaborate our own research.

The second piece of research is David T. Hill and Krishna Sen’s *Media, Culture and Politics in Indonesia* (Hill and Sen, 2000). This is the first, and probably the most often cited, study on the Indonesian media post-*reformasi* 1998. In the aftermath of the Soeharto regime, this book reflects what was going on in the press, mainstream media and popular culture in Indonesia during the New Order period, when the authoritarian regime opposed press freedom. As a contribution to this study, Hill and Sen provide a quite comprehensive account of the development of the media in Indonesia from their early days to the post reformation era.

Another international publication that informs our research is a paper by Amelia Arsenault and Manuell

Castells, i.e. *The Structure and Dynamics of Global Multi-Media Business Networks* (Arsenault and Castells, 2008). Although not specifically discussing Indonesia, this paper provides some insights on how the media industry has developed a new business structure and how these media corporations are linked globally. More importantly, this paper presents a fairly detailed account of how the global network of media networks emerge, what impact this network has on the global media, and how the digital and multimedia maze affects citizens.

Finally, we are aware that the Indonesian Alliance of Independent Journalist AJI (*Aliansi Jurnalis Independen*) annually publishes their report on the dynamics of the press and media in Indonesia (e.g. AJI, 2009, published annually). These reports address specific concerns regarding press freedom from the journalists' point of view (e.g. Manan, 2010 in the annual report). AJI's reports have given much insight on how the press community have to face the problems that come both from the industry/business side and from the government side. Apart from AJI and *SatuDunia*, there are very few Indonesian CSOs, if any, that have researched and reported on the dynamics of the country's media industry – let alone that link it to citizens' rights. We see this, however, as an opportunity for us to fill this gap.

Having briefly scanned the studies above, we are aware that this report does not offer a completely new avenue of research – apart from, perhaps, the updated data on the Indonesian media industry. Rather, we extend the argument of these previous pieces of research by employing an alternative perspective, i.e. citizens' rights to media. Departing from Joseph (2005), we focus on three aspects of these rights in this research: (i) the right to access media infrastructure; (ii) the right to access trustworthy media content; and (iii) the right to access to the media policymaking processes¹¹. While this perspective is very relevant to an understanding of the dynamics of the media industry in Indonesia, it is nonetheless rarely used.

Before presenting our findings, we first outline our methods.

11 Of course, while the need to come up with these three perspectives is more practice-driven (rather than theory-driven) due to our (the authors') experience in practical engagement with the media sector, we try not to neglect other similar concerns. For example, what UNESCO has also pioneered: See <http://www.unesco.org/new/en/communication-and-information/flagship-project-activities/world-press-freedom-day/previous-celebrations/worldpressfreedomday200900/themes/empowering-citizenship-media-dialogue-and-education/>

3. Researching the media industry in Indonesia: Methods and data

3. Researching the media industry in Indonesia: Methods and data

[About difficulties in getting data in Indonesia] In my opinion, I think we still follow a traditional culture in our way of thinking. The ways we do something are still very traditional, [i.e.] using the same thing from generation to generation. We are doing something [for our society] not based on the facts, written facts and real facts.
(Kanaka Hidayat, Indonesian Telematics Society, interview, 13/12/2011)

The statement by Kanaka Hidayat quoted above (despite the context) reflects the methodological issue that we have faced in our research. Entering the realm of the media industry is like entering a labyrinth of data, yet finding very few data that are usable for the analysis. Indeed, from the inception stage of this study we anticipated that it would not be easy to get the data required to portray the media landscape in Indonesia, and our anticipation seems to have proved correct. Firstly, published and publicly available data on the media industry in the country is rare; secondly, even if it is available (including by purchase), it is not directly useful for the purpose of this research.

We have therefore designed a rigorous yet practical methodology that would help us in sourcing valid data to provide a thorough portrayal of the media industry landscape in Indonesia and to build a conceptual explanation for it. As anticipated, the use of multiple instruments for data collection was inevitable in order to construct a research approach suitable for addressing the complexities of mapping the Indonesian media industry. We detail our research strategy briefly below.

3.1. Approach

In accordance with our aim to map the landscape of the media industry in Indonesia and to reveal how the industrialisation of the media unfolds, we found an interpretivist, qualitative approach (Denzin and Lincoln, 1994) to be the most suitable. Following Cassell and Symon (2004), using this approach allowed us to focus on the processes, mechanisms, and details of the development trajectory of the media industry in order to come up with some insights. Further, we were aiming to offer some explanations and meanings for our findings. Here, we were concerned with the contemporary settings of the media industry and factors that affect its development. As such, using an interpretivist-qualitative approach allowed us the necessary flexibility in data collection, since analysis of the media industry obviously involves complex stages, and gave space for our own reflections on the findings alongside the research process. Ultimately, and perhaps most importantly, a qualitative approach such as this supports the use of the 'insider's view' (Bryman and Bell, 2007), i.e. a phenomenon as perceived by the resource person, to be included in the analysis. This is important particularly to understand the inside mechanisms of how the media industry works.

We found that a qualitative approach was very useful when researching a complex subject – such as, in our case, the media industry and its dynamics — as it involves in-depth exploratory explanation. Some methodological literatures support this. A qualitative approach is useful when dealing with a research topic which needs to be approached using certain conceptual frameworks which are still developing (Creswell, 2003), or requires the combination of different theories (Cassell and Symon, 2004). In our case, we combined different theoretical perspectives on the political economy of the media (Herman and Chomsky, 1988; Mansell, 2001; 2004), and on media studies particularly to understand the workings of private media (Bagdikian, 2004; Herman and Chomsky, 1988; McChesney, 1999) and how they address future challenges such as media convergence (Lawson-Borders, 2006). The understanding of citizens' rights is built upon previous scholarly works (e.g. Benhabib, 2004; Janowitz, 1980; Joseph, 2005), particularly in the context of civil society in Indonesia and Southeast Asia (Bunnell, 1996; Eldridge, 1995; Ganie-Rochman, 2000; Hadiwinata, 2003; Warren, 2005).

Here we need to assert that context is of central importance in qualitative research: it is both unique and dynamic. On the one hand, it is powerful in building an explanation as well as giving meaning to findings. But on the other hand, it makes qualitative study difficult to replicate. Approaching the media industry research from a qualitative perspective, therefore, requires a thorough and detailed contextualisation, the reason for which is rather philosophical. As the qualitative approach dictates, we do not assume the existence of a single 'truth' somewhere 'out there' in reality waiting to be revealed.

Instead, truth – in our case: the landscape of the media industry — is subjective, depending on the understanding, meaning, and context embodied within it (Cassell and Symon, 2004). Our approach as sketched above is not at all meant to be excessive, but to ensure rigour, as we are very well aware that a different epistemology would certainly result in a different interpretation of the 'truth' of the same single reality (Cassell and Symon, 2004).

In turn, we now put the approach into action by detailing the choice of methods, data collection strategy and instruments.

3.2. Methods

The qualitative approach provides a rich array of methods for collecting data, from interview, focus groups, workshops, ethnography, observation, to documents/texts, among others (Cassell and Symon, 2004; Creswell, 2003). For the purpose of this research, we gathered the secondary data from desk research, and primary data from two types of interview: (i) in-depth semi-structured interviews and (ii) expert interviews known as Delphi interviews (Miles, 2002; Miles and Keenan, 2002).

Our secondary data collection through desk study was intended to capture the big picture, more macro accounts, of the dynamics of the media industry in Indonesia, hence to answer the first research question concerning the evolution of the media industry landscape in Indonesia. This included the history of the media in the country, the emerging media industry, the mapping of the actors of the media industry and CSO activities arising in response to the current media industry setting. We also sourced statistics and quantitative data, whenever possible, to enrich this qualitative account.

Our primary data source was the qualitative interviews that we conducted. This data was collected to answer the second and third research questions on the factors contributing to the shaping of the media industry, and the extent to which the development of the industry has characterised the exercise of citizens' rights to media. We conducted in-depth interviews with media practitioners and Delphi interviews with media experts in order to have a more detailed and nuanced understanding – and some insider stories — on the ways in which the media industry in Indonesia has developed. What we consider central here is not the notion of representativeness, but rather whether the subjects have

significant information or experience in their role (be they policymakers, media practitioners, business owners), or relevant expertise, considerations which are natural in qualitative research.

We devised our strategy and prepared the instruments to collect the data as outlined below.

3.3. Data collection strategy and instruments

There are at least four main aspects to our attempt to map the landscape of the media industry in Indonesia; these are (i) identifying the actors (media companies); (ii) determining the links between those actors; (iii) identifying the factors affecting these links; and (iv) carrying out the analysis of the media industry using the citizens' rights perspective. These are the aspects that we considered in our strategy when scanning the secondary data. As well as trying to find quantitative data on the growth of the media industry, we paid attention to its historical aspect and political economy context in order to retrieve the nuance of previous circumstances surrounding the media sector, both during the Old and New Order era (i.e. from Soekarno's to Soeharto's administration) and during the more contemporary period (i.e. from *reformasi* to today). These secondary data were mainly gathered through desk-study, both online and offline. As much as possible, we sourced the official data to enable valid citation, such as the Indonesian Central Bureau for Statistics (BPS), the Ministry of Research and Technology, and the Ministry of Communication and Informatics for the bigger picture of the media industry. We also purchased the data available commercially from MARS Research Specialist Indonesia to help us understand media consumption trends. Clearly, major newspapers and online resources were helped us to quickly source relevant articles and data for our research.

In order to understand the setting of the media industry over time (i.e. from *reformasi* until now) and put it into context, first-hand information was key and therefore had to be obtained. For this purpose, we held a number of interviews with actors involved in running media businesses (e.g. media practitioners, media business owners or executives). With these people, our interviews focused on finding answers to the following key issues/questions: (i) the ways in which the media industry might develop within the next five to ten years, and what aspects would play a significant role in that development; (ii) how the media industry deals with existing media policies and its policy impact; (iii) how the advances in technology characterise and shape the industry; (iv) the extent to which the media construct public news – including by means of censorship; and lastly, (v) how the media perceive citizen participation in the media and how they accommodate it in their media channel(s).

To generate a nuanced understanding of the dynamics of the media industry we also conducted Delphi interviews (Miles, 2002; Miles and Keenan, 2002) with a number of industry experts. These mostly comprised intellectuals/academics and some individuals from different sectors (government, business and civil society) with deep insights into the media industry in Indonesia.

In the Delphi interviews we addressed these following issues: first, we asked participants to confirm whether the pattern of media industry development amounts to concentration in the hands of a few powerful groups, and how this pattern evolved over time. Secondly, we asked for their understanding of the ways in which existing media policies regulate the development of media industry, particularly in addressing the issues of cross-ownership and concentration of ownership. Finally we probed for expert insights into the extent to which citizens' rights to media and their exercise are affected by the development of the media industry and technology today – which includes conglomeration in the media industry and the emergence of new and online media.

Naturally, we follow the common practice in rigorous qualitative research of processing the data generated from the collection phase (Cassell and Symon, 2004; Creswell, 2003; Denzin and Lincoln, 1994). In view of that, with the consent of our respondents we recorded all the interviews and transcribed

them for content analysis as a standardised practice. Please see Appendix 1 for the interview and Delphi protocols.

3.4. Limitations

Although we have endeavoured to ensure the validity of our research methods, we acknowledge some limitations. Firstly, most of the secondary data gathered from the official sources are outdated. For example: the data sourced from the Ministry of Research and Technology was last updated in 2008; the data available from APJII – the Association of the Indonesian Internet Service Providers — have not been updated since 2007. Recording research data has probably not been standard practice in Indonesia, but nonetheless the lack of current data was an issue for our research. In response to this limitation, we therefore used whatever official data was available to us, and where possible we have updated them using other sources.

Secondly, the limited scope of the available data leads to the problem of representativeness or integration. Even when the data is available – including through purchasing — it is limited in many senses, the most crucial of which is that the data is scattered. For example, even the data on media consumption which we purchased commercially from MARS Research Specialist, is drawn from a survey that was conducted in only 15 cities on the main islands in Indonesia. Of course, while this provides a picture of certain consumption pattern, it is still less than we initially expected. Similarly, the Central Bureau of Statistics (BPS) does not have integrated data on information technology and communication; such information are currently scattered in different survey databases such as *Survey Potensi Desa* (Village Potentials Survey) and *Survey Sosial Ekonomi Nasional/SUSENAS* (National Social Economy Survey).

Our take on this was, again, to use all data available and work out for ourselves how to integrate them into our analysis.

Lastly, since we are trying to cover all types of media within the industry, the coverage itself is already thorough. It includes broadcasting media, print media and community media. As such, what we focus on are the striking development within each type of media and the effects it has on citizens.

Therefore the depth of our analysis for each medium, as is presented in the following chapters, will vary: one media sector (broadcast media) is analysed in greater depth than the others. Despite the inevitable variation, we have tried our best to put each sector into perspective in our attempt to capture the dynamics of the media industry in Indonesia. As a final note here, what we have aimed for is not the generalisability of our results and findings. Rather, we aspire to present an in-depth, detailed, and thorough study at a national level which, hopefully, can inform a wider audience on the topic.

3.5. Data profile

As elaborated above, our data were gathered from both primary and secondary sources. For the primary data we interviewed twenty respondents in total. Of this number, six were media practitioners, an academic, and seven were media activists. We also interviewed five experts for our Delphi exercise, which makes 25% of the total interviews. After careful recording, each interview lasted on average for about 60 minutes, with the shortest lasting 35 minutes to the longest 120 minutes. In total we recorded 22 hours and 51 minutes of interviews, which were then transcribed: as a result we have 92,322 words of text for our content analysis.

Subsequently, our secondary data was gathered from various sources, i.e. the Central Bureau of Statistics (BPS), the Ministry of Communication and Informatics, the Agency for the Assessment and Application of Technology (BPPT), civil society organisations such as *Satu Dunia*, *Aliansi Jurnalis Independen/Alliance of Independent Journalists*, and the Press Council. We also sourced data directly from the media, i.e. *Kompas*, *Tempo*, *vivanews.com*, *Berita Satu*, and *CT Corp*. This data ranges from the year 1970 to the year 2011. In addition, we purchased Media Consumption Profile data covering the period from 2008 to 2011 from MARS Research Specialist, to assist with our analysis of media consumption patterns. All of the data, both the primary and secondary, are safely and securely stored in our database and some of these are available upon request, subject to the copyright conditions that are attached to some particular data.

We now turn to our case: mapping the landscape of the media industry in Indonesia.

4. The media industry in the archipelago: A dynamic landscape

4. The media industry in the archipelago: A dynamic landscape

Nowadays, media regulators only have their eyes on the content. However, we cannot separate the content of the media from its industrial structure, which can be seen more or less as an oligopoly. Citizens have very limited choices, with all media channels chasing commercialisation, sensation and ratings. What's there to be given to the citizen? ... We all know how the industry grows, [i.e.] by advertising, and making such programmes that are less empowering for the citizens. (Ignatius Haryanto, LSPP, Interview, 26/08/2011)

The media industry in Indonesia has gone through many ups and downs, from being a tool for independence revolution in the early days of the Republic (1945-1955) to a partisan press¹² during the period 1965-1980, and a promising industry in the end of the 1980s. At that time, politicians and government officials began to get involved in the business and permits were only given to those related to President Soeharto. Most media at the time were an extension of the government and the content was mostly about the government's activities and institutions. Other media which opposed the government were most likely to be banned. The New Order regime under Soeharto curtailed much of the public sphere, including strict curbs on press freedom. The press was limited in its criticism towards the government by using a variety of methods: formal and informal censorship, the banning (both temporary and permanent) of publications that overstepped the mark, a strict licensing regime for all news publications, and the monitoring and control of journalists through a state-sponsored journalists' association – PWI (McCargo, 2003:34)

The situation changed after the 1998 *reformasi*. Permits to establish a media company – particularly print media – were granted much more easily; the press network expanded rapidly across the country (sometimes with diversification of press products). As a result, new media conglomerates such as *Kompas-Gramedia Group* and *Grafiti Pers Group* emerged. *Kompas* expanded its newspapers under its subsidiary *Persda* or *Pers Daerah* (Local Press) and changed its name to *Tribun Group* in 1994. Likewise, *Grafiti Pers Group*, which was the holding company of *Jawa Pos*, enlarged its newspaper business under its subsidiary *Radar Group*. During the period 1998-2000 the government granted almost 1,000 permits for newspapers, although in the long run only a few survived, mostly by expanding their coverage or being taken over by other, larger groups.

Starting a newspaper and a media business seems to be easy in Indonesia today, but maintaining the business to keep it running is very hard work. It is not just about business *per se*, it turns out, but also because from the beginning the media have become a key tool for political campaigning. This makes it difficult for a media business to survive if it does not entertain political interests as much as it does its business ones. Advertising for government institutions or political organisations, for example, comes

12 Partisan Press is the condition where political parties become sponsors of the medium. An arrangement formalised by The Ministerial Decision No. 29/SK/M/65 of the Information Minister instructed all newspapers to affiliate formally with a political party, a 'functional group' or mass organisation (Hill and Sen, 2000:52)

second in the overall ranking of television advertisements (Jatmikasari, 2010), and this dramatically increases during the election period. To a certain extent, controlling the media is not only about profit; it also has become a toll-road to politics – and power.

These are just a few examples of issues which affect the dynamics of the media industry in Indonesia, which is still growing quite rapidly today. We discuss this in detail in this chapter.

4.1. The boom and doom in the media industry in Indonesia

The media industry in Indonesia: A brief history

After Independence in 1945 and during President Soekarno's Old Order regime, the press were given the room to grow – from a tool for struggle during the war time, to being a means for state propaganda. Yet there was also room for media that opposed the government. Political parties and government officials who might have opposing ideological values had their own newspapers such as *Bintang Timur*, which was owned by the Indonesian Communist Party (PKI), and *Berita Yudha*, which belonged to the army.

After Soeharto took power from Soekarno in the late 1960s, the government started to intervene in the media. Strict regulations were put in place to prevent the media from opposing the state's views. Media companies were owned by either government officials or those who had close relations with Soeharto.

The political ideology imposed by the state very much dominated the media. Simply put, the media at that time became the medium through which the government disseminated their views. For example, the press industry had to face a series of bans for their dissenting news about the government – such as the case of *Kompas*, *Tempo*, and *Sinar Harapan*. Some publications were even banned several times. Yet they kept surviving. Another example is television. There was only one state-owned television station, *TVRI*, in which all content was fully controlled by the government. After private television stations were allowed, the first private television station, *RCTI*, belonged to Soeharto's third child Bambang Trihatmodjo. Then *SCTV* followed as the second private television station: this was owned by Sudwikatmono, a cousin of Soeharto. While both private stations operated as pay-TV channels in which a decoder and subscription were required for access, Soeharto's daughter, Siti Hardiyanti Rukmana, was allowed a more privileged position. She started an education television station, *TPI*, which aired using the state-owned *TVRI*'s transmissions network and which consequently triggered protests from the other two stations. Subsequently, the government allowed them also to become free-to-air TV stations – a move that has changed the nature of television in Indonesia to this day. Two other private stations soon joined the bandwagon: *ANTV*, which is owned by *Bakrie Group*, and *Indosiar*, whose shares are also held by politician Agung Laksono.

Similarly, the publication permits (SIUPP, *Surat Izin Usaha Penerbitan Pers*/Press Publication Business Permit) for national news magazines were only granted to those who had close connections to the President or the political establishment. Since several bans happened during the New Order, the government became stricter in issuing permits to make sure that the press was not opposing the government. Golkar, the ruling party at that time, ran *Suara Karya* newspaper; the Minister of Information, Harmoko, owned *Pos Kota*; and an English newspaper (*Indonesian Observer*) was established by Peter Gontha, a businessman related to Bambang Trihatmodjo – Soeharto's son.

When Soeharto relinquished power in 1998, policies on the press and the media in general were subsequently revisited and revised. New newspapers and other media began to emerge, and those once banned – such as *TEMPO* – returning to business. This period can be seen as one of revival for the

media (particularly the press) industry. The broadcasting industry also grew soon afterwards: from the year 2000 onwards, a significant number of new television and radio companies joined the business.

While diversification and expansion were part of the media companies' strategies to survive under the strict rule of Soeharto's presidency¹³, they are now an effective means of gaining more profit, which has become the primary motive of any media business.

... [It] is not easy to establish, to maintain, and to manage newspaper so that it can become a long-lasting product. We need profit. If it [the media] is not profitable, it will only become a museum occupant. We don't want that to happen. We want reliable [media] that are also long-lasting; and we need money to maintain it. (E. Sambuaga, Ex-CEO Berita Satu Media Holdings, Interview, 12/10/111)

The honest acknowledgement of a powerful media practitioner as set out in the excerpt above shows openly the logic driving the development of the media as businesses. In addition to, but also to support, diversification and expansion, mergers and acquisitions (M&A) have become another strategy that continues today.

As the business grows, so does the money. Advertising net revenue in Indonesia is among the highest in Asia¹⁴, and it keeps increasing every year with the biggest amount coming from the television industry. This is one of the reasons why the media industry is viewed as such a lucrative business in the country. The growth of the media business perfectly reflects the law of the 'survival of the fittest': not all media companies have survived the competition. Those who survived then started expanding their business to include other types of media to ensure the widest possible coverage. Next, another business dictum was applied: mass production of the content in order to keep the overall cost low. Hence, a media group would produce programmes that could be aired across their network, thereby significantly reducing the diversity of content which is imperative to maintain the public function of the media.

To see the extent to which such a business model affects the landscape of the media sector in Indonesia, we started mapping the players. At the moment there are twelve major media groups in the country. They are tabulated below according to their network and the numbers of media companies which they own. See Table 4.1.

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 Group	20	n/a	171	1	Paper Mills, Printing Plants, Power Plant	Dahlan Iskan, Azrul Ananda
3	Kelompok Kompas Gramedia	10	12	88	2	Property, Bookstore chain, Manufacturing, Event Organiser, University	Jacob Oetama

13 Even, after the Soeharto era, this logic still holds true. For example, *Koran Tempo* was established in 2001 as a back-up plan for employees in case TEMPO magazine was banned by the ruling government post-*reformasi*.

14 See *Nilai Tertinggi, RI Juara Belanja Iklan* (Having the Highest score, Indonesia is the champion in Advertising Expenditure) <http://economy.okezone.com/read/2011/12/20/320/544917/nilai-tertinggi-ri-juara-belanja-iklan>. Last accessed 12/01/12

No	Group	TV	Radio	Print Media	Online Media	Other businesses ^a	Owner
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 Financial Services, Lifestyle and Entertainment,	Sariatmaadja Family
6	CT Corp	2	n/a	n/a	1	Natural resources, Property Natural resources,	Chairul Tanjung
7	Visi Media Asia	2	n/a	n/a	1	network provider, Property	Bakrie & Brothers
8	Media Group	1	n/a	3	n/a	Property (Hotel)	Surya Paloh
9	MRA Media	n/a	11	16	n/a	Retail, Property, Food & Beverage, Automotive	Adiguna Soetowo & Soetikno Soedarjo
10	Femina Group	n/a	2	14	n/a	Talent Agency, Publishing	Pia Alisjahbana
11	Tempo Inti Media	1	n/a	3	1	Documentary making	Yayasan Tempo
12	Beritasatu Media Holding	2	n/a	10	1	Property, health services, cable TV, Internet service provider, University	Lippo Group

Table 4.1. Major media groups in Indonesia: 2011

^a These are businesses run by the same owner/group owner.

Source: Authors; compiled from various sources

The data shows that *Media Nusantara Citra* (MNC) Group is the biggest media group as it has the most powerful platform, with 3 terrestrial television stations, 3 Pay-TV stations, 14 local television stations and 22 radio stations spread across Indonesia, as well as its daily newspaper *Harian Seputar Indonesia*. However, size does not always mean leadership in media issues.

MNC is the one [among other media groups] that has the strongest media platform. They have radio stations, a website; they have tabloids, newspapers; they have three terrestrial television stations; they have cable TV – Indovision; but they are not an issue leader. ... They have a powerful media platform, but they don't have powerful content. (DD. Laksono, WatchDoc, Interview, 21/09/2011)

Kelompok Kompas Gramedia Group has also expanded its newspaper network across the archipelago under the subsidiary *Tribun Group*. With 27 newspapers under this group, *Kompas* remains the leading newspaper publisher in Indonesia. In 2011, *Kompas* re-entered the television business by establishing *KompasTV*¹⁵, which is a content provider owned by *Kompas*, working together with 10 local television stations across Indonesia¹⁶. Meanwhile, *Jawa Pos News Network* (JPNN) is the biggest newspaper network in Indonesia, which started back in 1990 under its subsidiary *Radar Group*. Later, JPNN expanded not only through its ownership of local newspapers but also by acquiring local television stations. Around

¹⁵ *Kompas Gramedia Group* established TV 7, a terrestrial television station, in 2001. In its development, however, the group had difficulties as they tried to enlist their print media journalists to become broadcasting journalists. Unfortunately, the scheme did not work well, and TV7 had to work hard to maintain its broadcasting institution. In 2006, Chairul Tanjung, owner of CT Group acquired TV7, bought 49% of its shares, and changed the name to Trans 7.

¹⁶ See *KompasTV* Profile. <http://www.kompas.tv/index.php/front/profil>

20 local television stations across Indonesia are now under the control of JPNN holding company.

These groups have become major owners of all kinds of media due to their expansion strategy. However, the expansion of media ownership is not parallel to the expansion of media content. Media channels and platforms are indeed growing and expanding, but with similar content. For example, it is common that one news item on a channel appears on another media channel under the same company.

If we talk about content, we have to look deeper. Not only see something [like] Nazaruddin [a whistle-blower politician from the ruling party Democrat], or Papua conflict [appear in all channels]. What is the [unique] perspective [in each channel]? When they [those media] broadcast about Papua [or other issues] they tend to see it from the same perspective. With this kind of nature, we cannot have a deeper understanding on one topic, we only focus on what we see on the surface. (I. Haryanto, Interview, 26/10/2011)

The expansion of these media groups relates very strongly to the Laws governing the media sector in Indonesia such as Press Law No. 40/1999, Broadcasting Law No. 32/2002, and even Foreign Investment Law No 25/2007. The existence of these laws (or lack thereof) has significantly shaped the dynamics of the media business in Indonesia. See Figure 4.1. for a timeline of the development of the media industry and media policy in Indonesia.

As depicted, we can see that the dynamics of the media industry have strong links with the development of policies in the media sector. Clearly, the changing economic and political circumstances that have been reflected in the changes in policies have in turn affected the development of the media, and vice versa.

For example, the enactment of Press Law No. 4. in 1967 triggered the expansion of print media in the following years, and the enactment of Foreign Investment Law No .20 in 1994 has been a way for franchise magazines to start evolving in Indonesia. Likewise, the dynamics of the media industry have somewhat emasculated the spirit of Broadcasting Law No 21/1982 and preconditioned the birth of the Government Regulation PP 50/2005 on private broadcasting.

While we do not discuss the development of media policy in detail here (for this purpose, consult Nugroho et al., 2012), we will refer to it whenever necessary throughout this report.

The rise of community media and the advent of new media

As the industry grows, so does the number of local television and community radio stations. In 2002 the Indonesian Local Television Association, ATVLI (*Asosiasi Televisi Lokal Indonesia*) was established with only 7 members; by 2011 this had grown to 41 members. However, many other local television stations are not members of the association. The need for local content was the reason why local television and community radio stations emerged. During Soeharto's time, it was impossible for local television to grow because television was a political tool for the control of society, hence the content was the government's political propaganda. Now, the programmes on national television stations contain only business propaganda. From news items to soap opera (*sinetron* in Indonesian) episodes there is a clear tendency towards 'city-centric', 'Java-centric', or 'modern-centric' content. It is almost impossible to find diverse content on any national television station's programmes. Local television initiatives and community radio stations try to remedy this by providing information relevant to their audience's needs. Across time, local TV has managed to take up a portion of national TV's audience share, increasing from an average of 2.1% in 2005 to 3.2% of total audience in 2008 – but going down again to 2.5% in 2010. See Figure 4.2.

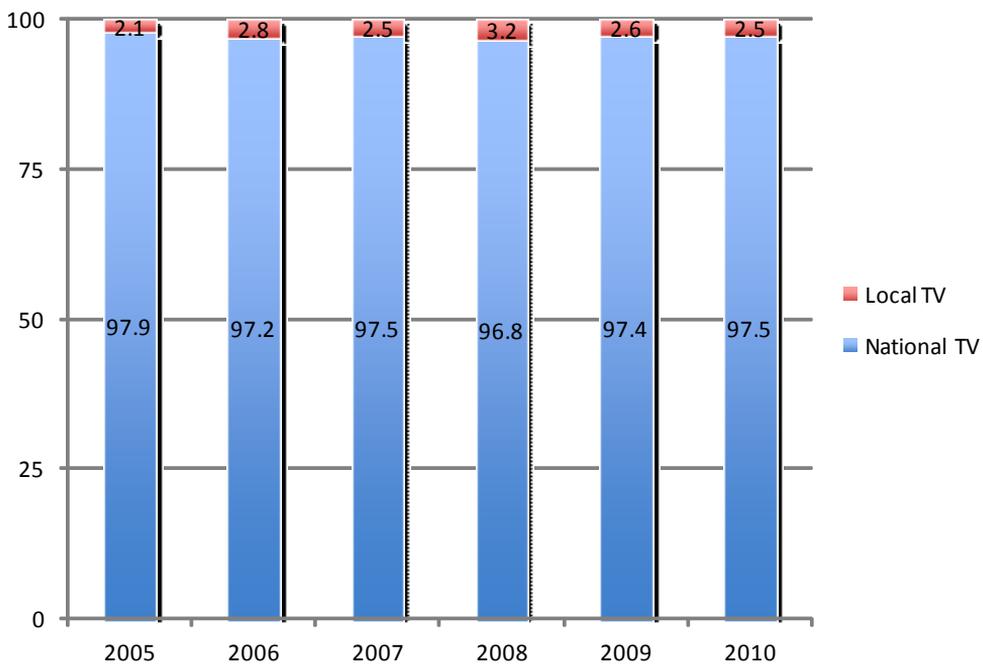


Figure 4.2. Audience Share of National and Local TV in Indonesia: 2005-2010
Source: Authors; edited from Nielsen (2011b:2-3)

After a relatively steady increase in the audience share of local television during 2005-2008, the government issued regulation PP No 28/2008 on the procedures and requirements for establishing a broadcasting institution. We can never know whether this Regulation had a direct consequence, but nonetheless the data shows that the audience share of local television dropped at that point and has remained stagnant since then. What is clear is that local TV stations find it hard to survive, and that a number of local TV stations and other parts of the media industry have decreased due to their inability to compete in the business. Among the factors that contribute to this is human resources and capital: most local stations do not have enough of either of these to maintain their business, so that they end up being taken over by the larger media groups.

The obstacles (for local television to survive) are, in my opinion, capital and population –population as the target audience of the television station. One of the strengths needed by local television is the *locality* of the citizens. However, even though the *locality* is high,

it is not always sufficient to uphold a local television station. Terrestrial television has no problem with this, since if they experience losses in one area, they will already get profit from the other areas. (E. Sambuaga, Ex-CEO Beritasatu Media Holding, interview, 11/10/11, emphasis indicates original wording)

See also Box 1.

Another obstacle in the development of local television is the limited number of frequency channels allocated by the government. Ideally, in each region 14 frequency channels are allocated, of which ten are for national television stations, one channel is for TVRI, and two channels for digital, leaving only one channel for local television (KPI, 2008). This situation hinders the progress of local television development.

The media, as the 'Fourth Estate' (Carlyle, 1840:392; Schultz, 1998:49) play a pivotal role in an infant democracy such as Indonesia. Despite problems, the development of the media in the country has opened up a new space where citizens can express their voices freely. This is particularly the case with the advent and development of the Internet. The Internet has enabled citizens to reclaim their 'stolen' public sphere, despite the fact that it is 'online' (Hill, 2003; Hill and Sen, 2000; 2002; Lim, 2002; 2003a). The Internet has been significantly adopted not only by the private and public sectors but also by civil society organisations of many kinds to engage in civic activism (Hill, 2003; Hill and Sen, 2000; 2002; Lim, 2003b; 2004; Nugroho, 2008; 2010a; 2010b; 2011b).

Box 1. Why media industry acquired local television

The biggest problem in the media industry is how they can deliver content to the end-user, in this case, the citizens. In the telecommunication and television industry, this content delivery to end-users is called '*last mile*'.

Since frequency is limited, other ways to deliver content to end-users without using frequency is through fibre optic and telephone cables. These two fields are controlled by state-owned enterprises: PLN (*Perusahaan Listrik Negara*/State Electricity Company) with its subsidiary Icon Plus, and PT Telkom (Indonesian Telecommunication Company). Using fibre optic and telephone cables, media companies will be able to deliver content to almost every household in Indonesia, without having to worry about frequency allocation.

However, since these two state-owned enterprises are hardly penetrable for media companies, they move on to another alternative: through satellite, or acquiring local television stations; which already have their own legal permit to use their allocated frequency. The process to acquire these local televisions is done through stock trading, resulting in the permit to use the frequency of the local television to be easily 'moved' to their trading partner. This has been a common practice in the media industry, as our resource person noted:

"Several big groups are practicing this scheme, Media Group, together with Hary Tanoë from MNC Group had collected 17 local televisions in their group. Lippo Group is on their process to also acquire local televisions and radio"
(Undisclosed interview, October 2011)

In short, local television stations have become an extension of the larger media group in order for the group to reach their end-user.

Source: Undisclosed interview, October 2011.

Yet it cannot be taken for granted. The Internet-enabled public sphere is also a site for contestation. Freedom House Institute reported in 2011 that the status of Internet freedom in Indonesia was 'partly free' (Freedom House, 2011), indicating although there was no substantial political censorship, several cases led to netizens (bloggers and online users) being arrested. One of the most-cited cases is when Prita Mulyasari, an ordinary housewife, was accused of defamation by a private hospital – which had treated her badly – because of an email which she sent to her friends. The accusation was based on Article No. 27 of the Electronic Information and Transaction (known as ITE) Law No. 11/2008. As a result of the widespread shock caused by this incident, using the very same technology the citizens fought back to support Prita by initiating a movement *Koin untuk Prita* (*Coins for Prita*), which spread across many cities by means of social media and Web 2.0, particularly *Facebook*, *Twitter* and *Blog*.

The case of Prita is just one of many. Social media have been quite widely adopted by civil society and to some extent have characterised contemporary engagement in the Indonesian civic space (for a more detailed account, see Nugroho, 2011a). What is important here is that the new Internet-based media have now provided space that could have been provided by conventional media. In turn, evidently, many conventional media now also go online to provide services over the Net. We will discuss this later in the report.

Regulation of the media¹⁷

A number of media regulations have been introduced, particularly relating to broadcasting, and they have gone through several revisions. For example, the Press Law has been revised three times since 1967; and the Broadcasting Law has also been revised three times since 1982 (Recall Figure 4.1). Until now, these two regulations have been seen as the 'umbrella law' governing the media in Indonesia. These two main policies are definitely a step in the right direction towards the fulfilment of citizens' rights to media, particularly in ensuring the diversity of the media (Nugroho et al., 2012). However, their implementation has failed due to poor law-setting: most bylaws are not synchronised with each other, and may even contradict one another. The contradiction between Government Regulation PP No 50/2005 and Broadcasting Law No. 32/2002 is one such example: the content of PP No 50/2005 contradicts many points set by the Broadcasting Law, most notably regarding the process of acquiring permits and the obligation to implement the *siaran berjaringan* (network-based broadcasting) system. In fact, the Regulation defies the Law by allowing a broadcasting network to cover a maximum 75% of the total provinces in Indonesia.

Media regulation has grown rapidly since 2000, when the Ministry of Information was officially dissolved and changed into the State Ministry of Communication and Informatics. This change also transformed the Ministry's function so that it no longer regulates the public sphere, but rather has become a policymaker in the field of information and communication. One of the regulations that has changed the face of the media in Indonesia is Broadcasting Law No. 32/2002, which brings a new wave of freedom and democratic spirit to the media, although its implementation was not easy. The Broadcasting Director of the Ministry of Communication and Informatics tells us:

...[T]hose years [2002-2008] were the peak seasons [for permit submissions] ... Actually, there were a number of applicants who had already been waiting since 2002, but the government regulation had not been enacted at that point. The Broadcasting Law No. 24/1997 had no government regulations [for implementation]. So they were operating illegally while waiting for the Broadcasting Law in 2002. It [the media practice] was simply illegal during 1997-2002. The number [of permits given] has increased after 2006 since there were no permits being processed from 2002 to 2007." (A. Widiyanti, Broadcasting Director, Ministry of Communication and Informatics, Interview, 27/10/2011)

Agnes Widiyanti's interview revealed that there were a number of broadcasting institutions operating illegally before 2002, since the law was unclear. In fact, it is not just the Broadcasting Law, but there are other non-media regulations that affect the development of the media industry. These include Foreign Investment Law No 25/2007, which allows foreign investment in the media industry in Indonesia (and eventually gave birth to the blossoming franchise media), and Electronic Information and Transaction Law No 11/2008, which governs the online public sphere (but which has also been used to threaten citizens' freedom on the Net).

As a matter of fact, it is difficult for the Regulators to ensure that media policy is able to properly govern the fast-changing media industry dynamics. In reality they have not managed this, as a result of which the media industry is running loose without firm regulations to control the direction of media sector development in Indonesia.

As a response to this lack of regulation, in October 2011 the KIPD (*Koalisi Independen untuk Demokratisasi Penyiaran* — Independent Coalition for Democratisation in Broadcasting) submitted a judicial review for Article 18 (1) and Article 34 (4) of Broadcasting Law No 32/2002. The Coalition thinks that the mergers and acquisitions among broadcasting companies have gone too far and have breached the essence of

¹⁷ We have devised a full report on the Media Policy in Indonesia (Nugroho et al., 2012) which gives a very detailed account of the dynamics and development of media policy. This subsection is just a brief excerpt. Please consult the report for more details. The report will be cited in this study whenever relevant.

the Broadcasting Law, i.e. to maintain the media's public character.

What is at risk here is the disappearing public character of the media. From a citizens' rights perspective, this concerns the decreasing access of citizens to media infrastructure, the quality and diversity of media content, and the ability to be involved in media policymaking processes (Nugroho et al., 2012).

4.2. Media conglomeration: An inevitable business development?

Conglomeration in the media industry is a logical consequence. [It is] a logical consequence where it [the media business] became spread out and then became concentrated. Business will always be like that. But that is not the most important part. What matters is how the media industry could help us to become better human beings. (B. Nugroho, *KompasTV*, Interview 10/12/2011)

Bimo Nugroho points rightly to the problematic nature of media business. If conglomeration is inevitable in the media industry, then how does it help citizens to become better human beings? How can the media industry civilise the public? We will take a closer look at the media conglomeration in Indonesia, which started back in the 1980s, and at its growth and impact.

While the fall of the New Order in 1998 marked the beginning of the dramatic growth of the media industry in Indonesia, the roots of that growth can be traced back long before *reformasi*. It began with the involvement of President Soeharto's clan in the media industry. In 1989, the first private television, *RCTI*, owned by Bambang Trihatmodjo, Soeharto's third child, was established. *RCTI* was at first a pay-television station before it went free-to-air in 1990, and it was only broadcast to several regions. The same happened with *SCTV*, the second private television, which was owned by Henri Pribadi and Sudwikatmono, Soeharto's cousins. Also in 1989, Soeharto's daughter Siti Hardiyati Rukmana (known as Tutut) was elected as the Chairperson of PRSSNI, *Persatuan Radio Siaran Swasta Niaga Indonesia* (The Association of the Commercial Radio Broadcasters), which then obliged all private radio stations operating across Indonesia to join the association. Tutut also established the third private television station in Indonesia, *TPI*, in 1990. Using the state-owned television (*TVRI*)'s facilities, *TPI*'s programmes were aired nationally. This sparked envy among the other stations, *RCTI* and *SCTV*. As a result, in 1993 all private channels were allowed to broadcast throughout the country via *Palapa* satellite.

As the most effective means of reaching mass audiences, conglomeration in television is a dangerous threat for the diversity of information in Indonesia.

They [the media] were not yet consolidated in large groups, but the business seeds were already there. The business was there, and it was being plotted since then [the New Order Era]. Soedarmono's son had Ramako [radio station], Tutut was the chairperson of PRSSNI. So they were co-opting the media while making money out of them. That was what happened; industrialisation has been happening since then. The only difference is that they were playing in the industry and controlling the content at the same time. (DD. Laksono, *WatchDoc*, interview, 26/08/2011)

With the broadcast business being controlled by the President's inner circle, it was easier for the government to steer public opinion. *TVRI*, the one and only public television station, was controlled by the government to promote nationalism and integration, while the private radio stations were controlled by Soeharto's daughter to ensure media support to the regime. Conglomeration in broadcasting, thus,

was the extension of the government's hands – or more clearly, the President's.

In the print media sector, conglomeration began in 1990 when media groups started to expand their business throughout Indonesia. *Kompas-Gramedia Group* and *Grafiti Pers* were the largest at the time. Expansion was one strategy for surviving the business, as a lesson learned from the banning of several media companies in the 1970-1980s. Business expansion was deliberately carried out as a back-up plan for the media workers: the logic was that if something happened to one channel in a media company, causing it to shut down, the workers could be relocated to another channel in the same company and thus would not lose their jobs.

While this logic made sense under the repressive regime of Soeharto, the practice still continues today, under a more democratic administration. Mergers and acquisitions (M&A) seem to be the most sensible strategy for expanding a media group. Some recent cases of M&A as a means for media conglomeration are recorded:

SCTV and *Indosiar* in 2011. *Elang Mahkota Teknologi* (Emtek), the holding company of *SCTV* and *O-Channel*, officially acquired *Indosiar* by purchasing 84.77% of the shares of *IDKM* (*Indosiar Karya Mandiri*, the holding company of *Indosiar*) shares.¹⁸ With this acquisition, Emtek now have two terrestrial television stations and one local television station in their group.

Detik.com and *CT Group* in 2011. One of the biggest uproars in media industry in 2011 occurred when *CT Group* (the holding company of *Trans 7* and *Trans TV*) took *detik.com* – an independent online news media company – into their group. *Detik.com* was one of the first online news media channels in Indonesia, and was reliable for its rapidly-updated news. There are claims that after its acquisition by *CT Group*, *detik.com* has lost its news independency and that it has begun to provide news based on the Group's interests.

Beritasatu.com and *Lippo Group* joined forces and formed *Beritasatu Media Holding* in 2011. At first, *beritasatu.com* was an independent private investigator journalism company; as it was struggling to survive, *Lippo Group* bought it and now uses its name for the Group's media holding – *Berita Satu Media Holding*.

Apparently, these M&As are aimed at strengthening the businesses. *CT Group* bought *detik.com* as a means to expand its broadcasting business to online media.

Determining which media entities to merge with or buy out is a systematic process that individual organisations must assess to have a successful union (Lawson-Borders, 2006:28). Each conglomerate seems to have been devising a strategy for establishing a major holding which covers all forms of media, from newspapers to movie studios. This strategy apparently works: they become more powerful. Yet, while sharing the same goal of becoming a powerful communication business, competition among them remains strong, both in terms of infrastructure control and content production. One result of this is the threat to the diversity of media content, as thousands of media outlets carry highly duplicative content despite being packaged in different programmes. Another result is the difficulties faced by innovative newcomers wishing to enter the industry as they have to be attached to the existing giants, which in the end make them less innovative. An insider from an online media company who wishes to remain anonymous told us the following:

18 Press Release: Tender Offer. 26 July 2011. http://www.emtek.co.id/Downloads/Press-Release-Tender-Offer-26Jul11-_Bhs-Indo-_fina.aspx Last accessed 08/02/12

We started as an independent media company. We never intended to gain much profit, just as long as we could pay the staff salaries. That's it. We are willing to investigate [performing citizens' journalism] but we're running out of money.... If we had another alternative [rather than joining the conglomerate group] we would have definitely taken it. But there was no other alternative. (Anonymous, Interview, 2012)

Technological development also apparently plays a role in the current formation of conglomerations. Recent technological progress, particularly the Internet and new media innovations, has indeed affected the way the media industry works. New business models have to be developed to respond to the massive technological developments. In practice, media business has to have new approaches to incorporate Internet technology into their business; to keep up with the speed of information; to be ready for the media convergence and digitalisation era (Lawson-Borders, 2006). For now, and in the near future, media convergence which integrates all media channels is and will be a very significant potential driver for conglomeration. To some extent, conglomeration may be the direct consequence of the new business model which is required to survive in this digital age. We will discuss this further later in the report.

Media groups in Indonesia that allegedly have formed conglomerations due to some degree of media convergence are:

MNC Group: This group has two terrestrial television stations, 14 local television stations, a radio network across Indonesia, one newspaper, an online portal, and a number of print media companies. Looking at its platform, this group has all kinds of media channels under one roof, and by buying local television stations it has prepared itself in case the network-based broadcasting system is implemented.

Jawa Pos Group has been expanding its business by acquiring local newspapers and uniting them under *Radar Group*. Today, *Jawa Pos Group* has 171 print media companies spread across Indonesia, in addition to its local television network.

Kompas Gramedia Group: After its failure to establish TV7 – a terrestrial television station – in 2001, *Kompas Gramedia Group* has tried to establish a content provider and local television network by setting up *Kompas TV*. Along with its *Sonora* radio networks, online portal news, and 89 print media companies in its group, *Kompas* has enough ammunition to compete in the convergence era.

Mahaka Media Group is the holding company of *Republika*, the first newspaper aiming to accommodate the aspirations of the Moslem community in Indonesia. The group has expanded its network by acquiring several radio networks and publishing niche magazines. Its commissioner, Erick Thohir, is also the President Director of *Visi Media Asia*, thus strengthening the network between the two groups.

These five media conglomerates control a significant number of broadcasting companies and print media businesses, not to mention their other service businesses. With these, media convergence is clearly a factor driving the conglomeration. A more detailed consideration of each group is presented in Chapter Five.

From the policy perspective, it looks as though existing media regulations have no teeth. In fact, Government Regulation No. 50/2005 on Private Broadcasting restricts the cross-ownership of media

companies and Article 33 of the Regulation forbids the operation of one broadcasting medium (television and/or radio) and one print medium from the same company in the same region. However, the Regulation is not well implemented; the excuse for poor implementation has been that most existing media institutions have operated differently for years and years, and that it is difficult for them to adjust to the new regulation.

[on the changing regulation in broadcasting media]... Borrowing what Karni Ilyas [Chairman of the Association of the Indonesian Private Televisions] said, it is like we were given a permit to build a twenty-floor building and suddenly we have to cut it down to five. How do we do that? Chop it down? That will cause the whole building to collapse. That is extreme. (Z. Lubis, ANTV, interview, 16/11/2011)

It is clear that the government's role goes far beyond that of policymaker. While conglomeration may have happened as a consequence of business strategy, the absence of policy and the failure to enforce its application have clearly contributed to preserving this problematic practice of conglomeration in the media sector.

4.3. Key issues underpinning the media industry in Indonesia

At this point we may now be able to pinpoint some of the main issues in the media industry in Indonesia. Firstly, *content*. As has been discussed earlier in this report, content has been an issue that relates to many aspects of the media from upstream (production) to downstream (distribution). However the core of the issue of content might relate back to the very reason for the existence of the media, i.e. to provide public spaces for citizens to engage in a democratic and rational society (after Habermas, 1984; 1989). Media content is both the medium by which citizens can engage and the message upon which they engage. On the one hand, the production of content should be based on, and reflect, the needs of citizens. However the notion of 'need' is problematic as it can easily be mistaken for 'want': not everything that is wanted is needed. Yet, business, including the media, operates precisely on the logic of 'manufacturing people's want' and claiming it as 'people's need'. In theory, one of the key virtues of the media is that it has the power to educate citizens about what they need – not just what they want. Media content should, imperatively, be educating and 'civilising the public' through its content. However, these maxims seem not to work. Instead of this virtue, media content has become very dependent on ratings, which reflects no more than 'people's want' (to be precise: 'manufactured want') rather than 'need'. Ratings have become the new norm.

Secondly, *techno-economic development*. While the profit motive has clearly been the main driver for recent media industry development, innovations in media technology are certainly a no less important factor. As has been discussed, the progress of technology, particularly the Internet and new media, has changed the structures and models of media business, not only by currently providing a new platform for content distribution, but also for the future media convergence and digitalisation strategy (Lawson-Borders, 2006). Unfortunately, media policy seems to be unable to cope with the speed of these technological and economic developments. While the current policies are not enforced to limit concentration in media ownership, no policies have yet been prepared to anticipate the impacts of the new business models as a consequence of the future media convergence and digitalisation.

Most media regulation focuses only on the content (despite its impotence to ensure diversity), and neglects the ways in which new business practices may impact on citizens' rights to media (Joseph, 2005).

Thirdly, *media policy*. As mentioned above, existing policies are lagging behind the development of media business. Some policies are indeed well formulated but poorly implemented. Others are simply ambiguous in their formulation, and are deliberately interpreted to the benefit of media business. KIDP *Koalisi Independen untuk Demokratisasi Penyiaran* (Independent Coalition for Broadcasting Democratisation) filed a citizen's lawsuit concerning Broadcasting Law No. 32/2002 Article 18(1) and Article 34(4). Although both articles regulate ownership and limit the number of permits to be given to a single broadcasting institution, there is no clear statement as to how the limitation is to be effected. This unclear interpretation of these articles has been interpreted by KIDP as legally supporting conglomeration in media business, which has enormous impacts in terms of media access and content.

Fourthly, *representation bias*. Perhaps more apparent today than ever, the media in Indonesia represent the interests of the market more than the interests of citizens or the state. This sometimes appears as a double standard: sensitive to the failures in public bodies or civic communities, but insensitive to equally important failures in the market sector, particularly in what affects the private corporate world. One example of this concerns *Lippo Group*. The shareholders in *Lippo Group* are only interested in information or news that intersects with their group's businesses. As *Lippo Group* covers several public sectors such as health services and properties, news originating from these sectors will be reported by *Beritasatu Media Holding* in a slightly subjective fashion, while other information or news can be reported more objectively on their channels.

This representation bias does more than merely protect the corporate system, since it robs the public of a chance to understand the real world (Bagdikian, 2004:xviii)¹⁹. As such, it hides information that may be important for the public. We see today how media owners use their media as a tool to convey their interests. The situation gets worse when the media owners become politicians and use the media as their tools for political campaigning and to influence public opinion. Because even if a media owner is not affiliated with politics, the media will still tend to lean towards one political view, thereby affecting their neutrality. It is an irresistible desire of most large corporations to ensure that they have a political environment that is friendly towards them in order to maximise profit levels, while they care less for other factors such as the social, environment, and cultural, among others.

Such is the dilemma for the media whose owner is involved in politics. The intervention of owners has created tension in the media. On the one hand, the owner and stakeholders are no doubt of central importance to the media. On the other hand, the media have to strive for integrity to keep the news and information unbiased when it comes to the publication of news which scrutinises their own owner. Nezar Patria, the founder of *VivaNews*, which is owned by Bakrie's Group, whose owner Aburizal Bakrie is largely considered by the public to be a controversial politician, told us this:

[Talking about news sensitivity] It has become a serious debate. ... To be honest, since it was born, this media channel [VivaNews] has suffered from a particular confusion. Yes, it is the public's negative perception about the owner [Aburizal Bakrie]. Therefore we have been trying to cover it [news featuring Bakrie] by balancing the news. ... We have tried to be balanced [with the content of the news], as far as we can. We have met with the owner, especially Anin [Bakrie's first son], and Aburizal Bakrie himself. ... We told them that in establishing a media company, integrity was the biggest asset. If this asset is shattered because of the owner's intervention as a result of their passion to use this medium for their business or political interests, then the public will easily develop a negative perception of their media company. If this happens, people will not be into the media, they do not want to look at the media. ... That is why, we told them, if there are such cases like Lapindo [mudflow disaster caused by Bakrie's exploration company], we will always write about it. The compromise is this: if other media channels only give [the news proportion of] 10% for Bakrie and 90% for the bad news, we will give bigger [proportion for] clarification from

19 Perhaps it is worth noting that according to Hermann and Chomsky (1988), the most biased choices in the media arise from the pre-selection of right-thinking people, internalized re-conceptions, and the adaptation of personnel to the constraints of ownership, organisation, market, and political power.

Bakrie's side. ...Apparently the owner has no problem with it. ... However, even after we have already written the balanced news, the [public] perception has become apparently more powerful. ... This is their [Bakrie – the owner] homework to solve. Vivanews' position is quite difficult. But we will inevitably air news on thousands of people protesting against their [Bakrie's] business, because that is the fact. ... But again, we will also give a bigger space for the owner [to respond]. ... That is how we compromise. (N. Patria, Vivanews.com, interview, 17/10/2011)

It seems that balancing the news that features the owner's interests may have become one option by which to strive for, and show, media integrity. However, it is also clear that public perception has an enormous effect on the media. That is why some media try not to bring up sensitive issues which relate to their owners in order to keep the public perception of their media positive. This sounds like a media bias, but then again, neutrality in the media is very hard to find (Bagdikian, 2004), as Nezar confirms:

In my opinion, that is the practice of balanced journalism, although sometimes there are biases in the media. There is no single medium that is not biased. All media are biased. (N. Patria, vivanews.com, interview, 17/10/2011)

Lastly, *professionalism of journalists*. Journalism is a profession that has a social function: journalist convey the news and information to citizens as the audience. Journalists have an influence on what citizens are informed about, and in turn, engaged with, with the reality being represented in the information or news. Inherent in the role of journalist is representing the public interest in trustworthy and meaningful information. However, in reality, not all journalists are fulfilling their duty as mandated because they are also attached to, and have to serve, the media corporation for which they work, and its interests.

The problem is, in the media, it is quite *absurd* to measure our citizens' interests. It is represented in the journalist's skills in elaborating on those interests. So [the journalist] is a *catalyst*. [In reality] there is no such thing as the media, or the public. This is not an empty space. Journalists have their own subjectivity, idiosyncrasy, that may later become a *Messiah*. It needs a *catalyst*, and journalists are the *catalyst*, delivering news. If the narrators are on the right track with a valid track record, they could deliver valid news. [They are] people like me who are being paid to make news. That is the *catalyst*. The more professional the journalist is, the better the representation of citizens' interests or civil rights in the media. ... What is happening now is a *professional journalism* which accommodates business interests. We can say so. *Medan Priyayi* [the first newspaper in Indonesia] might be [a] tremendous [newspaper] but where was the mass media function if it only had 10 readers? That's where we have to balance the compromise, between journalist as a *Messiah* and the owner as the financier. What we see today is what exactly happens if we cannot maintain the balance [between journalist and capital-owner]. The professionals [journalists] are not stronger than the capital owner. (DD. Laksono, WatchDoc, ex-journalist, Interview, 21/09/11, emphases indicate actual wordings)

What Dandhy Laksono elaborates above shows the lasting tension between 'commitment' (as a journalist) and 'employment' (as a worker). The tension remains there, since omitting either pole is impossible. As much as the public questions the independence and credibility of journalists, they are actually also under pressure to work for the media's interests. However, what we see more and more on a daily basis is the (systematic) weakening of the work of the journalist as an embodiment of commitment.

The (systematically lousy) work of journalists as shown in the majority of the media²⁰ shows that they
20 Often, among the few, TEMPO is referred to as the channel which still maintains a high quality of

care about employment more than about the commitment.

In his understanding of the public character of the media, Lippman (1921) stresses that people – including journalists – are more apt to believe ‘the pictures in their heads’ than come to a judgment by critical thinking. Here, journalism is an ineffective method of educating the public. Therefore, the news is not a mirror of social conditions, but the report of an aspect that has obtruded itself. However, the news made by the journalist is rather subjective as it delivers the journalist’s version of truth and the news itself is limited to how the journalist constructs the reality.

This point on the role of the journalist, whilst concluding the issues that underpin the Indonesian media, brings us back to the main issue of the media in McLuhan’s (1964) understanding : the links between the medium and the message.

4.4. The message, or the medium?

In the media business, profit comes from the content through advertising. Indeed, the development of the media industry depends largely on the advertising which keeps the industry alive. Indonesia has the highest advertising expenditure in South East Asia, which increased 24% from USD 1.7 billion in 2010 to USD 2.1 billion in 2011.²¹ The growth of advertising in Indonesia is caused by the strong economic growth and fuelled by robust consumption and domestic demand. However, there are no particular regulations on advertising, particularly in the media.

The more the content is consumed by the audience, the more profit the media gain. The imperative is clear: media operators should endeavour, as much as possible, to create content that will attract as large an audience as possible. This line of thinking is logical and straightforward in media business – and seems to raise no immediate problem. But it continues: to keep the demand for profitable content high, audience share should be maintained as such by manipulating consumers’ needs. In addition, to gain more profit, the content must be produced and distributed in a more economical way. The derivatives of this logic are devastating, and yet that is what is going on in the Indonesian media.

Content providers and the advertising business have emerged in tandem with the development of the media industry. We do not know the exact number of production houses operating in Indonesia, but we can say safely that there are more than one hundred of them, and the number will surely increase in line with the generic media industry growth. Most of the existing production houses produce local dramas or soap operas (*sinetron*), as these are the most watched programmes on television. Nielsen’s 2001 survey shows that audiences spend an average 26% of their television viewing time watching drama series or *sinetron*, the highest among all programme types.²² *RCTI* and *Indosiar* clearly state that *sinetron* is their primary content since it has the highest ratings of all programmes (MPA Analysis, 2011).

As the business logic dictates, duplication of content is inevitable. *Multivision Plus* is one of the biggest and the most successful *sinetron* production houses, and has produced more than 250 *sinetrons* in the last 10 years.

journalism. Other media operators which once had a reputation for their high quality, such as *Kompas*, on the other hand, show a decreasing standard of journalism..

21 See *Indonesia Tertinggi di Asia Tenggara* (Indonesian advertising expenditure is the highest in Southeast Asia) <http://bisniskeuangan.kompas.com/read/2011/12/20/14403449/Belanja.Iklan.Indonesia.Tertinggi.di.Asia.Tenggara>

22 Based on Nielsen Audience Measurement conducted in 10 cities from 2007-2011.

The media could have produced a more quality-driven and educative content, but more often than not the profit motive is much stronger, as conveyed by an ex-member of the Indonesian Broadcasting Commission (KPI):

Those [educative] shows are good, but will they produce [profit from] commercials? Knowing our advertisers, if they had one [successful] commercial [put] in *sinetron*, will they put a commercial in a documentary about Sumbawa, Indonesian history, a biography like Bung Hatta, Harmoko, Probosutedjo ...Will they do it? I don't think so. So where will they [media industry] get the money from? (A. Armando, interview, 27/10/2011)

Ade Armando's account explains how profit plays a crucial role in media development and content production. The tendency for content to be produced for the profit motive and duplicated for cheaper productions cost is eroding the diversity of information and putting aside information that is more beneficial for citizens. Today, production houses and advertising agencies cannot be separated from the media company itself. In fact, media companies also have their own in-house production and advertising agencies. *MNC Group*, for example, has its own content producer called *MNC Pictures* and *Innoform Media*, in addition to its own creative agency *Star Media Nusantara*.

While such content convergence is most evident on television, it also happens in the other media. We see how blatantly spaces in newspapers and magazines are taken by advertising which accompanies increasingly large 'entertainment' sections at the expense of other quality news items. It is a similar case with radio broadcasting. Some news media groups, in response to this, have created their own content provider. *Tempo* has its own journalism-based content provider called *TempoTV*. Unlike *MNC*, which focuses on *sinetron*, *TempoTV* focuses on producing content for local television stations and documentaries for NGOs. *Kompas* has also established a content provider named after *KompasTV*; which mostly produces documentaries and biographies. Despite the similar business model, this could be one of the alternative means by which citizens can get more, better quality content than just *sinetron*.

All of these circumstances raise an intriguing question: to what extent does 'the medium is the message' (McLuhan, 1964) remain true? Can we still hold McLuhan's assumption that it is the television network itself, rather than its content, whose characteristics are able to affect society? Apparently so. Audiences tend to focus on the content (e.g. *sinetron*), but they largely miss the structural elements (e.g. lifestyle) that are introduced subtly, or over quite long periods of time. Often we do not realise the social implications of the medium until society's values and norms change because of the technology. The implications can be cultural, religious, social, and political, among others. This is what we observe and experience today with our media – as is most apparent in television: the massive spread of the Jakarta- (or Java-) centric lifestyle through programmes such as soap operas, which have become an obsession across the country, goes unnoticed. This is probably an unintended consequence of common media business practices which nonetheless has grave consequences for Indonesian society.

As hinted several times earlier, the Internet is perhaps the type of medium in which citizens have more space to create their own 'message'. Indeed, the Internet has opened up a new type of civic activism and engagement in Indonesia (Lim, 2002; 2003a; 2004; Nugroho, 2008; 2010a; 2010b) – and so did the booming of social media (Nugroho, 2011a). McLuhan's notion that the medium itself (the Net) is the message (of free space and engagement) is more apparent here.

While the Internet and social media can potentially help build public space for citizens, it is hindered by the unequal distribution of infrastructure, concentrated as it is in only large cities in Sumatra and Java-

Bali (Kominfo, 2010; 2011). Such a situation, if not remedied, will create an infrastructure gap which in turn will lead to an information gap among citizens.

4.5. Civilising the media, protecting citizens' rights

In this chapter we have laid out briefly the trajectory of the development of the media industry in Indonesia. More particularly we have tried to see this development from the perspective of citizens' rights – an angle that has not been very salient in previous studies of the media in Indonesia.

The issue of citizens' rights to media, as well as citizen participation in the media, have long been discussed both locally and globally. The idea of citizens' rights is always agreeable to all related stakeholders in the media field. It is similar to the idea of citizen participation, which is similar to 'eating spinach': no one is against it in principle because it is good. Participation of the governed in their government is, in theory, the cornerstone of democracy – a revered idea that is vigorously applauded by virtually everyone (Arnstein, 1969). However, as much as the issue is raised, we also notice that the media have become less civilising in their programmes and move in favour of their profit motive.

Citizens' rights to information, on the other hand, are just one aspect of the whole issue of citizens' rights to media that have to be fulfilled (Joseph, 2005). The media have a duty to protect and enable citizens to exercise their rights by retaining their public character and providing space for civic engagement. However, this noble duty is often neglected due to the business interest which drives the media industry, which in Indonesia is characterised by conglomeration and the concentration of media group ownership in all media sectors. See Figure 4.3.

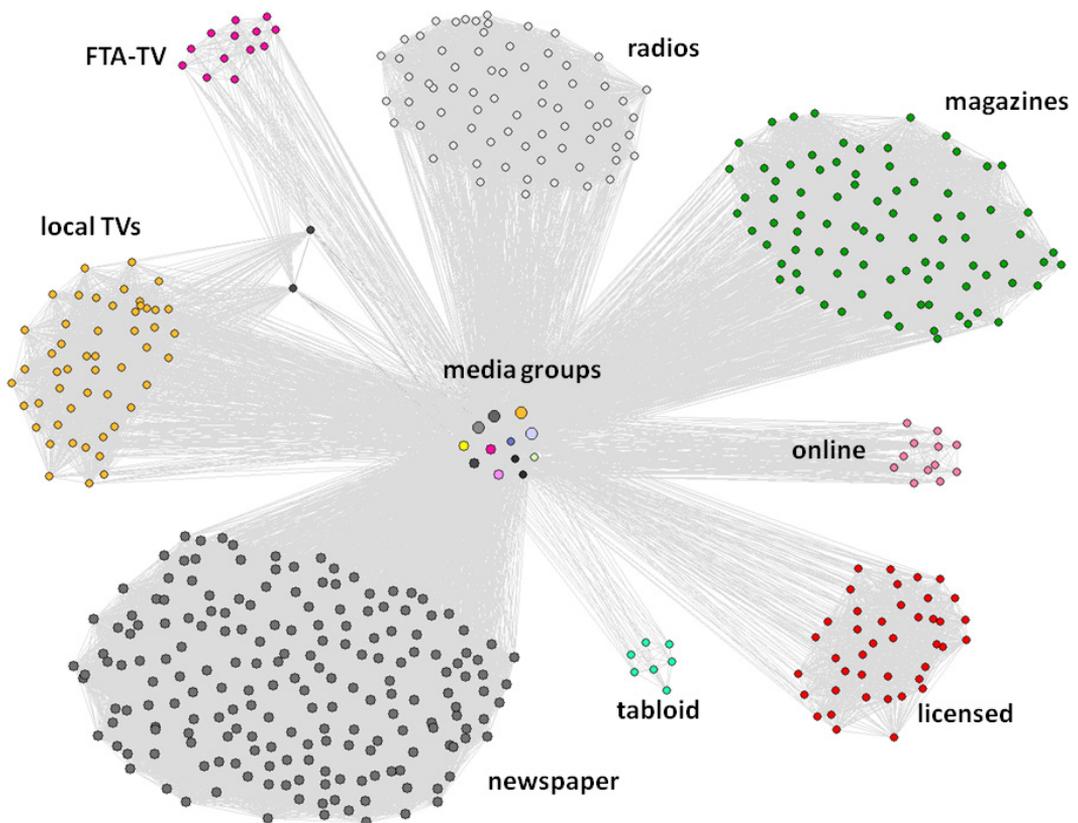


Figure 4.3. The network structure of media ownership in Indonesia: 2011
12 groups. Network measures: N=481; d=0.2504052; 193-core; Kamada-Kawai 'separate component' layout.
For the full node list, see Appendix A.4.3.4.
Source: Authors.

Figure 4.3. shows the structure of the concentration of media ownership in Indonesia, which is dominated by the twelve biggest groups. In network theory, such a structure (a "star-like" one) (Batagelj and Mrvar, 2003; including in its application such as in Diani and McAdam, 2003; Law and Hassard, 1999, among others) reflects a high control of both action and information flow from the centre nodes to the peripheral. The network as depicted above not only implies the bearing of the concentration of ownership on the working of the media, but also makes sense of how control of the medium and the content is taking place.

Running the media as a pure business concern, commodifying news and information and capitalising content, among many other business strategies, have rendered citizens powerless. With the current exponential growth of the industry, the media is not in the position to provide citizens with the space or sphere that they need in order to engage with each other. Instead of civilising society, the media has today perhaps lost their civilising character. What is meant here is precisely the situation in which the media industry lets profit motives completely crush and obliterate their public character. In such a picture, there is no place for citizens. What remain are audiences as customers (who have purchasing power but must accept whatever programmes are aired) rather than as citizens (with their rights).

Community media is one way of addressing this situation at the local level. Community media animate locals and transform citizens' passive participation into something more active. However most community media networks face internal problems such as inadequate human resources and survivability in the market.

The same goes for the Internet and new media technology, which has been adopted not only by many media businesses, but has also been massively adopted by citizens' groups and civil society organisations which have always been trying to reclaim their public space/sphere. The problem surrounding the development of the Internet is the telecommunications infrastructure, which is still very unequally distributed across the country. But once this infrastructure problem is taken care of, the technology can offer almost limitless possibilities for businesses to run their group, or for civil society to make their engagement fruitful and lead to actions.

Clearly, with media technology progressing at an unprecedented speed as it is at this moment, it looks as if conventional media will have to give up their *modus operandi*. However, while the technological uptake may be inevitable, the extent to which the technology affects the dynamics of each medium is in itself interesting to examine, and is even more so when we link this development to the notion of citizens' rights to media. We present this discussion in the next chapter.

5. Conventional Media: Reaching saturation point?

5. Conventional Media: Reaching saturation point?

Do you remember the time when newspapers were booming? But now most of them are bankrupt. Why? Because it is not easy to establish, to maintain, and to manage newspaper sustainably as a product. To sustain, we need profit. Of course we do. In my opinion, what is important is the interaction between the capital, the owner, and the management that manages the organisation, and the journalist at the forefront.

(Eddy Sambuaga, Ex-CEO Beritasatu Media Holding, interview, 10/10/2011)

Conventional media such as print media, television, and radio remain unquestionably relevant and needed. The advent of new media may have had an impact on the numbers of print media readers, television viewers and radio listeners, but they are still the main forms of media accessed by a majority of citizens. The concentration of ownership in conventional media is also found in several major cities and provinces. For example, *Pikiran Rakyat* in Bandung owns *Galamedia*, *Galura*, and three other newspapers under *Kabar Group*; *Ramako Radio Group* in Jakarta; and *Casablanca Bali Radio Group*, and although community radio and television stations are emerging locally, some of them are also part of the larger groups.

We map here the distribution of conventional media infrastructure to see how it is distributed across the archipelago. At the moment, 351 transmitters from ten national free-to-air television stations, 1,248 radio stations, and 1,076 print media publications are published throughout the 33 provinces of Indonesia (Media Scene, 2011): Table 5.1 below shows the distribution.

No	Province	Television stations	Radio stations	Print Media ^a
1	Nanggroe Aceh Darussalam	6	61	19
2	North Sumatra	10	102	68
3	West Sumatra	10	25	26
4	Riau Island	8	27	12
5	Riau	10	7	59
6	Jambi	9	12	18
7	Bengkulu	8	15	6
8	South Sumatra	10	41	17
9	Bangka Belitung	7	5	5
10	Lampung	10	45	28
11	DKI Jakarta	10	53	346
12	Banten	2	17	28
13	West Java	10	181	43
14	Central Java	10	178	37

No	Province	Television stations	Radio stations	Print Media ^a
15	Yogyakarta	10	38	19
16	East Java	10	146	70
17	Bali	10	37	26
18	West Nusa Tenggara	7	18	10
19	East Nusa Tenggara	7	19	13
20	South Kalimantan	10	36	20
21	West Kalimantan	10	29	17
22	Central Kalimantan	8	22	26
23	East Kalimantan	9	27	31
24	South Sulawesi	10	35	40
25	Central Sulawesi	7	15	12
26	South East Sulawesi	4	5	13
27	North Sulawesi	10	16	17
28	Gorontalo	2	4	5
29	West Sulawesi	0	2	3
30	Maluku	8	8	10
31	North Maluku	2	2	12
32	West Papua	9	0	7
33	Papua	1	20	13

Table 5.1. Distribution of conventional media infrastructure in Indonesia: 2010

^a Print Media includes daily newspapers, weekly newspapers, tabloids and magazines.

Source: Authors; processed from Media Scene (2011)

There is a stunning gap in the distribution of the media infrastructure between developed provinces such as Java-Bali and some parts of Sumatra compared to those less developed provinces in the eastern part of the country. What does this imply for the development of the media themselves? What are the consequences of this for citizens' rights to media? This chapter will zoom into more detailed accounts of each conventional media sector to look at their dynamics over time.

5.1. Television: The top influencer

Since it was first invented in 1884 by Paul Gottlieb Nipkow, a 23-year-old university student in Germany, television has developed massively both as a technology and as a media sector. Undeniably, television broadcasting has played a central role in the dynamics of society in the 20th and 21st centuries. From the business side, television channels are the biggest advertising-buyer and they dominate the advertising shares. In Indonesia, television advertising expenditure is still higher than for any other media sector (61%) (Nielsen, 2011a).

There are ten private free-to-air (FTA) national television stations in Indonesia, and one public television station – *TVRI*. As time goes by, perhaps burdened by the legacy of the Soeharto era, TVRI suffers a lot of internal problems which cause it to lag behind the development of other television stations. The other ten television stations, on the other hand, are striving to maintain and develop their business by creating new channels and adopting new technologies. These television stations are incorporated into a small number of groups as shown below.

No	Television	Group	Notes
1	RCTI	MNC Group	
2	MNCTV	MNC Group	MNCTV was previously named TPI and changed its name on 20 October 2010
3	Global TV	MNC Group	
4	SCTV	EMTEK	EMTEK, holding company of SCTV, officially bought Indosiar on July 2011
5	Indosiar Visual Mandiri	EMTEK	
6	Trans TV	CT Group	On September 2011, CT Group also bought detik.com, the largest online media company in Indonesia
7	Trans 7	CT Group	
8	ANTV	Visi Media Asia	Visi Media Asia officially went public on November 2011
9	tvOne	Visi Media Asia	
10	Metro TV	Media Group	

Table 5.2. Groups of national free-to-air television broadcasters

Source: Authors

The table shows that one group can have more than one television station which operates nationally; in fact *MNC Group* has three television stations, not to mention the number of their other media channels. Some groups also have their own local television station, for example *MNC Group* owns *Sindo TV Network*, and *EMTEK* has *O-Channel*. All of these groups are concentrated on Java Island, with their main headquarters and production located in Jakarta.

However, although there are 11 FTA television stations, network coverage still has not reached all areas, leaving some areas with minimal, if any, access to national television broadcasting. Moreover, some of these areas are located near the borders with other countries, so that they are more likely to have access to foreign broadcasts rather than to national television broadcasting. According to the BPPT report, in 2007 the national broadcasting television signal was received in 50,767 villages (73%), while the rest (19,888 villages) were left without any signal at all (BPPT, 2008). Papua and Maluku provinces had the least access, with only 12% and 5% respectively of their villages able to access the national television network.²³ However, in 2011, the Ministry of Communication and Informatics carried out some surveys that showed 100% of households in Maluku and 92.75% of households in Papua had already received television broadcasts (Kominfo, 2011). See Figure 5.1.

23 The census was carried out by BPPT in 2007, covering 69,955 villages, not included Tsunami-victim villages in Nanggroe Aceh Darussalam and Nias (BPPT, 2008).

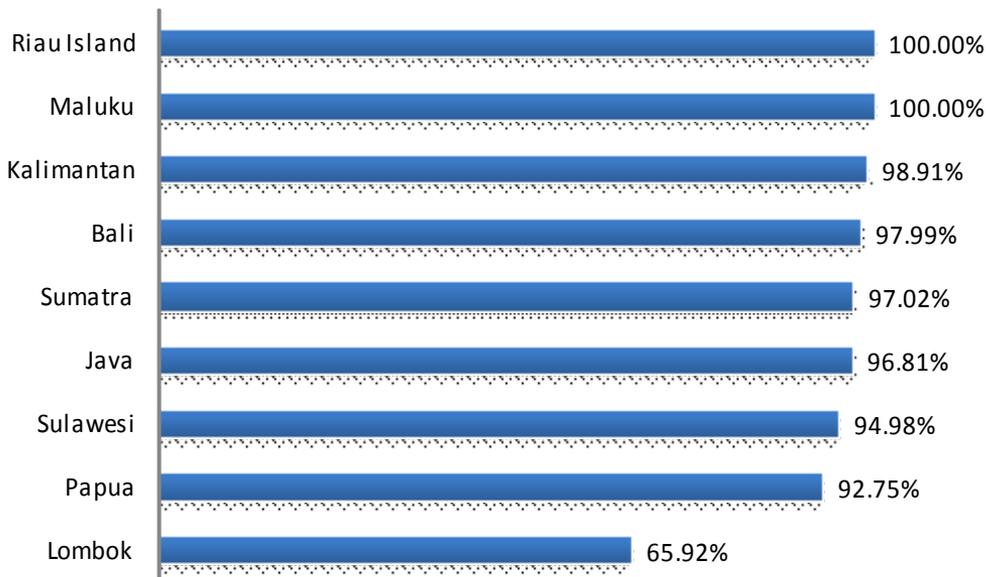


Figure 5.1. Number of households with television set
 Source: Ministry of Communication and Informatics (Kominfo, 2011)

The statistics show that television remains the most popular medium. However, ownership of a television guarantees neither automatic receipt of good television signals nor an ability to watch national television programmes. *TVRI*, as the one and only public broadcasting television station and the one which has the most coverage throughout Indonesia, could actually have covered all the rural areas, but then again their infrastructure and operational management have become obstacles to this happening. However, according to the BPPT report (BPPT, 2008), in 2007 the number of local television stations increased to a total 132, of which 110 stations are private-owned and 22 belong to *TVRI*.

Broadcasting permits: A never-ending problem

A long-lasting problem in broadcasting – particularly television broadcasting – is the vague and ambiguous permit application process. The whole system of permits for national broadcast television is to be questioned. Ade Armando reveals a shocking fact:

[T]he fact is, no television [stations] have a valid permit [at the moment]. It is not something to be ashamed about [though]. They are all indeed still processing the application for the permits. (A. Armando, former KPI member, interview, 11/10/27)

According to Broadcasting Law No 32/2002, the broadcasting permit is given for 5 years for radio broadcasting and 10 years for television broadcasting, and both can be extended for another 5 and 10 years subsequently. The permit for a television station is granted by the Ministry of Communication and Informatics on completion of a number of steps during the application processes, which involve KPI (the Indonesian Broadcasting Commission) and the public.

As this process is time-consuming, the only way to expand the television business is by acquiring another station, which is much easier but leads to conglomeration. This practice has been happening for years, in spite of Broadcasting Law No. 32/2002's theoretical limitations of broadcasting company ownership. One of the problems here is that acquisition as a business practice is allowed under Limited

Liability Company Law (UU PT) No. 40/2007. Consequently, UU PT is often used by a media group as a legal justification when they are confronted with the allegation of conglomeration. This is undoubtedly a deliberate manoeuvre by media companies to circumvent the Broadcasting Law. Such a situation prompts a call for the regulators to come up with a better regulatory framework that properly governs companies dealing with public goods, such as broadcasting businesses.

Three types of permit are issued by KPI, namely (i) *IPP Prinsip* – principal permit for broadcast trial, (ii) *IPP Tetap* – final broadcast permit, and (iii) *IPP Existing* – an adjustment to a permit previously issued by the now-defunct Ministry of Information. The total number of broadcast trial permits issued by KPI is shown in Table 5.3.

Year	Public TV	Private TV	Community TV	Pay TV	Total
2007	0	3	0	5	8
2008	0	29	0	2	31
2009	0	24	1	9	44
2010	0	28	0	12	40
2011	1	31	0	18	50

Table 5.3. Number of *IPP Prinsip* issued by KPI: 2007-2011

Source: Indonesian Broadcasting Commission, unpublished

As the table shows, the number of broadcasting trial permits issued to private television stations shows a steady increase, as does the number issued to Pay TV stations. This is in contrast to the single trial permit issued for community TV in 2009 and the single permit for public TV in 2011. This may be because either there were not many applications for community TV, or that the government prioritised permits for private TV rather than for community TV.

It is perhaps worth noting that the most recent case on the licensing issue for television concerned *KompasTV*. *KompasTV* was officially launched on 9 September 2011. According to KPI, *KompasTV* originally received a permit as a production house²⁴. However, the overall public perception of *KompasTV* was that it is more than just a production house, since it can be watched on local television stations. The message given out in the huge advertisement in *Kompas* newspaper for the *KompasTV* launch event made it more complicated. Even if *KompasTV* were granted a permit to broadcast, such an advertisement should not be allowed as they have to pass the broadcasting test first. Considering their operation, it is difficult to differentiate between *KompasTV* as a production house – which can only produce content – and *KompasTV* as a television station. In response to this, the Indonesian Broadcasting Commission (KPI) issued a warning to the company in agreement with the Ministry of Communication and Informatics. However, as part of *Kompas Gramedia Group*, *KompasTV* is maintaining its current practice, arguing that their content is educational and hence they will not stop producing it for citizens even if they have to face troubling regulations. This issue remains unresolved.

The curse of ratings

As the most influential media sector, the content of television does have an enormous impact on society. However, as the ratings show, the most watched types of content are drama (soap opera or *sinetron*) and sensational news. Most TV stations sell drama as their main content, and the audience share for news television is very small compared to the others. See Table 5.4.

24 See *'Peringatan Kementerian Kominfo Terhadap Kehadiran Kompas TV* (The warning issued by the Ministry of Communication and Informatics towards the launch of *KompasTV*) http://www.postel.go.id/info_view_c_26_p_631.htm

No	Television	Audience Share	Main Content	Group
1	RCTI	17%	Soap opera, comedy	MNC Group
2	SCTV	16%	Soap opera, import drama	EMTEK
3	Trans TV	14%	Variety show, soap opera, comedy	CT Group
4	MNCTV	12%	Religious drama, local music	MNC Group
5	Trans 7 Indosiar	10%	Sports, reality show, news	CT Group
6	Visual Mandiri	10%	Soap opera, import drama, reality show	EMTEK
7	Global TV	8%	Nickelodeon, F-1 racing, MTV	MNC Group
8	ANTV	7%	Lifestyle, Family entertainment, sport	Visi Media Asia
9	tvOne	5%	News, sports	Visi Media Asia
10	Metro TV	3%	News, talkshow, documentary	Media group

Table 5.4. Audience share in free-to-air television in Indonesia: 2011

Source: MPA Analysis (2011)

RCTI leads the audience share by having soap opera or *sinetron* as their main content, followed by *SCTV* and *Trans TV* which predominantly broadcast variety shows. *TV One* and *Metro TV*, which focus on news broadcasting, sit at the bottom with the smallest audience shares. Apparently audience prefers drama to news, unless the news is sensational. Other TV stations also broadcast news and occasional investigative reports and documentaries that address socio-political issues, but these attract a smaller audience than *sinetron* or entertainment-talkshows such as *Bukan Empat Mata* in *Trans 7*, as the latter boost the ratings.

[I]f we talk about news, television broadcasters only allocate a small portion [of time] for it, except [in] a news channel. But apart from that, we can see how media content, including its news broadcasting, is moving towards commercialisation, [and] sensation. [Many] important public issues are being neglected since they are less interesting and less commercial. In the end it is all about ratings; and ratings have degraded public interest and taste. (I. Haryanto, LSPP, interview, 11/10/26)

It is understandable that ratings lead to the advertising that keeps the television industry alive, but since television broadcasts use public frequencies, and more importantly since television broadcasters have a public duty as part of the media, they should consider producing more educative and informative content that aims for the betterment of society. What happens today is that the sensation has taken over the substance in most television programmes. If this trend continues, the television industry will soon be 'locked-in' to this path, valuing ratings more than the retention of its public character as a medium that should take responsibility for educating and civilising the society in which it operates.

5.2. Radio: Democratising public voices

Radio is one of the most widely spread media formats in Indonesia. In some remote areas, people have built their own community radio stations to serve their needs. Large media companies also usually have radio among their channels. Some media groups own more than ten radio stations throughout Indonesia, like *MNC Group* with its *Sindo Radio Network* and *Kompas* with its *Trijaya Radio Network*.

The first state-owned public radio network, *RRI Radio Republik Indonesia* (The Radio of the Republic

of Indonesia) was established in 1945 and was a consortium of eight local stations formerly under a Japanese-controlled network. Previously, during the colonial era, radio was a vital tool for the youth to communicate and consolidate their struggle against the Dutch occupier. After Independence in 1945, RRI gradually monopolised the radio networks and came to be used mostly for political propaganda. It was compulsory for news and other designated specialist broadcasts to relay all RRI programmes from Jakarta. At that time, RRI was the state's primary and most centralised medium for mobilising public opinion. In 1970, private radio stations were legalised, with certain terms and conditions. In 1977, PRSSNI *Persatuan Radio Siaran Swasta Niaga Indonesia* (Indonesian Private Commercial Radio Broadcasters Association) was formally established with Siti Hardiyanti Rukmana (Tutut), the late President Soeharto's daughter, as elected General Chairperson until 1998. The placement of Tutut was to ensure the industry's self-censorship, particularly at moments of political crisis.

Unlike television, private radio licenses were issued largely on a commercial basis, without centralised political interventions. Despite the existence of regulations aimed at preventing those operating non-government radio stations from engaging in other types of business, by the early 1990s there was an increasing amount of radio networking and cross-media ownership, some of which was associated with the presidential family's circle. From this point onwards, the business of radio network has developed rapidly. In 2005, only 831 radio stations were listed (Laksmi and Haryanto, 2007), while by 2010 the number had grown to 1,248 stations (Media Scene, 2011). Although not all of the private radio stations join PRSSNI, the growth of its members more or less reflects the dynamics of private radio in Indonesia. See Figure 5.2. (based on PRSSNI²⁵, edited) below.

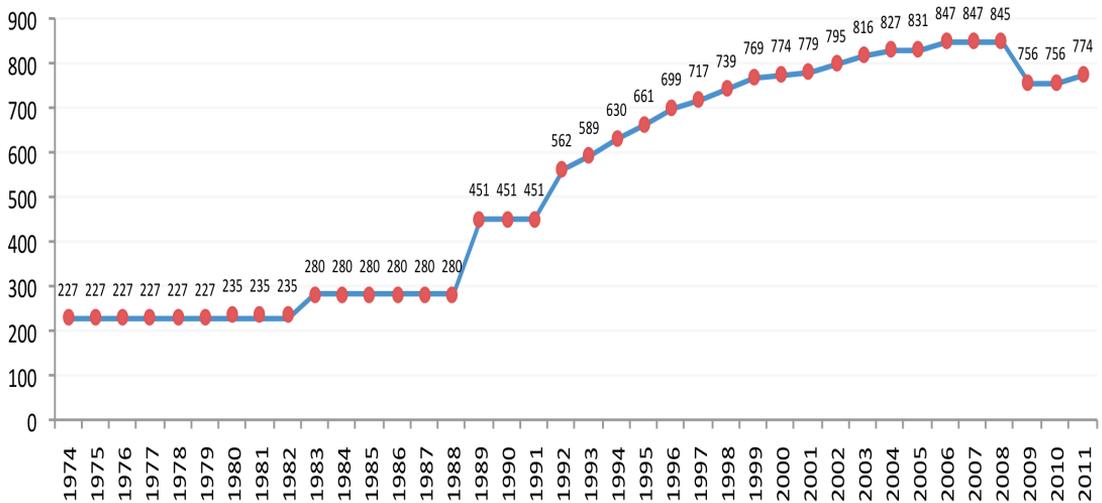


Figure 5.2. Members of PRSSNI

Source: Authors; based on PRSSNI, edited.

As the table shows, a significant increase in PRSSNI's membership occurred during 1989 to 1990 (from 280 to 451 members). The historical record shows that this was the year when private television rose and Soeharto's daughter Tutut was elected the chairwoman of PRSSNI, to ensure the organisation's responsiveness to and support for her father's regime. However, not all radio stations were members of PRSSNI.

25 <http://www.radioprssni.com/prssninem/mop3.asp>. Last accessed 11/11/11

Today, as in other media sectors, several major groups control the Indonesian radio industry. These groups usually have networks across the country, and have other media channels like television and print media. The top five groups are tabulated below.

No	Group	Number of radio stations
1	Kompas Gramedia Group	12
2	Media Nusantara Citra (MNC) Group	18
3	MRA Media Group	10
4	Mahaka Media Group	15
10	CPP Radionet	40

Table 5.5. Major groups controlling radio in Indonesia: 2011
Source: Authors, from various sources

MNC Group, the strongest media group, has 18 radio stations which operate under the name of *Radio Sindo*. *CPP Radionet* is a group focusing on radio, operating 40 radio stations throughout Indonesia, but this group has not expanded its business into other media sectors. See Figure 5.3. for their full network.

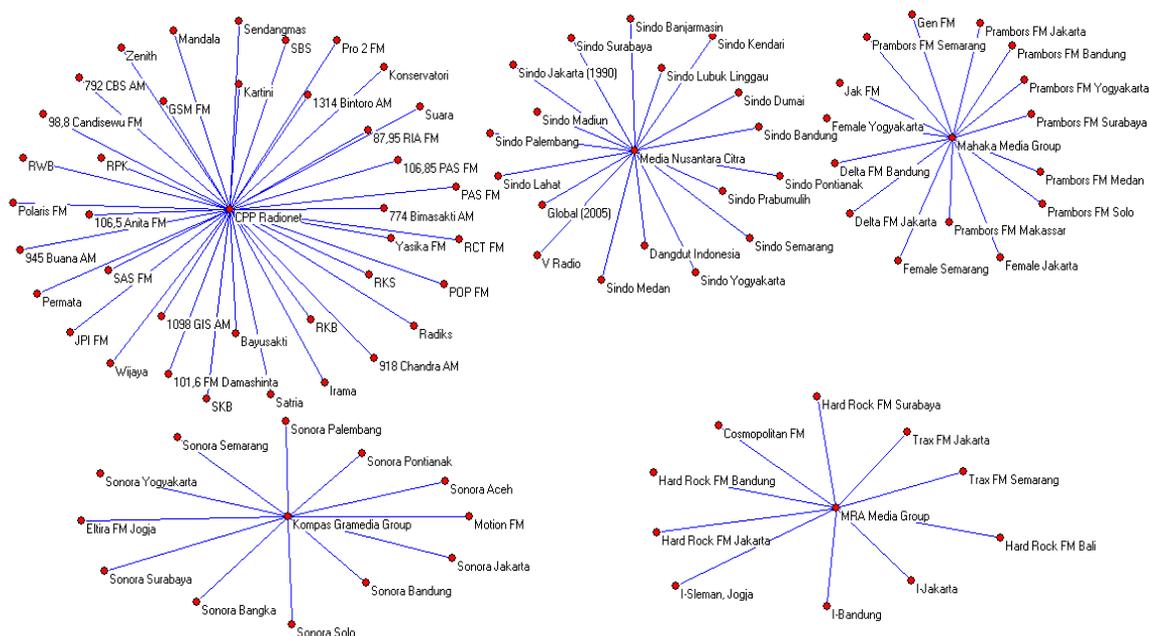


Figure 5.3. Network of the 5 biggest radio groups in Indonesia
Source: Author

A number of private radio stations still operate illegally. The government is currently trying to put them in order by means of ‘sweeping’ those who broadcast illegally. But as most of them have already been broadcasting for years, the process is not easy. The Broadcasting Director of the Ministry of Communication and Informatics tells us:

The point is, we want all broadcasting institutions to be legal. There are still thousands of illegal radio stations. They operate in between two frequencies. Some of them even interrupt other frequencies. It happens a lot. It is being put in order now. But this process needs time, because those illegal radio stations have already been broadcasting since

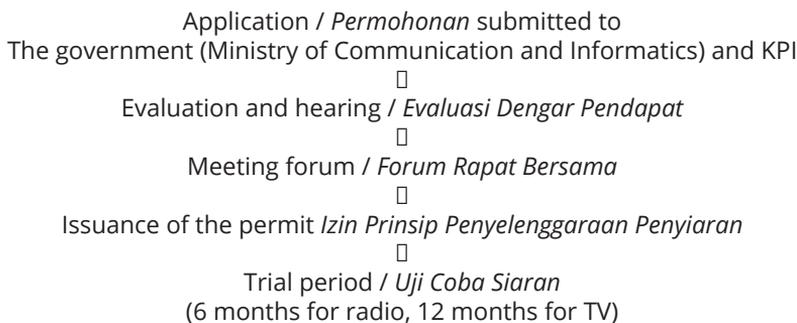
before the UU No. 32 [Broadcasting Law] was enacted. We have to be careful. Not that we are supporting illegal broadcasting, but we need to control them wisely. (A. Widiyanti, Broadcasting Director, Ministry of Communication and Informatics, Interview, 27/10/2011)

It is obvious that the government is responsible for protecting and governing frequency allocation. Once a permit to broadcast has expired, the radio station should return the frequency allocation back to the government. Based on Minister Regulation Permen No. 28/2008 on Frequency Permit Procedure, one radio frequency can be used for a maximum period of 10 years, and can be extended - one time only - for another 10 years. If a company would like to use the same frequency after that, then they have to apply for another permit from the beginning.

Box 2. How to apply for a broadcasting permit?

The procedure to apply for a broadcasting permit, known *Izin Prinsip Penyelenggaraan Penyiaran* (IPPP), is explained in the Minister of Communication and Informatics' Regulation (*PermenKominfo*) No. 28/2008. The rule applies to all broadcasting entities, both private and community-based. Initially, based on Broadcasting Law No 32/2002, this permit was granted by the Indonesian Broadcasting Commission (KPI). But due to the result of the judicial review and based on Government Regulation No. 50/2005, the application for the permit is now submitted to the Ministry of Communication and Informatics, and its approval is to be discussed with the Commission.

A simplified diagram on the process can be seen below:



A good practice of broadcasting requires each and every TV or radio station to apply for such a permit. But, as our fieldwork suggests, the practice is often overshadowed by trades and deals on these permits committed by bigger groups – something impossible for community broadcasters who also have to wait for their permits to be issued.

This problem seems to be rooted at the national level, particularly in the 'central KPI' where most permits are held up. Certainly, this is counterproductive to the needs of small-scale broadcasters. Moreover, these become the factors that have contributed negatively to the accountability of broadcasters, and the broadcasting scheme in particular.

Source: PermenKominfo No. 28/2008

At one point, the effort to control frequency use through direct monitoring is good for law enforcement. But sometimes the government's *Balai Monitoring* (Monitoring Office) also targets community radio stations, rather than commercial private radio stations, since some of them are operating without permit. Indeed, it is difficult for community radio stations to obtain a permit. Most of them are located

in suburban areas, with some of them even in mountains, so that processing the paperwork required for obtaining a permit is extremely difficult. For example, to get a Notary's Deed (or *akte notaris*), they have to travel miles into town, not to mention the cost in obtaining the documents. We will elaborate further on community radio later in the report.

5.3. Print media: On life support?

People still want to read newspapers, not a tablet. People still want to read newspapers on the train; they still need to clip articles from the newspaper. ... Newspapers have an emotional bond with human civilisation. (DD. Laksono, WatchDoc, interview, 09/21/2011)

The rise of broadcasting media was once seen as a threat to print media. But the truth is that print media is still growing rapidly. 'Print media' is defined as all periodical printed materials such as newspapers and magazines, collectively referred to as *the press* (Hill and Sen, 2000). The first newspaper recorded in Indonesia's history was *Medan Prijaji*, which was used as a tool to oppose the Dutch colonial rule. During its development, the press became one of the most powerful political tools. There were times when newspapers were affiliated with political parties. In the New Order era, the press was closely watched by the government as a response to rising middle-class dissent against the government.

Until the fall of Soeharto in 1998, the ownership of media, including print media, was concentrated in the hands of several members of the political elite or those close to the President. Since then, unlike broadcasting media, print media has had a rather free space for growth. After the 1998 reform, obtaining a permit to establish a press company was much easier than obtaining a permit for a broadcasting company, especially after the Ministry of Information was closed down in 1998. This resulted in the high growth of print media.

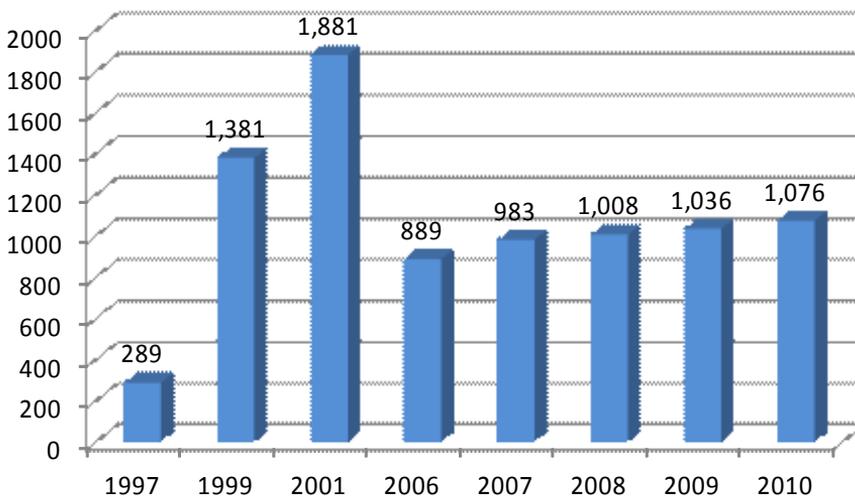


Figure 5.4. The growth of print media: 1997-2010
Source: Authors; based on Sejarah SPS in Lim (2011)

In the aftermath of Soeharto, with no *SIUPP* [*Surat Izin Usaha Penerbitan Pers/Press Publication Business Permit*] required, the potential of the newspaper industry was unleashed. Hundreds of newspapers appeared. It turned out, however, that in the longer run not all of them survived the competition. The number of newspapers being published fell from 1,881 in 2001 to only 889 in 2006. Since then, however, the industry has slowly begun to grow again.

The distribution of print media, particularly newspapers, has been quite even across Indonesia. The number of print media publications available in each province, be it newspaper or tabloid, is still growing year by year, proving that print media remains one of the most accessible forms of media for citizens.

Nowadays, the ownership of print media is not only limited to political elites and government, but rather has become a promising business in which everyone can engage. Citing Dhakidae, Hill and Sen (2000) noted that the press has turned from a message-based medium into an audience-based medium, as they need to get substantial advertising revenue, and raising mainstream issues is one of the ways to get the required volume of advertising. Several major players in the print media business also own other media channels such as broadcasting and online media companies.

No	Group	Newspaper	Magazine and Tabloids	Other business
1	Jawa Pos News Network	Jawa Pos, and 133 others, under Radar Group	6 brands, distributed throughout Indonesia	Local televisions
2	Kompas Gramedia Group	Kompas and 27 others, under Tribun Group	48 brands, distributed throughout Indonesia	Property, content provider, local television, event organiser
3	MRA Media Group	n/a	17 brands, local and franchise, distributed throughout Indonesia	Retail, property, food & beverages
4	Femina Group	n/a	15 brands, local & franchise, distributed throughout Indonesia	Talent agency

Table 5.6. Major groups in print media in Indonesia: 2011

Source: Authors

Those four groups are the biggest in print media, between them controlling numerous magazines and newspapers distributed throughout the country. *MRA Media Group* was the first to bring the franchise magazine *Cosmopolitan* to Indonesia in 1997, and it has continued with a number of niche and franchise magazines up until today. *Femina Group* is famous for its women's magazines, and has expanded its network to include tabloids and a talent agency. *Kompas* has expanded its newspaper range by acquiring local newspapers and has united them under the name *Tribun Group*. *Jawa Pos* has pursued the same strategy under *Radar Group*. As is the nature of today's media companies, those groups also have other businesses, such as broadcasting and properties.

[Talking about the most powerful group in print media] ...If we observe [the most powerful print media based on] its influence and penetration, it is Kompas. Even though its circulation is less than a million – roughly they have around five hundred thousand [copies circulated] – but Kompas is influential. The President reads it, as well as all public policymakers. From its market penetration scale, Jawa Pos is the most powerful one, this group has almost two hundreds newspapers under its Radar Group. [DD. Laksono, WatcDoc, Interview, 21/09/2011)

Indeed, *Kompas* and *Jawa Pos* remain the two most widely read newspapers in Indonesia. In 2010, *Kompas* sat at the top, with 18.4% share of the readership. *Jawa Pos* followed with 16.2% of readers. These figures represented an increase on the previous year's figures, when *Kompas* had a 17.2% share and *Jawa Pos* a 15.3% share of the readership (MARS Report, 2011).

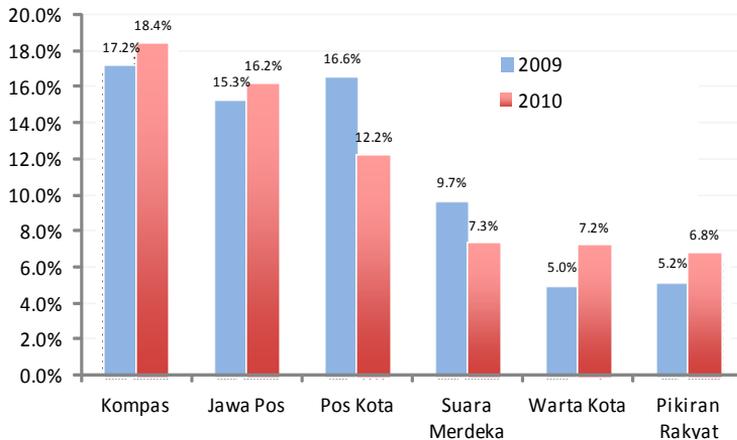


Figure 5.5. Reader shares of major newspaper in Indonesia: 2009-2010
Source: MARS Report (2011)

The newspaper industry, just like television and multimedia, is a profitable one, but it is starting to get left behind. The younger generation are more apt to believe in blogs and online media. Adjusting to the new technology, newspapers are also expanding their news to online media, making online news and applications that can be accessed anywhere, anytime as long as an Internet connection is available. This online version of print media has been booming over the past five years, since they also provide channels for citizen participation by means of comments and feedback, as well as dedicated channels for readers (*Kompasiana* – part of Kompas – is probably the best example). Another factor affecting this phenomenon is speed. Reading a newspaper online and through links is faster for keeping oneself updated. Moreover, online media spread news and information in real time, faster than print media. Does this mean the beginning of an end to print media? Apparently not.

From what we found, print media is arguably not dead, but it is on life support. Firstly, overall newspaper circulations in Indonesia still show an increase from 19.08 million in 2010 to 25 million in 2011.²⁶ Profits in print media companies have also increased – we cannot see that this will end in the near future. For example, the profit of the newspapers owned by *Mahaka Media Group* increased to IDR 92 billion in 2009, from IDR 80 billion in 2008.²⁷ *Tempo Magazine* recorded a significant profit increase from IDR 1.4+ billion in 2009 to IDR 5.3+ billion in 2010. *Tempo interaktif*, an online media company owned by *Tempo Inti Media Group*, noted that the number of visitors to their website in 2010 showed an increase of 190% on the previous year.²⁸ In *Tempo Inti Media Group*, both online and offline (printed) media increased their profits. This tells us that even though online media are popular and attract more readers, this does not always decrease the circulation and profit of the printed version. Nevertheless, other media companies experienced a decline in their daily copy sales figures.

Secondly, when the number of print media readers is decreasing, print media companies have to adapt to the new technology or else face the end of their business. So another strategy to keep the circulation alive is to have mainstream issues in the content which are also picked up by other media. This has of course threatened the diversity of content and information in print media, despite their diverse ownership.

26 See “*Bisnis Media Cetak Masih Berpeluang*” <http://bisniskeuangan.kompas.com/read/2012/01/28/05493874/Bisnis.Media.Cetak.Masih.Berpeluang> and “*HPN 2010 dan Ratifikasi Perusahaan Pers*” <http://www.antaranews.com/berita/173115/hpn-2010-dan-ratifikasi-perusahaan-pers>

27 ABBA_Annual Report 2009

28 Tempo Annual Report 2010

Print media businesses have to have new strategies and must innovate in order to survive. The synergy between print media and online media needs to be built in order to keep print media in business. One way is to provide teaser news on online media, while full coverage can only be read on the printed version. Compared to online media, it may be slightly slower for the printed version to reach its reader, but print media could offer deeper insights on a given issue. The strength of print media is the accuracy and verification principles that they hold up. Such basic journalism principles are rather uncommon in online media, perhaps because they prioritise presenting real time updates over verification or validity. Moreover, with the information overload on the Net, print media help the public to 'screen' what is important and what is not – despite subjectivity.

Thirdly, print media, and newspapers in particular, are an important tool for power. Most media owners realise this, and they will not let their business fail. It implies that print media, and especially newspapers, will survive amidst massive media technology developments since they constitute a political weapon for the owner. From our interviews we note that several print media companies have not even recorded profits over the past few years, and yet they are still in business for the sole reason that they help to create public opinion on and support for the owner's other interests, most significantly when the owner is affiliated with politics. An anonymous insider respondent gave us this insight about a media group:

For example, X [a media group]. Ask them which of their newspapers is making profit. XN [a newspaper of the group], I am pretty sure it does not. XM [another newspaper of the same group]? Not really. Ask them [the owners] why they want to have newspapers. It would be fun [to know the reason]! Before they owned a media company and [they] wanted to meet a Minister, they had to wait outside. Now [that they own a media company] the Ministers themselves are calling them. Why? Because they have newspapers! Finally they feel that it is fun to do politics while making money! (Anonymous, interview, 2011.)

This is a blatant threat to citizens' rights to access quality and trustworthy information in print media despite their diverse ownership. This finding somehow confirms Bagdikian's (2004) and Joseph's (2005) arguments that many business people invest in the media industry to promote their broader economic and political interests, rather than to pursue an altruistic desire to provide the public with independent, objective information and pluralistic points of view.

5.4. Community media: Between 'needs' and 'want'

Community media refers to any form of media (broadcasting or print media) that is created and controlled by a community, which is generally based on geographical proximity (although they can also be based on identity or interest). Community media is neither part of the commercial media, state-owned media, nor public broadcasting sectors. Community media aims to engage those that are excluded and marginalised from media practices and policymaking processes, hence it represents a crucial element in a democratic media system.

Owned and run by the community, community media have a specific and loyal audience. Such media, for example community radio, develops from the concern that nowadays people rarely get together and engage in the *Balai Desa* (village hall) to communicate and share ideas. Village hall was once the public sphere for many rural communities, but it now seems to have lost its function. Community media aspire to address this problem. Community media are an important instrument that can be used as a tool to express a community's aspirations. Community media can help citizens to identify their problems and generate appropriate solutions.

In this study we are focusing on community radio, which has shown a significant role as a society-driven media format. Community radio has been the most popular type of community media since community television stumbled upon the limited availability of channels, making it hard to survive. As mentioned above, of the 14 channels available in one region, ten are used by the national media, one is reserved for TVRI and two channels for digital simulation. This leaves only 1 channel for local TV, including community TV (KPI, 2008:15). As such, it is understandable that local TV develops much less rapidly than local radio does. Also, establishing a community radio station is easier than starting a community TV station.

Community Radio

Community radio means a radio station in one particular community, run by the community, for the community's interest, with content that is about the community.²⁹ A community radio station is usually established on the initiative of several people in the area, who then run the radio station as a non-profit broadcasting institution. The permitted coverage for community radio is only a 2.5 km radius. Since the reach is limited, the station can provide appropriate and relevant information for the betterment of the community it broadcasts to. Community radio is thus the embodiment of a citizens' initiative to be involved in accessing and producing information in the media, particularly that which meets their needs.

At first, the emergence of community radio was objected to by private radio stations and *RRI*. They argued that the limited frequency should not be shared with community radio stations. There was also a fear that community radio could become a negative propaganda medium. These objections were unreasonable as the allocation of frequency for community radio stations was, and is, only 1.5% of the total remainder of private and public radio frequency allocation. It is worth noting that the frequency allocated for community radio is quite close to the frequency used for air transport, making it easier for the government to sweep the radio on the grounds that they disturb, and endanger, air transport (Haryanto and Ramdojo, 2009).

There is no exact figure for the number of community broadcasting stations in Indonesia as they are not well documented by either the KPI, the Ministry of Communication and Informatics, or the JRKI *Jaringan Radio Komunitas Indonesia* (Indonesian Community Radio Network). As such, the data on community radio comes from different sources. In 2003, KPID (Local KPI) West Java listed 500 community radio stations operating throughout Indonesia. This number increased to 680 in 2005, and according to JRKI, that number rose to 700 in 2006. However, the latest data we sourced from JRKI shows a decrease in 2009 to only 372 radio stations.

[Talking about why establishing a community radio] At first, we felt that we were living in a periphery area. It was sometimes difficult to have access to the media. We tried to provide the people here with the information about [their own] village and vice versa; ... or even with information about outside this village. (Misbach, a founder of *Sadewa* Community Radio, Wonolelo, Yogyakarta, interview, 15/12/2011)

Misbach and the friends with whom he initiated the establishment of *Sadewa* community radio have shown us how community radio plays a significant role for citizens, particularly those who have difficulties in accessing other sources of information. Community radio can be seen as a healthy form of society-driven media which is not profit-oriented and can act as a mediator between the public and information. There are certain requirements for the establishment of a community radio station, based on the Guide for Administrative Procedure for Community Broadcasting Institution, issued by KPI in 2005. See Box 3.

²⁹ Again, community here refers to groups of people within a geographical boundary, or having the same interest.

Box 3. Requirements for establishing a community radio station

There are several requirements for the establishment of a community radio station. *First*, all management and people involved in the managerial and daily operation of community media have to be Indonesian. No foreigners are allowed to control community radio. *Second*, the community organization has to have a Notary Deed which explains the main duties, functions, and structure of the Institution, including the selection process for Community Broadcasting Council and Community Broadcasting Executor. *Third*, the fund for Community broadcasting should come from the community's contribution, and all the funds belong to the community to be used for the community. *Finally*, the establishment of community radio has to have the written approval of at least 51% of total adults in the community, or at least 250 adults in its broadcasting range. This written approval also has to be acknowledged by the government official such as Head of Village (*Kepala Desa / Lurah*) in the community.

The experience of *Sadewa* community radio, for example, reveals that it is not really difficult to establish a community radio station. Their station started from a group of young people who experienced difficulties in getting information about their area. They established a community radio station with the hope that it could become a bridge for their community to access daily useful information. Funds to establish the radio station were collected from the community and from their own pockets. So far, the existence of *Sadewa* community radio has helped them in establishing another youth association, *Karang Taruna* (Youth Club). The process of establishing community radio may not be very hard, but the main difficulty lies in the process of obtaining a valid broadcasting permit from the government (KPI).

Source: Panduan Prosedur Administratif Permohonan IPP Lembaga Penyiaran Komunitas (Guideline of the Administrative Procedure for the Application for Obtaining Permit for Community Broadcasting); issued by KPI; available at <http://suarakomunitas.files.wordpress.com/2008/05/panduan-lp-komunitas-11-september-20052.pdf>; interview with Misbach, a founder of Sadewa community radio, Wonolelo, Yogyakarta (15/12/2011)

However, these requirements are not always easily fulfilled by the community wanting to have their own radio station. From the obligation to have a Notary Deed to seeking for approval from the adults, they all put a burden on the citizens' community radio initiative. Moreover, all requirements have to be followed according to the specified process, which is usually time-consuming, before the broadcasting permit can be obtained. This has become a problem in the contemporary development of community radio, in addition to internal problems such as the regeneration of community radio organisation.

We are establishing this [community] radio with a pure [good] intention. We know why we started it [the radio]. But how do we manage the members? How are their rights and obligations accommodated? These things have sometimes become an internal problem. The external problem is regulations. Actually, regulation is needed, but it does not accommodate the existence of community radio. ... The government sees it blindfolded when in fact ... community radio exist to empower the citizens, and to connect the government and its own citizens. (Mardiyono, JRKY – *Jaringan Radio Komunitas Yogyakarta*, Interview, 11/12/15)

One of the recent regulations that will soon be enacted by the government is the 'Time-sharing policy'. The idea is to add more channels and space for community radio. The new policy allows community radio stations to share their broadcast timing, a policy which has attracted criticism from KPI on the basis that each community radio station has a different vision and mission, as well as different ways

to develop its community. KPI is not in favour of this policy since it could spark conflicts between community radio stations.

Government regulations on community radio and the community-based broadcasting institution are very rigid; and they [community radios] are treated as corporations with complicated rules. ... Most of the community radio stations are located in remote areas, in the middle of the mountains where access to lawyers and notaries are difficult, whilst they are given such complicated rules to get their permit. (I. Haryanto, LSPP, interview, 11/10/26)

Before the 'time-sharing' policy, the government had set rules on the development of community radio such as permits and networking coverage. However, as Ignatius Haryanto says above, the basic regulation of the permit process for community radio is not different to that of commercial radio whilst they operate differently. As such the permit process can be seen as discrimination against community radio stations, since these are non-profit-making but they still have to go through the same process as a private profit-driven radio station.

Since it is difficult to obtain such a permit, most community radio stations are operating without one. On paper, it should only take 270 days for community radio to apply for the permit, despite having to pay the same fee as that applied to commercial broadcasting. In reality, applying for a permit can take forever. Some community radio stations made their applications in 2006 but still have not received the permit.³⁰ Community radio practitioners, understandably, cannot wait that long, so they start broadcasting. Surprisingly, they do not see this as a problem at all. They no longer care about the permit as long as they have fulfilled their obligations to apply for one, as reflected by the chairperson of the community radio network in Yogyakarta (JRKY):

I had applied for my [community radio] permit five years ago, and have not been granted a single one up until now. But I take it easy. If in the end I do not get the permit, I do not think I have to be upset. I did not do anything wrong. I have fulfilled my obligation, [i.e.] submitting my permit application. It is not my fault if it then takes so long for them to grant a permit. I have done what was supposed to be done. We keep on going [broadcasting]. No problem. (Mardiyono, Chairperson, JRKY, interview, 11/12/15)

The determination of these citizens to deliver useful and relevant information to their community members through community radio is unquestionably remarkable. They are aware the risk that the *Balai Monitoring* (Monitoring Office) could come to check and inspect at any time and in turn could close their radio station as an illegal operation. But they keep on going³¹.

As an organic, non-commercial broadcasting institution, community radio does not have staff standing by to run the station on a daily basis. Those running community radio understandably have other main roles, such as farmers or tradesmen, among others. Ensuring the sustainability of community radio, then, is not easy.

30 Based on the news "*KPI dan JRKI Bahas Problematika Proses Perizinan Rakom*" (KPI and JRKI to discuss the problem of permit application process for community radio). See http://www.kpi.go.id/index.php?option=com_content&view=article&id=30228%3Akpi-dan-jrki-bahas-problematika-proses-perizinan-rakom&catid=14%3Adalam-negeri-umum&lang=id

31 In practice, sometimes the *Balai Monitoring* only comes to asks for some retribution fee and they stop sweeping after receiving it. However, they are always likely to return at some time in the future.

[It is all about] consistency. That is the difficulty in maintaining community radio. What matters is, we are here to struggle [to keep the radio running]. Sometimes when they [members of community radio] have a family, they went on to look for something else, something more real [than community radio]. (Misbach, *Sadewa* Community Radio, Wonolelo, Yogyakarta, interview, 11/12/15)

One of the factors that keeps [community] radio going, stops it from progressing or even causes it to die is regeneration; the regeneration of its members. ... We have to admit that the members of our community radio team will not be there forever. Usually, there is one person or a number of people that act as the *motors* [core activists] of community radio. ... There needs to be a scheme on how their successors in the community can continue managing the [community] radio. ... [So the main concern is] how these *motors* can be regenerated. ... The other factor is whether or not community radio is still useful for the citizens. (M. Widarto, Combine Research Institution, interview, 15/12/2011)

It seems obvious that the existence of community radio very much depends on the community itself. Once the radio station has done what it set out to do for the community and is no longer needed by them, it will simply die.

But this somehow does not matter if the station has succeeded in providing information needed by the community, and has played its role as a society-driven media channel. The case of *Radio Komunitas Panagati* is a good example. When it first aired in 2000 in Yogyakarta, *Radio Panagati* rapidly became one of the most significant information centres for people living on the bank of the River Code, Yogyakarta. *Radio Panagati* helped broadcast information about river conditions which enabled the community to prepare if there were signs of a flood coming. Once the riverbank had been restored and the chances of floods decreased, the community no longer needed the station, and now *Radio Panagati* is in 'hibernation'. But it could recommence broadcasting again at any time if required by the community.

With their limited coverage, community radio stations can act as a facilitator for the diverse needs of the community. It means that the information or news provided in community broadcasting does not have to conform to the agenda of the national or mainstream media. Instead they are oriented towards fulfilling the needs specific to their community. As such the government, particularly the local government, could actually use these community media to socialise their programmes.

We saw an example of this in the community radio station in *Wonolelo*, Yogyakarta. Several times a year, this community radio works together with the local government to disseminate health-related information on issues such as the danger of cervical cancer, how to use clean water, dengue disease prevention and so on. The radio seldom discusses the issue of corruption, for example, even though the mainstream media focuses on the matter, since corruption is not an issue which is necessarily important for the community. Instead, they provide news on the local market situation, updates on the condition of nearby Mt. Merapi (an active volcano), obituary news and other information that has more impact on local society. In return, the community also rely on this community radio station rather than mainstream media in order to receive information and to spread it amongst themselves and to other villages. However, support from the government is needed to keep this community broadcasting institution alive. And so far, in the case of *Wonolelo*, the government's support for the development of community media has been inadequate.

The role of the government

Community radio has been recognised as a legal broadcasting institution in Broadcasting Law No. 32/2002. With this, it is hoped that the government will continue to support community radio which, as

we have seen, becomes important in and for the community in which it operates. Despite the problems in obtaining a permit, the enactment of Government Regulation PP No. 51/2005 on Community Broadcasting Institution brought hopes of a boost to the growth of community radio. Unfortunately, this was a false hope. The regulation contains restrictions that tend to exacerbate the problems of the community broadcasting establishment. For example, it limits the broadcasting coverage only to 2.5 km which is only relevant in densely populated areas such as Java and Bali. Moreover, the radius is limited to a maximum *Effective Radiated Power* (ERP) of 50 Watts. According to the Regulation, community radio cannot fundraise by means of accepting an advertising programme, nor should it become part of a profit-based institution. All of the operational funding for community radio should only come from grants, sponsorship and other unbinding sources. However, the same Regulation requires community radio to pay for its broadcasting permit and frequency usage charges. On top of these restrictions, the Ministry of Communication and Informatics should oversee these entire permit application processes.

On the one side this Regulation tightens competition between community radio broadcasters in obtaining a permit: permits will only be given to those stations which seriously establish the institution and are financially healthy.

However, most community radio practitioners find the whole permit process problematic, since the citizens in need of a community radio station are mostly those who are socially, politically, and economically marginalised. Confronted with this matter, the Ministry of Communication and Informatics states:

[Talking about the level of ease in getting permits for community radio and local television stations] We make it easy, of course. As far as the frequency [allocation] is available [we will grant the permit]. If it is not [then we cannot issue the permit]. For example we may receive five permit requests, while there is only one frequency [allocation] available; so we try to be as fair as possible with the frequency allocation. They [community radio] have to have three aspects [in order to get the permit], i.e. good communications, a strong technical basis, and they have to have excellent programmes. (A. Widiyanti, Broadcasting Director, Ministry of Communication and Informatics, Interview, 27/10/2011)

The above account seems to be contradicted by the realities of the application process: a permit for community radio is still difficult to obtain and even their frequency allocation is sometimes being used by Police Department.³²

According to our discussion with JRKI, not even 20% of those who have already submitted their permit requests have been granted a permit [to broadcast]. Only about 10% of them [had been granted permits to broadcast]. In Yogyakarta, none of the community radio stations has a [valid] permit. (M. Widarto, Combine Research Institution, interview, 15/12/2011)

Bureaucracy also contributes to the time it takes for a permit to be processed. KPI has mandated KPID (Local KPI) to handle permits for community radio. However, the permit apparently has to be verified by KPI in Jakarta, which then raises questions about the role of KPID.

If we can talk a bit brutally, we are questioning why we should go through KPID [for the permit application] when in the end it still has to be verified by the Ministry. What for? So the function of KPID is only as a – pardon – broker and a mediator. That is the fact on the

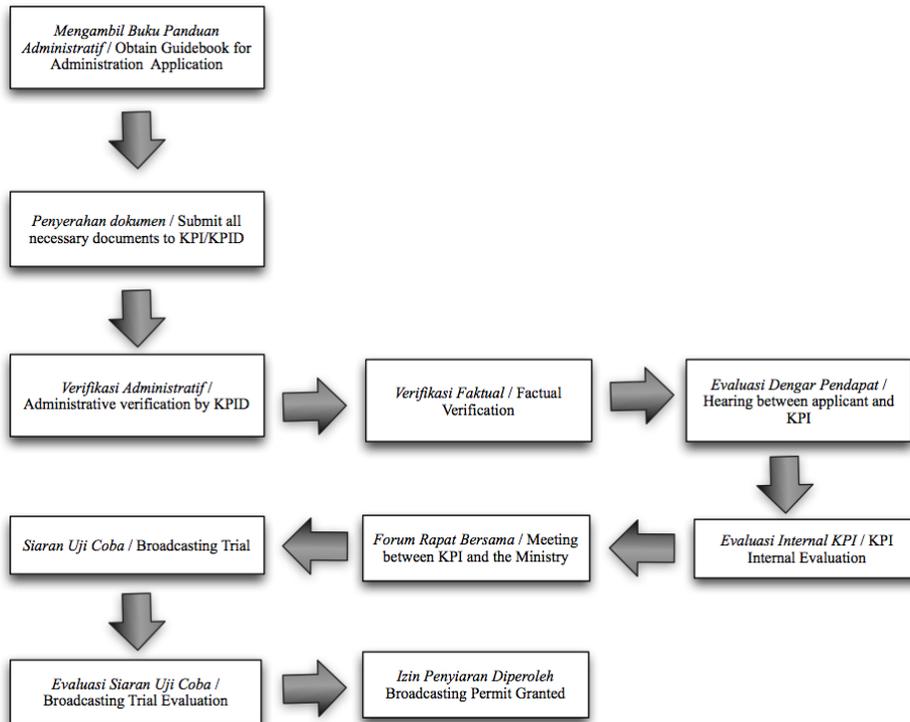
32 See *Sudah Kecil, Diserobot Pula: Nasib Radio Komunitas* (Small and taken over: The fate of community radio) <http://radiokomunitas.blogspot.com/>

ground. (Mardiyono, Chairperson, JRKY, interview, 15/12/2011)

[talking about permission] It is restrained at KPI *Pusat* [KPI in Jakarta]. We have already had EDP, *Evaluasi Dengar Pendapat* (Evaluation Hearing) – but we still have to wait for KPI *Pusat* to grant the permit. (Misbach, *Sadewa* Community Radio, Wonolelo, Yogyakarta, Interview, 15/12/2011)

Box 4 illustrates the complete process for obtaining an IPP, the legal broadcasting permit for a community radio station.

Box 4. Process for obtaining a community radio permit



1. Obtain a guidebook for community radio administrative processes at the nearest KPID or KPI *Pusat*.
2. Application form and all necessary documents are submitted to KPID or KPI *Pusat*
3. Administrative verification – such as shareholder information, to make sure that no foreign investor is on the list of shareholders. Foreign capital is allowed by law only for development, not for establishment and programmes of the institution.
4. Factual verification – checking administrative documents in the field.
5. *Evaluasi Dengar Pendapat* – Forum meeting between applicant and KPI.
6. Internal evaluation by KPI.
7. Forum *Rapat Bersama* – Forum between KPI and the Ministry of Communication and Informatics.
8. Broadcast trial.
9. Broadcast trial evaluation by KPI.
10. IPP permit granted.

Source: Panduan Prosedur Administratif Permohonan IPP Lembaga Penyiaran Komunitas (*Guideline of the Administrative Procedure for the Application for Obtaining Permit for Community Broadcasting*); issued by KPI; available at <http://suarakomunitas.files.wordpress.com/2008/05/panduan-lp-komunitas-11-september-20052.pdf>

The process for obtaining a legal permit illustrated above demonstrates that community radio seems to have to go through a long and winding road in order to broadcast legally. KPI also plays an important role in the issuing of the IPP; which means that community radio has to wait for every decision from Jakarta because Local KPI does not have authority to issue permits. All these processes, in addition to all the internal challenges and problems discussed above, are daunting for community radio. But perhaps this is the critical point. If community radio is a genuine embodiment of what citizens in the community

need, it would survive no matter how difficult the process. Otherwise, it would not.

It all comes back to the history of community radio: whether it represents the needs of the citizens, or only their desire? If it is a desire, everyone could have established community radio, but [in this case] citizens' accountability would not be required. Nevertheless, once it has become a need for the citizen, then it would bring a sense of belonging which citizens could get involved in. Only then will it [the community radio] never die. (Mardiyono, Chairperson, JRKY, interview, 15/12/2011)

In sum, the sustainability of community radio, just like other community media, depends on the interdependence between the medium and the citizens. As community radio enables and facilitates engagement for concerned citizens, in turn, it is the citizens' commitment that is central in the survival of community radio.

5.5. Key issues in conventional media development in Indonesia

Having mapped the development of the conventional media in Indonesia, we now identify a few key issues. The first of these concerns *the blatant profit motive driving the development of the media*. This is manifested in the significantly increasing concentration of ownership. Alongside this, control and intervention from owners to convey their personal interests or those of their media group remain strong and get stronger, while public interest comes second. The media are protecting their capital interest more than anything, even at the risk of losing their public character. This first key issue gives birth to other related issues.

Second, *ratings driving the content*. Perhaps most apparent in television, ratings have been driving the production of content in contemporary media, as the audience share shows. Yet high ratings lead to the duplication of content, thereby reducing the diversity that citizens deserve to get from the media. The face of our television today, which is mostly characterised by soap opera or *sinetron*, is the direct consequence of the ratings-driven media. Our careful scrutiny suggests that other media also suffer from a similar problem – readership in newspapers, listener share in radio, and visitor counts in online media are more likely to determine content through ratings, than concerns about quality of the content itself.

Third, *contradictory policies without reinforcement*. The case of *siaran berjarangan* (network broadcasting) shows the efforts and the ways in which the government regulates media but, perhaps inadvertently, without careful consideration of the impacts of regulation on the industry and on citizens, particularly with regard to changes in the regulation itself.

The Broadcasting Law of 1997 told us to broadcast nationally. When it first aired, ANTV and SCTV were granted a local permit in Lampung and Surabaya. But with the Broadcasting Law of 1997, their broadcast became national; the main network was moved to Jakarta. The government itself told us to do so. But the Broadcasting Law in 2002 told us to go back to our local broadcast network. (Z. Lubis, ANTV, interview, 16/11/2011)

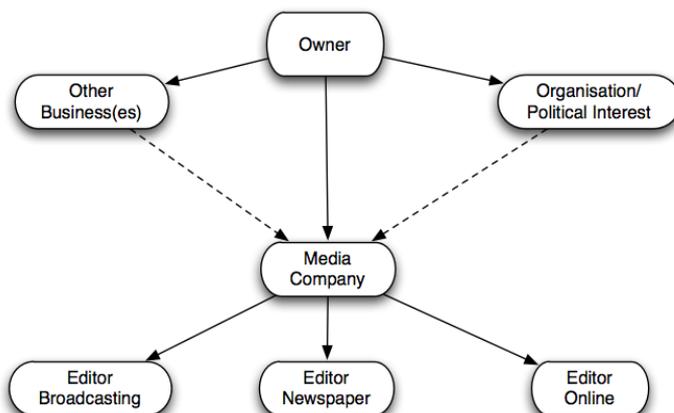
While it can be argued that it is difficult for the industry to follow and accommodate changes in the

Regulations or Laws if these happen quite quickly, it is nonetheless the case that Regulations are there to follow. What often happens is that the industry disregards Regulations that are not in their favour and cites other, contradictory regulations in their defence. Broadcasting Law No. 32/2002 is a clear example of where this happens. The spirit of democracy was clearly seen in the Law, but when the government enacted its regulation (PP No 50/2005), it contradicted the Law itself.

The Government Regulation [PP 50/2005] has already deviated from the [Broadcasting] Law [UU 32/2002]. ... The one that should be revised is the government regulation, not the [Broadcasting] Law. In my opinion, the Law already represents all broadcasting aspects, but we need to revise the Government Regulation." (I. Haryanto, LSPP, interview, 26/10/2011)

Sadly, the contradictory bylaw is exploited by the industry in order to further their business. This practice has been going on for years and the government has done virtually nothing to respond to it. In the face of the media, regulations are toothless.

Box 5. Agenda setting scheme



The media has the power to influence its audience in terms of what stories to consider newsworthy, what stories to consider important, and how much space could be given to them.

Agenda setting is also a place for owner intervention to media content. Agenda setting and owner intervention to media is usually stated in the group's financial plan. However, in today's media, the owner him/herself leads the meeting for agenda setting; making capital, and owner intervention in media goes straight into content producing.

From the picture above, we can see the intertwining between the media company and its owner organisation/political interest, and its owner business interest. News production has to include the owners' business and political interest in their content producing, including public news. All media channels owned by the group have to have one main perspective in delivering news, especially news related to its owner's interests. As our resource person stated:

"...[T]he agenda setting is lead by its owner, all the editor in the groups comes, they gathered in one newsroom, discussing on issues related to their business. The agenda setting is being controlled straight by its owner. Since they already have all kinds of media channel, this setting is to be applied to all media channels. The intervention from media owner through agenda setting is brutal." (Undisclosed, Interview, October 2011)

Source: Undisclosed interview, December 2011

Fourth, *powerless public institutions*. The Press Council and KPI were formed to oversee the development of the media industry, both press and broadcasting. However, in the most recent bylaws (i.e. PP No 50/2005, on Private Broadcasting), the role of KPI has been weakened. Moreover, in practice KPI pays more attention to the content and programmes of a broadcasting institution while turning a blind eye to its business expansion.

Sadly, the Press Council and KPI act as if they are ignoring issues related to the concentration of [media] ownership. They have not spoken out about anything concerning [media] ownership. KPI and the Press Council seem to be concerned only about content issues. But I think this is a structural problem; a structural problem in our present media industry

where concentration of ownership produces such contents. It means that we have to first fix the structure, then contents will follow. (I. Haryanto, LSPP, interview, 26/10/2011)

We second Ignatius Haryanto's idea that fixing the structure of the media industry must be a priority, whilst we also acknowledge the difficulties in achieving this.

One problem is that the structure of the media industry as it is now has become deeply embedded in our society. Policy might be one way to reconstruct this structure, but it needs strong government and functioning public institutions to join hands.

Finally, *the usage of media resources, particularly frequency*. Broadcasting media, especially television, depend on frequency allocation. It is publicly known that frequencies are being traded. Through mergers and acquisitions (M&As) and stock exchanges, frequencies can easily change hands. According to the Limited Liability Company Law (UU PT) No. 40/2007, changes in stock ownership are legal, but in the broadcasting media business, this should actually be categorised as an illegal practice. Here, stock ownership transfers result in changes in the control or use of frequencies, which are actually public goods under the protection of the government.

The fact is, in Indonesia, we can see cases like TPI, where [frequency] is not returned [to the government]. All we know is that it suddenly changed its name [into MNCTV]. The same thing happened with *Trijaya Radio*, which changed name into *Sindo Radio*. Actually those are concrete examples in which frequency is treated as private goods. And the Indonesian Broadcasting Commission does not have a strong authority [to prevent that from happening] since its authority had been largely reduced. And the government is barely doing anything in this case. (A. Sudibyo, Press Council, interview, 27/10/2011)

Worse, there is another concern that frequency trading is being concealed as frequency leasing, particularly at the regional level, with most cases happening in the radio sector.

It [leasing of frequencies] happens a lot in radio. Because there is no frequency left whilst they need it to broadcast their radio stations. This is the reality. (B. Nugroho, KompasTV, interview, 11/10/12)

Our respondent above, Bimo Nugroho, a former commissioner of the Indonesian Broadcasting Commission told us that KBR68H, a famous networking radio also had to spend a considerable amount of money in order to pay for their frequency leasing. This practice happens a lot, mostly at the regional level. Those who have money will buy any frequencies which are available and lease them to radio and television stations which need them. One particular survey on frequency interests us. *Remotivi*, a non-profit institution, conducted some surveys on the broadcasting business with a number of students in Jakarta. The result is intriguing: 57% of the students surveyed thought that frequencies belong to corporations or media companies (Remotivi, 2011). This survey shows that citizens themselves are not always aware that they have certain rights to information and to the media.

Those five issues underpin the development of the conventional media in Indonesia. What is important from this discussion is that there is a strong tendency in each medium for companies to abandon (probably inadvertently) their public responsibilities as media businesses in favour of profit motives. If this trend continues, the media will have no public character and will lose their original *raison d'être*. If this occurs, there will be no citizens with rights to the media; what will remain are mere consumers.

5.6. Towards citizens' rights to media

[On the speed of information through online media] Conventional journalism is staggered by this situation: information rush, speed [of information], credibility ... There remains a question as to whether citizens' journalism is credible. But mainstream media is not credible either. So what? We enjoy this chaotic information together ... (DD. Laksono, WatchDoc, interview, 21/09/2011)

The current condition of today's media industry is that it is growing as a profit-driven institution. As such, the public interest seems to occupy little space in the media. One hope for citizens' rights to media arises through public-oriented policy. However, good policy is not always well implemented: most of the time bylaws contradict the Law itself, to the extent that the spirit of public-oriented policy is fading away. This can be observed in relation to Broadcasting Law No. 32/2002 and Government Regulation PP No.50/2005.

Do the media represent the public? To what extent do the media reflect citizens' interests? These are some of the difficult questions which are bombarding private media companies. Most media businesses live from profit and the market demand generated through content. Satisfying this demand is imperative, although it often has to be done by producing highly rated content even if such content is 'less civilising' than other types of content. Sensational new programmes and soap operas are obvious examples of less civilising content. The Indonesian media badly needs substantial reform rather than mere revitalisation. If the current trajectory continues, the media will totally cease to educate and elevate society's civilisation, but will instead degrade it into a banal, voyeuristic, and low-taste society.

Yet it takes two to tango. Reforming the media alone is not enough. Citizens themselves also need to take action regarding the media. It starts with media literacy, i.e. the way we, as citizens, see the media:

The problem in Indonesia is the weakness of public control. Our media literacy is still weak. Therefore, citizens have no sense of ownership the media. Most citizens see the media as a business institution and as the private property of the owner. Citizens' consciousness in seeing the media as a social institution has not grown yet. (A. Sudiby, Press Council, interview, 27/10/2011)

This must be followed by a strategy to push for reform by demanding better content;

A strong influence of media industry [to the citizens] is also influenced by the dialectics between political power, the citizens, and the industry itself. If there is no public demand for a healthier, more mature, and more ethical media content, it is difficult to push this media industry to become a better one. (A. Sudiby, Press Council, interview, 27/10/2011)

Why is this all important? As Herman and Chomsky (1988) stipulate, worthy victims feature prominently and dramatically in the media; they are humanized, and their stories are constructed with a level of detail and context that generates reader interest and sympathetic responses. In contrast, unworthy victims merit only the slightest amount of detail, minimal humanization, and little context to excite and enrage the audience (p.35). Issues such as the violation of human rights in Papua or the killings of Ahmaddiyaa's followers are barely treated as an important and intriguing issue by most mainstream media, even though these issues are actually highly significant to Indonesia's citizens. Acute poverty and poor sanitation are rarely featured as the main topic of content, and even if they are reported, they are quickly dropped. These kinds of issue (e.g. human rights violations and poverty) appear significantly less frequently than the news stories on corruption which seem to bear less relation to the lives of

citizens/audiences. In other words, citizens are being domesticated through mainstream issues and distracted from issues that are more relevant to them, such as political education, which even when featured are rapidly dropped from the news.

Today's media industry [in Indonesia] is elitist. There is no single form of the media that is oriented towards the public interest, defending citizens, defending labourers and peasants. We simply cannot find it now. (A. Armando, Former KPI member, Interview, 27/10/2011)

The above quote illustrates what our media industry currently looks like. Our media have lost their sense of being a public medium, and have rather come increasingly to resemble a private medium. Certainly this is not how the media is supposed to work.

In a situation such as this, it is not an exaggeration to seek an alternative in community media.

The media will become relevant in the community since this form of the media is linked closely with its community. It is seen from media interactivity side, and a vibrant emotional sense [between the media and the audience] that has then created a sense of belonging. I think this is the idea of an ideal media. But if we talk about industrial scale, national scale ... what kind of stories could be produced out of it? It is more transactional. But at the level of community radio, the stories are real, and there are also chances to develop [the community's] economic life that gives a better chance for the community. (I. Haryanto, LSPP, Interview, 22/08/2011)

Community media has the potential to be a form of citizens' journalism and a tool for exercising citizens' rights, particularly in rural areas. Another form of citizens' journalism is a networking radio. KBR68H, known as the country' largest radio network (Lim, 2011), is a quality citizens' journalism radio facility which operates through 910 networks consist of 660 local radios from Aceh to Papua, and 250 radios spread across 11 countries in South-East Asia, South Asia, and Australia. Its success has proved that citizens can be active participants in the media. The case of community media might inhibit the process by which the political economy of the media and the rise of so-called grassroots media have interacted as a result of a dialectic process embedded in the nature of democratic media.

The advent of the Internet, as briefly discussed earlier, has changed the landscape of citizen participation in all sectors of society, including the media. But the technology itself has also given impetus to the birth of a new type of media – online media – which differs substantially from the conventional forms of media. Continuing the discussion of the development of the media in Indonesia, the next chapter will focus on the development of online media in the country.

6. Online media: From zero to hero?

6. Online media: From zero to hero?

There is information overload in the Internet today. The way to tackle this is to personalise it. [It is] how we pick information that is most suitable for us. Even though there is a negative effect from this. We share the idea that personalisation [of information] is a banalising process that renders us unaware of other information. But that is the confinement. On the other side, personalisation is beneficial since we only get the information that we need. Can this personalisation be done by another media? It is impossible. The most amenable form of media for doing this is the Internet-based media.
(DB. Utoyo, ICTWatch, interview, 11/10/26)

Advances in technology, particularly ICTs (Information and Communication Technologies) has distinctly transformed the media world. There is excitement about what this new technology can achieve and how it can renew the ways in which the media function. But there are also uncertainties regarding whether or not traditional media, such as newspapers and magazines, will survive the change.

The Internet remains ambiguous as a 'mass' medium because of its multiple functions and individualistic usage. On the one hand, it does not fit the common definition of a mass medium because it has no centralised control determining what to disseminate to the general public. On the other, it is a medium that has demonstrated its mass effects on the communication of news and information in general, and in its growing impact on a large portion of the population (Bagdikian, 2004; Castells, 2010; Mansell, 2004; Morozov, 2011). Arsenault and Castells (2008) argue that the Internet is a mass communication tool as it has the potential to reach a global audience. But it is also a means of self-communication because individuals potentially generate their own content, choose the platform for its emission, and play an active role in shaping the reception process. Much earlier, Herman and Chomsky (1988:xv) already foresaw how new communication technologies would be breaking the corporate stranglehold on journalism and opening an unprecedented era of interactive democratic media. And it is both true and significant that the Internet has increased the efficiency and scope of individual and group networking. This has enabled people to escape the mainstream media's constraints in many diverse cases.

In the mid 1990s, the boom of the Internet became a trigger for the birth of online media in Indonesia³³. The first newspaper to have an online version was *Republika* in 1995, but at that time *Republika online* did not progress very well since it was only an extension of its print version. When the print edition of *Tempo* magazine was banned in 1994, its publishers created an online version of the magazine, *tempointeraktif.com*, also in 1995. Its growth began to increase after the fall of Soeharto in 1998, the same year that *detik.com* - later to become the largest online publication in Indonesia - was established. In the intervening years, almost all media groups have established their own online media presence, and the number of online media publications is increasing.

In this chapter, we elaborate on how online media have emerged and developed and in turn affected

33 The history of the development of the Internet in Indonesia has been documented by Onno W. Purbo, often referred to as the 'father of the Indonesian Internet' (see some important trajectories in Purbo, 1996; 2000a; 2000b; 2002a; 2002b).

the landscape of the media industry in Indonesia. Central to this elaboration is the way in which these new media shape and reshape the public sphere.

6.1. Online media: Old content in a new face?

We first point out that even though the amount of information on the Internet is increasing, it remains a segmented media form. Online news websites are only accessed by those who are aware of the technology, those who have access to the infrastructure, and those who have the purchasing power. Poor quality and unequal distribution of the required infrastructure make it difficult for many people to have genuine access to the Internet-based information, even today (Kominfo, 2010; Manggalanny, 2010). Before 2000, use of the Internet was still very much restricted to the middle class, as a result of the equipment needed (personal computers, telephone) and the price, as noted by Donny B. Utoyo from *ICTWatch*:

[I can still recall] most of the people who needed Internet access at that time [around 1995-1998] still had to go to the cybercafés and pay IDR 10,000 per hour access. Even [with that price] it was still difficult to find [good and reliable] Internet connection ... let alone to find hotspot [WiFi] locations. That is what I meant by segmented. (DB. Utoyo, interview, 26/10/2011)

Despite these restrictions, access to the Internet has grown dramatically since 1998, when the government reported that only 0.26% of the population had used the medium (Freedom House, 2011). Today, with less than 20% of the population (240 million) connected to the Internet, Indonesia is lagging only behind Singapore (29.9%), and Malaysia (25.15%) (The Economist, 2011). Over the past few years, the number of Internet users has increased significantly. APJII (Association of Indonesian Internet Service Providers) reported that the number of users skyrocketed from half a million in 1998 to 4.5 million in 2002 – a 770% increase; then almost doubled from 16 million in 2005 to 31 million in 2010 (APJII, 2010). The Ministry of Communication and Informatics even reported the latter figure to be 45 million, or 18% of the population (Kominfo, 2010). See Figure 6.1.

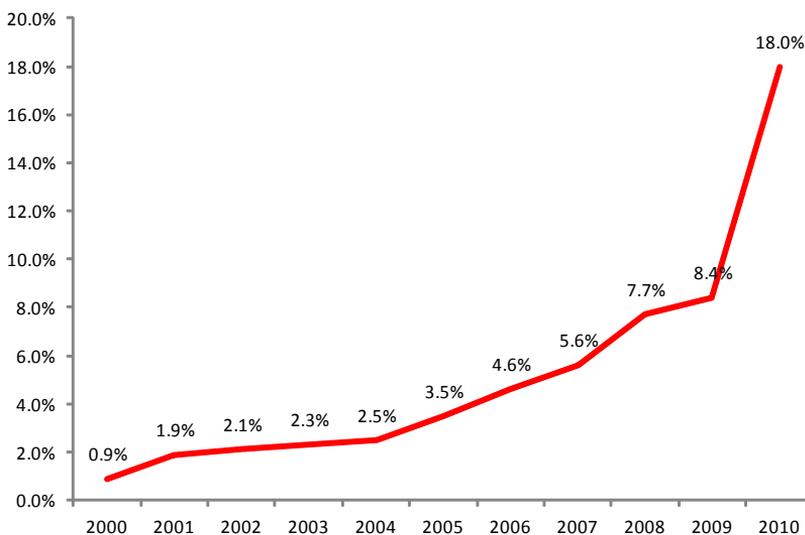


Figure 6.1. Internet users as % of population in Indonesia: 2000-2010
Source: Authors, from various sources

One factor that triggered the increase in the number of Internet users in Indonesia seems to be the world wide web (WWW) boom:

In 2000, I saw [the development] of *google*, *mapquest*, other [WWW] applications in the web, and *e-bay* as the factors [affecting the Internet development]. It made us want to use them [online applications] more and more. But most of the users are located only in Jakarta [the capital city] and people from the big cities who were aware of those developments. ... The way I see it, the turning point was actually in the last two – three years. It [the use of those WWW applications] just got started. (K. Hidayat, Member of the Indonesian Telematics Society, interview, 13/12/2011, emphases indicate original wordings)

Another factor is the decreasing price of telecommunications in general and of the Internet connection in particular. In our recent research we collected data that:

... in Aceh, Jakarta, Bandung, Yogyakarta, Solo, and Denpasar (October and December 2010) we note that a complete desktop computer, ready to surf the Net costs less than IDR5million (USD500); a netbook plus cellular data service modem can be purchased at IDR3million (USD300); internet-enabled mobile phones are available at less than IDR1million (USD100) – and this price is getting lower day by day. All of these, with the monthly cellular or non-FO cable broadband subscription data at a flat rate of IDR200k (USD20), have probably changed the communication culture, and even life-style, of Indonesians who can afford it and live in an area where access is available. (Nugroho, 2011a:30-31)

This phenomenon may result from a tariff war in the telecommunications business. According to Directorate General for Post and Telecommunications at the Ministry of Communication and Informatics, at the moment there are twelve telecommunications providers that serve fixed line networks, wireless telephone, and cellular phone connections, making Indonesia the country with the highest number of telecommunications providers in Asia. As business competition gets tighter, these providers offer various services with lower and lower tariffs. Together with the increasing number of Internet-ready mobile/smart phone users and of ISPs (Internet Service Providers), the competition between telecommunications companies has contributed to the development of the Internet in Indonesia. However, even with all of these factors, the number of Internet users in the country still has not reached half of the population, as the statistics reveal.

Inherent in the development of the Internet and Internet users in Indonesia is the development of online media, particularly news media, which started blossoming in 2000, as noted by one of the founders of *Detik.com* who now leads *ICTWatch*:

After the year 2000, Internet costs were falling and the number of ISPs was increasing. That was the point when the market [for online news media] became wider. Since then, and mostly until today, people read both [online and offline news]. They [who usually use the Internet] are only reading the headlines on the newspaper, then they read [the full news] through the Internet. [Or] perhaps they read [the news] through the Internet first, and read the newspaper or magazines only if they still have time left to do it. (Donny BU, ICT Watch, Interview, 26/10/2011)

Since 2000, online media have developed quite rapidly, as shown by the number of online news websites emerging. The site *dataweb.org* reported that 66 online news websites were operating in Indonesia in 2011³⁴. The timeline of the online media development in Indonesia is depicted in Table 6.1 below.

34 See the list of the websites in Indonesia in <http://daftarweb.org/Berita/Online>. Last Accessed 09/02/11

1 According to the top sites in Indonesia <http://www.alexa.com/topsites/countries/ID>. Last accessed 11/12/11

Year	Development
1995	Republika developed its first internet publication
1995	Tempo established tempointeraktif.com
1998	Kompas created kompas online under Kompas Cyber Media company
1998	detik.com – the first news portal without a print version – is established
1999-2000	Online media become more popular; news portals, entertainment and web-based business portals are mushrooming.
2003	The downturn of online portal and dotcom business. A number of online media portals were closed down or experienced a very hard time surviving.
2006	MNC Group launched okezone.com, an online news, entertainment, lifestyle, and sports portal.
2008	vivanews.com – an online news portal was 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. ⁷

Table 6.1. Online media in Indonesia: A timeline.

Source: Authors

With the number of online news portals growing, it is easier for citizens, especially those using Internet-ready mobile or smart phones, to access the news. Likewise, the profession of online journalist has also become more popular. However, as is common in the conventional media, the concern is always about the quality of the news itself. While obviously there are editorial processes in conventional (print or broadcast) media, it is not always clear whether the same editorial processes are also followed in the production of online media. This is an issue particularly because speed and the real-time updating of news items are always a priority in online media. Apparently, some big online media outlets apply the same (or at least similar or slightly modified) editorial process to their online publications as they do to their offline ones. We feature the example of the process of news production in vivanews.com in Box 6.

Box 6. News production in vivanews.com

The news production process for online media is surprisingly not very different to news production for conventional media. First, the field reporter sends news to the newsroom, via email or another form of communication. Second, the newsroom has the responsibility to select and check the validity of the news. Third, the selected news items are then reviewed and, if necessary, re-written by the Editor. Fourth, the editor uploads the selected news item to the CMS (Content Management Sharing) so that the CMS editor can re-check and proof-read the news. Lastly, news which has been processed by the CMS editor is ready to be published.

Source: Interview with Nezar Patria, vivanews.com, 12/10/11

Despite this arguably good example, many people are concerned with the quality of online media news. The race for speed and real-time updating often leads to the neglect of the validity and verification principles which occupy a central position in conventional journalism. This is evident in many cases today. The advent of online news should actually complement its offline counterpart by presenting speedy, updated news which then will be elaborated on more deeply in print. But this can only happen if online news publications also follow journalistic principles to make them compatible with the print media.

With the overall decreasing quality of the content of our media (as discussed elsewhere in this report

and in our other report in Nugroho et al., 2012), there is a valid concern that, if this trend continues, online media might just come to be a new packaging for the same content. Advances in technology should advance our media and in turn advance society. But this will only happen if the media are aware of their public function instead of just racing for profit accumulation.

Another point inherent in this discussion is the role of the Internet in public life in Indonesia. Despite the increase in its penetration, the Internet has not been utilised to its fullness. An observation from the Indonesian Telematics Society below describes the situation:

It started with people's *feeling* that they need to have Internet [access]; they feel the need of it. ... They know that the Internet can help them get what they need. So, even though they do not have Internet access [in their home], they will run to cybercafés for that need. That is the true power of the Internet: when people go to cybercafés not to play games and for chatting only, but to search for something meaningful [to fulfil their needs] or checking datasheets, or things like that. (K. Hidayat, Member of the Indonesian Telematics Society, interview, 13/12/2011)

Yet as we have now realised, the notion of 'need' can be very much be confused with the notion of 'want', especially concerning the role of the media, as discussed earlier. The increase in Internet use and numbers of users do not of themselves mean that people are able to distinguish between the two more clearly. Instead, the careless adoption or use of the technology will create more confusion where 'want' is mistaken with 'need'.

This has become more obvious today with the latest development of Internet technology: Web 2.0 and social media (Kaplan and Haenlein, 2010; O'reilly, 2007), the adoption of which, in Indonesia, is fuelled mostly by the use of mobile technology.

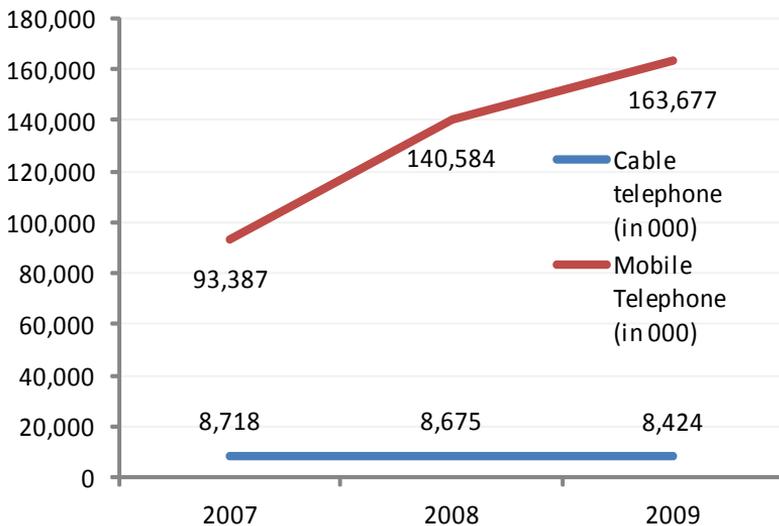


Figure 6.2. The growth of telephone users in Indonesia: 2007-2009
Source: Authors, processed from National Statistic Bureau (BPS, 2010)

The number of mobile telephone users is increasing not only as a result of the tariff war between providers, but also because the mobile infrastructure (particularly the BTS [Base Transceiver Station] network) is much better distributed across Indonesia compared to the cable network (Kominfo, 2010; 2011; Manggalanny, 2010; Nugroho, 2011a). All of this has given birth to what we term as the 'always online generation', i.e. those who are at all times, 24/7, connected to the Internet and online

communication networks (Nugroho, 2011 a:31-32).

6.2. New media and social media: The birth of a new type of journalism?

With Internet technology more widely available, what do Indonesians do online? The Ministry of Communication and Informatics apparently has the answer: they access social networking sites (Kominfo, 2011).

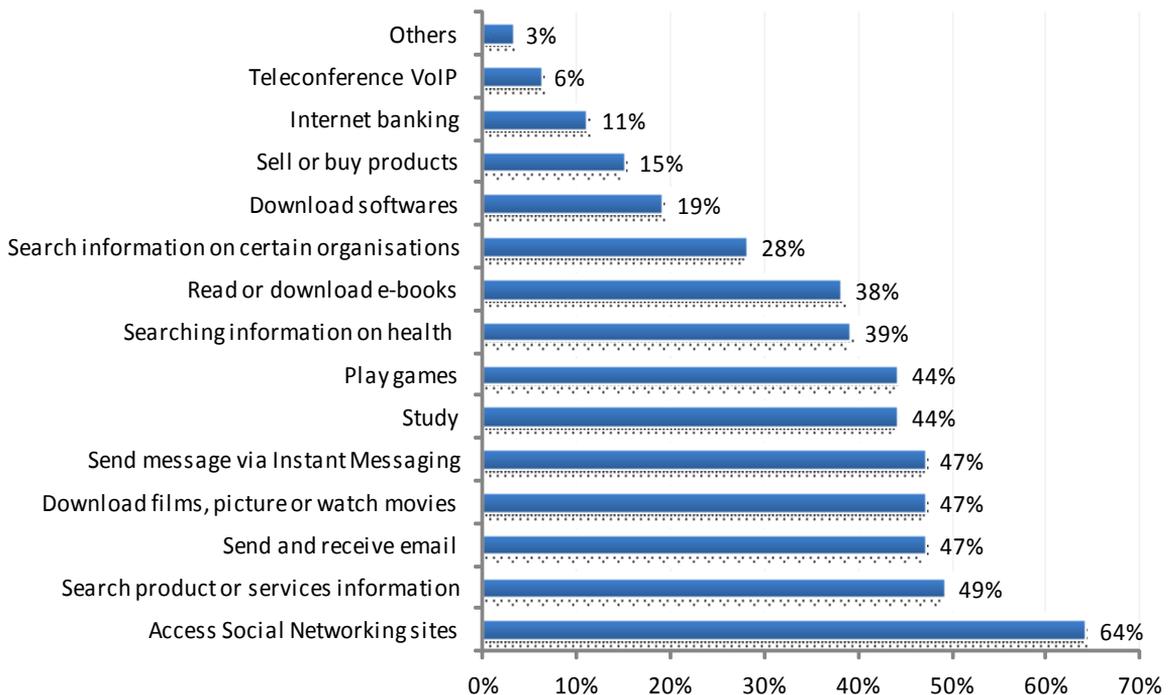


Figure 6.3. What do Indonesian Internet users do online?

Source: Authors, processed from Kominfo (2011)

Today, Indonesia is the world's second-largest market for *Facebook* and the third-largest for *Twitter*. The country has more than 35 million *Facebook* users (Socialbakers, 2011). Some 20.8% of Indonesian internet users aged over 15 tweet, making them the most prolific users of *Twitter* on the planet (compared to Brazil with 20.5% and the US with 11.9%) (Doherty, 2010). Interest in the Internet, for most Indonesian users, seems to have been shaped around the use of social media in that it has become a cultural trend. Engaging in micro-blogging or social networking, for some, has become a primary need.

From the media perspective, the massive use of new media and social media may represent a response to the lack of public spaces (Habermas, 1989) which should have been provided by the conventional media. The public interest which is not accommodated in traditional media spills over into social media: in blogs, wikis, *Twitter*, and *Facebook*, among others (DD. Laksono, interview, 21/09/2011). Yet for the media industry, these developments are seen as a business opportunity, with the result that the conventional media have started to spread their market to social media in earnest by opening *Twitter* and *Facebook* accounts and providing news and entertainment such as online quizzes and online contests. And it apparently works.

Online Media and Social Media: A double-edged sword

The rise of new media has indeed provided spaces much needed by citizens to engage with each other. Whether or not this leads to better democracy remains an open question as these spaces are left with no rules or governance. While the online sphere created by social media has been beneficial for citizens' interaction and discourse, the actual social change, including democratisation, happens in the offline space. In other words, engagement in the online space needs to be followed-up by action in the offline domain for real change to happen³⁵.

While for citizen activism linking these two spaces (online and offline) may be challenging, for the media it has become an important strategy. The speed and spread of information through social media such as *Twitter* and *Facebook* has affected the way in which information is being processed by the media, particularly online media.

The production process in online media is not much different from conventional media. In our activity, information from Twitter and Facebook can be reproduced as news. However, the distribution of the news [in online media] is a little bit different [compared to conventional media]. In conventional media, they have stalls everywhere while for online media, what we call a stall is their social media network, Facebook, and other links that can be shared, such as Twitter. The direct visit to our main website, especially our news web, is only 4%, and most people now access the news through following links in Google, Yahoo, Facebook and Twitter. Those are what we now call our online distribution stalls. (N. Patria, Vivanews.com, Interview, 17/10/2011)

Nezar is right. Today people only spend a few minutes reading the news, and they mostly do this on the go. The formulation of news headlines (or titles) has become a very important strategy in promoting media content through social media. It is the headlines or titles that are spread through Twitter or Facebook status, or RSS entry; and conceived of as 'news' distributed through the Net. Only when people become intrigued or interested by the title/headlines will they visit the media's main site to read the full article. On the one hand, this can be seen as a personalisation of information (Chellappa and Sin, 2005; Montgomery and Smith, 2008) as people can choose whatever matters the most for them. On the other, this could be perceived as a banalisation process, since most people only read headlines quickly as they do not have time to read more, and thus they risk losing the whole context of the information. Banalisation in this way is probably an inherent consequence of the speed involved in the distribution of news via social media.

For the media industry, social media represent a new business channel which broadens a company's outreach through social networking sites. Social media reach audiences faster than conventional media, and can be accessed by consumers at anytime, anywhere. Yet social media have become a medium of niche media: a channel for companies to reach niche audiences, rather than having a mass appeal (Lawson-Borders, 2006:22), which seems to contradict the hope that the Internet and online media can reach the masses or at least broader group of citizens.

With the Internet and various kinds of gadgets, we can get in touch with information quickly. Choosing our way home normally is not a big deal. But [in reality] it is actually more than that. If I were stuck in a traffic jam, I would be wasting the fuel, wasting my energy, and things like that. How much money would be wasted like this? In such cases, I would need speedy information. I would not be able to read the newspaper, listen to the radio, or watch television. It is easier [to get the information] through my gadget. This is

35 Otherwise, what we will see is a form of 'click activism' which we addressed in our earlier study, add details here! "But there is a huge difference between forwarding an email and directly participating in an event, or donating goods or money. In other words, we have to be aware of the distinction between real engagement and what we term here 'click activism'" (Nugroho, 2011a:80).

the pushing factor that makes Internet badly needed by some people, because they need to take a quick decision based on contextual information. But for people who do not need it [Internet for decision making process], then they just do not. One example would be Internet training programmes for farmers or housewives. My question is: do they really need the Internet? Contextually, I do not think they do. (DB. Utoyo, ICTWatch, interview, 26/10/2011)

Donny argues that not all citizens need new media. While this is obviously true, what is left unexplored is the potential of new media as a tool for citizens' journalism, i.e. a means for citizens to voice issues and concerns which otherwise cannot be accommodated in other media. For this, media literacy is imperative. Citizens need to learn how they can use social media effectively and strategically to promote change for the betterment of their lives. This has become increasingly relevant because the mainstream media have started using social media to create news.

Mainstream media now often take stories from social media, look for the top stories (or '*trending topic*') in Twitter and make them into a big feature. Consequently, citizens as social media users now have the opportunity to shape the mainstream media, despite the debates.

The best news comes from the field, not from the digital world. The news from the digital world can contain *hoaxes*. If we [journalists] refuse to go out and meet people, we will not get the real story. We can indeed get news from Twitter or process information from the Internet to create news. But a real story and a fresh story is [only] from the field. Nothing can beat the experience and skill of the journalist. (Z. Lubis, ANTV, interview, 16/11/2011, emphasis indicates original wording)

Citizen journalism and mainstream media watchdog

Public participation in the media seems to be the only way to ensure the media's public character. The fact that the media constitute a contested arena provides a chance and opportunity for citizens to also engage with and shape the media – at least its content. The integration of Web2.0, which enables user interactions, has been central in this endeavour. Almost all online news media provide channels for citizens through blogs. Citizens can create a personal blog account on these media's websites. For example, *detik.com* has *blogdetik*, on which citizens can make their own blog hosted by *detik.com*. *Kompas's* initiative *kompasiana* and *vivanews.com's* '*vlog*' are other examples of how the media provide spaces for citizens' online engagement. *Blogdetik* and *kompasiana* can be classified as citizens' journalism platforms, although they take place in the space owned by *Detik* and *Kompas*, rather than in the space owned by the citizens themselves. This is unlike *Vlog – VIVAblog* – which has a different approach.

People can use any kinds of [blog] format. What is important is how we grow together. We learned from Google about that [growing together]. At our [website] home, we provide a channel via which people can send us news [in the form of blog link], which we then put on our web pages. If one clicks it [the link], the title and one sentence of the news will appear, but we have to click it [the one sentence which is linked to the original blog] in order to read the full news/article [in the original blog], so the blogger will receive more traffic. ... Both of us [*vivanews.com* and the blogger] will receive the same traffic, we are growing together. We can receive up to 400-500 blogs in a day, [but] only 50 to 60 of them are published [in *vivanews.com* website]. (N. Patria, *Vivanews.com*, 17/10/2011)

The 400-500 blogs submitted to *vivanews* in a single day show the extent of citizens' interest in participating in the media. Besides promoting citizens' journalism as such, online media can also enable citizens to become watchdogs in relation to news content and the mainstream media. Citizens can

easily address comments and critiques on certain news items through social media and the effect can be tremendous.

Nowadays, anyone could dictate mainstream media [news content] without having to access the media newsroom. The mainstream media will have to cover movements happening at the grassroots and in social media. Otherwise, they [mainstream media] will be left behind. (DD. Laksono, WatchDoc, Interview, 26/10/2011)

We have to be extra careful in producing news, since thousands of people will be commenting on our news. And if your news is incompetent or irritates common sense, [we have to] be prepared to receive massive critiques. Journalists and crews in the newsroom can learn from that. We simply cannot publish news just the way we want it to be, considering that there are thousands of people on Twitter ready to criticise us. (N. Patria, Vivanews.com, interview, 17/10/2011)

Clearly the progress and development of technology, and particularly the development of social media, have opened an entirely new avenue for citizens not only to reclaim their public sphere, but also to engage with the media to ensure that they retain their public character.

6.3. Key problems facing online and new media

Having elaborated on the development of online and new media, we now briefly address some of the key problems that they have been facing. Firstly, *regulation and infrastructure*. There are still debates on how to set rules and regulations for online and new media. Although it may appear to be a narrow technical debate, in fact it has major implications for innovation, free speech and the economic growth of online media. The future of online media may well be determined by the outcome of this debate.

Historically, the state has often been perceived as the main enemy of the freedom of individual expression, while at the same time it has also become, through constitutions and legal systems, the effective guarantor of freedom in important respects (van Cuilenburg and McQuail, 2003:4). This reflects how important regulation is, particularly in the Internet era. As much as it brings freedom, the Internet needs regulation and governance, not to limit the freedom inherent in it but to ensure it is being used properly. In terms of regulation, the government seems to be unable to catch up with the progress of online media. As a result, government regulations concerning online media are often reactive in nature.

The first cyber law in Indonesia is Electronic Information and Transaction ITE Law No. 11/2008. The ITE Law is the first policy to focus on regulating cyberspace i.e. the Internet and its uses. It was designed to protect financial transactions and activities that use the Internet as the medium. Through the law, the government aims to eradicate cyber crime and other digital schemes that endanger citizens on the Net. This law has been heavily criticised since it contains ambiguous terms, mainly on the defamation clause. The Ethical Codes for Online Journalism developed by the Press Council, on the other hand, are expected to provide reliable regulation of online media, especially online news media.

Regulating the online world is indeed problematic. On the one hand, the regulation can seem to affect only a small number of citizens. On the other, the online world can have enormous impacts on the offline world – including for those who do not engage with the online world at all. In addition to content, one aspect which links these two worlds is infrastructure. Regulations concerning Internet infrastructure such as ISPs (Internet Service Providers) and NAPs (Network Access Points) in reality affect many people, whether directly or indirectly. These regulations are in place, but their implementation has not yet met

expectations. The Internet and online media can be potential tools for citizens, yet they stumble upon the unequal distribution of the infrastructure, which is being commodified.

[About the inadequate Internet infrastructure]... [Internet] infrastructure has now become a commodity while ideally it should only become a catalyst, value-added from the mainstream [media]. Indonesian people always [take the opportunity to] trade things. [As a result] nothing is free here. [Even] bandwidth is being traded although ideally, bandwidth is just complementary. What should become the commodity is the content which is produced by using the bandwidth. This way civilization will [progress] faster, people will become more educated. But it does not work that way. People have already faced barriers created by the ownership of the medium that our friends from ICTWatch call a *digital gap*. ... The smart are getting smarter, and the one who is unaware [of the situation] will be left further and further behind. (DD. Laksono, WatchDoc, interview, 21/09/2011, emphasis added, indicating the exact wording)

It is clear that the Internet infrastructure is being controlled, and is treated as a commodity. This is the reason why Internet connection prices remain at a certain level that mostly restricts its use to middle class citizens.

In following the government's regulation, access to the Internet will remain expensive. Why? Because it [Internet infrastructure] has the potential for oligopoly and it is being monopolised by certain people. (DB. Utoyo, ICTWatch, Interview, 26/10/2011)

Donny is correct to make this point. In order to prevent a monopoly, the government should start to create a platform for Internet infrastructure that is open for all private sector players to compete on. With the infrastructure available at a more affordable price, citizens could have more access to information, particularly alternative information which meets their need. This notion is particularly relevant today since almost all important information is spread through the new media and online media. People can indeed get the most updated information from social media, even using their gadgets. Yet, those who already possess the necessary technology are not the only citizens who count; many more citizens have as yet no access to Internet infrastructure and other telecommunication technologies, let alone social media. Apparently, they will be excluded. Here the imperative is clear: regulation and media technology infrastructure should aim for wider social inclusion.

Secondly, *the decreasing quality of journalism*. The Internet is a massive repository for data and information. It provides news and information that can be easily accessed by anyone, anywhere; including by journalists. It is easier now than ever for journalists to retrieve any kind of data and information. However, it remains necessary to verify each piece of information and data they get from the Net. Verification is of central importance in journalism; yet, it is often forgotten, or even neglected, in today's online journalism practice.

In this digital era, the biggest challenge to the quality of journalism is the ease of gathering information from the Internet. As a matter of fact, information sourced from the Internet should only be used as a reference, since the best story depends upon the journalist's skills and experience. (Z. Lubis, ANTV, Interview, 16/11/2011)

Journalistic skills are key factors for the delivery of the news to the people. Now that media companies have both online and offline versions of their publications, the journalist's skills are being tested. They are forced to become both offline and online journalists, which not all of them have the ability to do.

The problem is when one media [company] views all their [media] channels as a single source of information, so that only the channel is different. It is a mistake. It once happened in Kompas, when their online news became the same as their offline news. Or, print media journalists are forced to write for online media. It will not work. It will never work. ... It cannot be like that. They [media company] established their online version; then they have to do it in a different way: with a different team, and with [a] different writing [style]. It cannot be equated. The writing style is different. (DB. Utoyo, ICTWatch, Interview, 26/10/2011)

The decreasing quality of journalism, particularly in online media, is also caused by the duplication of content or sources. In order to keep the news up-to-date, different journalists may use one source of news repeatedly, resulting in the uniformity of content in online media. Here the journalist must be aware that citizens are watching their work through social media. Acting as a watchdog, citizens can easily criticise the work of an online journalist if they provide low-quality, false, irrelevant, or inaccurate information.

Third, *reliability of online media as a resource*. The question of the validity of news sourced from online media remains relevant as much as it is relevant to debate the validity of social media as (online) media.

Could social media be categorised as a form of media journalism, or is it just a virtual public space? If it is to be classified as journalism, then it has to obey the ethical codes of journalism. A number of consequences will follow. (P. Widiyanto, Former House Member, interview, 14/10/2011)

Agus Sudibyo, the member of Press Council, shares Paulus' view on the ethical code of journalism in social media; and suggests that social media should not be treated as a form of journalistic media. It is better to consider social media as part of the public space in the virtual world.

Social media is a complement to the mainstream media. The problem [is] whether or not social media should be considered as part of the wider media and journalism; or whether it is just a virtual public space. If it were to be categorised as a journalistic medium, there are numbers of consequences to follow. They have to obey the ethical code [of journalism]. The main thing is [that] journalism requires orthodoxy in various things such as in gathering information, processing information, delivering information, and many other aspects. So far, social media has not yet followed these rules. Just to be fair, it is better to consider social media as a public space in the virtual world rather than to include it as part of the journalistic media. (A. Sudibyo, Press Council, interview, 27/10/2011)

Both Agus Sudibyo and Paulus Widiyanto's arguments are valid. In order to be considered as a journalistic medium and a reliable source of news, online media need to take on journalistic ethics and principles, including verification. While for many established media groups, such as *Kompas*, *Tempo*, and *The Jakarta Post*, the implementation of journalistic ethics from the printed media to their online channels might not be a problem, the case with other media companies may differ. Some media channels, such as *Vivanews*, which has no print media publication, also apply basic journalistic principles in their practice.

[A]bout online news, still, verification is the soul of journalistic principles. We are trying to stay committed [with that principle].... [We have to be clear as to] which one is social media and which one is journalism. [In order] for us to be part of journalism, every news item that we receive has to go through a valid verification. (N. Patria, *Vivanews.com*, interview, 17/10/2011)

However, real-time online news and social media-based news mostly neglect these basic journalistic principles, so that it is better to consider them as a public space rather than a part of journalism. Indeed, the elevation of the level of online media to that of a valid source of news is a long road. A number of steps need to be taken, one of which has already been taken by the Press Council: issuing the cyber media news guidance.

These three key problems facing online media are central and need serious addressing to ensure the healthy development of online media. They interrelate with one another, making these three problems and their responses systemic in nature. For example, it is impossible to address the problem of the reliability of online media if there is no clear regulation or quality journalism. In turn, a successful response to the problem of infrastructure will very likely increase the quality of online media and its journalists. Likewise, only through quality journalism will online media gain validity and reputation as a medium and thus become central once the infrastructure is equally distributed.

Among these three key problems, we focus on the infrastructure in the next section as it is clear that infrastructure is the most elementary problem underpinning the development of the Indonesian online media.

6.4. Online and new media: Infrastructure matters

The basic infrastructure for all online media is the ICT infrastructure which encompasses hardware, bandwidth or frequency, and some level of services. The ICT infrastructure is provided jointly by the state and the private sector to ensure wide coverage. But the reality shows that the ICT infrastructure is not equally available.

The Internet is like *take and give* between the buyers; the availability of infrastructure, content, accessibility, and affordability. Sometimes the price [for Internet connection] is as cheap as IDR 5,000 per hour in cybercafés, but its connection is poor and slow. While at the other places [in Indonesia] people are willing to pay higher than average for the Internet, but it is not available. [This happens in] regions such as Kalimantan, Sulawesi, and Papua. So [the technological development of] the infrastructure is running, but most of the time people are hesitant to build it [the infrastructure], they are thinking about whether it will sell well or not, since there is no [certainty of] demand [from the citizens]. (K. Hidayat, Member of the Indonesian Telematics Society, interview, 13/12/2011, emphasis indicates original wordings)

The infrastructure for online media is unequally distributed. While people in big cities can access the Internet from almost anywhere, others living in the suburbs may still even have difficulties to access conventional media such as television, radio and newspapers. The density of Internet users in Indonesia is still lower than the average among other ASEAN countries, with only 5.61 users per 100 citizens, most of whom are broadband Internet consumers (BPPT, 2008). However, in 2010, Indonesia reportedly had the highest ratio for the ownership of internet access devices, the most increased level of gadget ownership and the sharpest decline in the cost of service (including internet data packages) in South East Asia; even amidst the economic recession.³⁶

Given Indonesia's archipelago geography, cable infrastructure has been costly to provide and is mostly confined to urban areas, particularly on the islands of Java and Bali. Consequently, although the number of broadband Internet connections has doubled since 2006, broadband service remains prohibitively expensive or otherwise unavailable to many Indonesians (Freedom House, 2011).

36 The complete article can be downloaded from <http://idsirtii.or.id/content/files/artikel/TREN%20KEAMANAN%20INTERNET%20INDONESIA%202010.pdf>

The role of the government

The government divides telecommunications providers into three categories (a) telecommunications network providers; (b) telecommunications service providers; and (c) special telecommunications providers. This separation is aimed at the more effective governmental control of participation in the global telecommunications business competition. Network and service providers have to allocate resources for USO (Universal Service Obligation, or KPU *Kewajiban Pelayanan Universal*). With USO, the network and service providers are obliged to carry out their responsibility to provide citizens, especially those in remote, underdeveloped and poor areas, with telecommunications access. Accordingly, government permission is also required to develop the Internet infrastructure and open cybercafés.

Some analysts have attributed the lack of infrastructure in many countries to ineffective regulation and restrictive government policies (Freedom House, 2011). However, according to the APJII records, the number of ISP permits granted by the Directorate General of Post and Telecommunications (*Ditjen Postel*) at the Ministry of Communication and Informatics has been increasing since the year 2000.

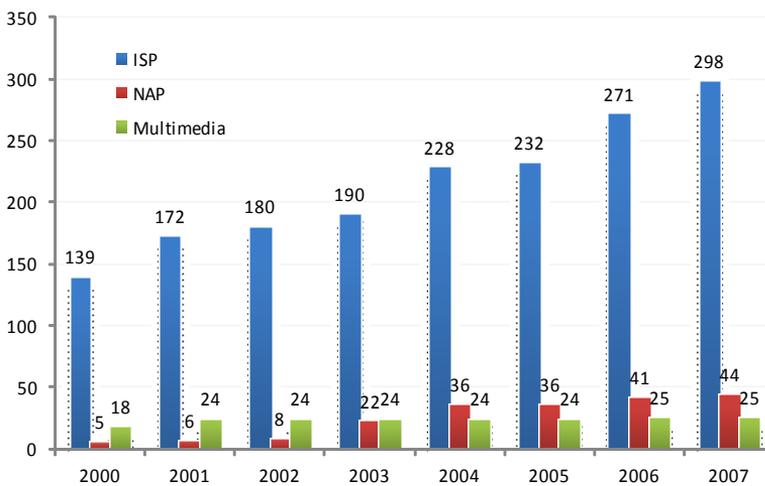
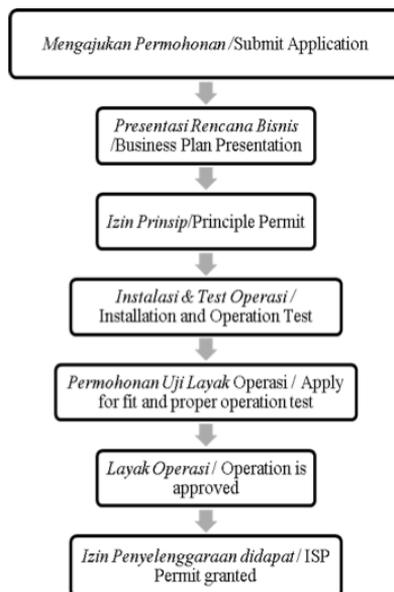


Figure 6.4. The number of permits granted in Indonesia (accumulative): 2000-2007

Source: Ministry of Communication and Informatics (Kominfo, 2011)

Figure 6.4. shows a significant increase in the number of permits granted for ISPs, although the development of NAPs and Multimedia seem to be not as fast. However, not all ISP licenses granted by the Ministry are used to actively operate Internet Service provision. Some are used to run other Internet-related business such as Internet Content Provider, web-hosting, e-commerce and Voice Over Internet Protocol (VoIP). Box 7 outlines the process of obtaining an ISP permit.

Box 7. Process of obtaining an ISP permit in Indonesia



Firstly, the applicant sends the application to the Ministry of Communication and Informatics, with a copy sent to the Ditjen Postel (Directorate General for Post and Telecommunication). The documents that need to be submitted along with application are:

- a. Deed of company establishment
- b. NPWP – Tax ID Number
- c. Company Profile
- d. Business Plan
- e. Technical equipment inventory
- f. Investment details

All of the above requirements have to be completed within 14 days.

Then, the applicants present their business plans at the Post and Telecommunication Bureau. Applicants who pass this phase can obtain the Principle Permit for a maximum 1 year. This Principle Permit can be extended once for another 6 months.

With the Principle permit, the applicant can start their technical equipment installation and test the operation of their provider. The applicant then submits the request for the operation test to the Ditjen Postel. The operation test will result in one of three categories: (i) fail, (b) succeed, or (c) need infrastructure review. The applicant who succeeds this operation test will then granted an ISP permit, while those who need a review are given 30 days to fix their infrastructure and submit another operation test request.

Source: Prosedur Memperoleh Izin ISP (Procedures to obtain ISP permit).– Onno W. Purbo at <http://bit.ly/z6p0vy>

According to the IDSIRTII, in 2009 there were 178 ISPs, 39 NAP providers (down from 2007 according to Ditjen Postel), and 27 VoIP providers. The number of Point of Presence (POP) ISPs had also reached 1,707, and these were spread throughout Indonesia (Manggalanny, 2011). According to the Central Bureau of Statistics, in 2009, the number of permits given to telecommunications service providers (including basic telephone services, cellular services, Internet services, and network access providers)

increased 7.69% on the 2008 figure (BPS, 2010).

The process of obtaining an ISP license is free, and after the applicant is granted a valid license, they are obliged to pay BHP *Biaya Hak Penyelenggaraan* (Implementation Charge) to *Ditjen Postel* at the amount of 1% of their gross revenue. This expense paid by the providers is used for activities on government policies related to the development of the Internet and multimedia industry.

A careful look will reveal that the number of licenses given to ISPs and other service providers has not yet guaranteed the availability of Internet infrastructure throughout Indonesia. Instead, the infrastructure is still concentrated quite unequally in several major cities in Java-Bali, and some parts of Sumatra (Kominfo, 2010; 2011; Manggalanny, 2010). It is still difficult for people living outside Java-Bali to access the Internet. Apparently, the government has not considered Internet infrastructure as something that needs to be built.

The matter of infrastructure is like the ‘chicken and egg’. We want to build infrastructure but there is not enough demand for it. [Oppositely], in business, infrastructure is a hidden demand. If we ask people about their need for the Internet, they do well without it. But once the Internet is in their life, it becomes a necessary part of their life. (K. Hidayat, Member of Indonesian Telematics Society, interview, 13/12/2011)

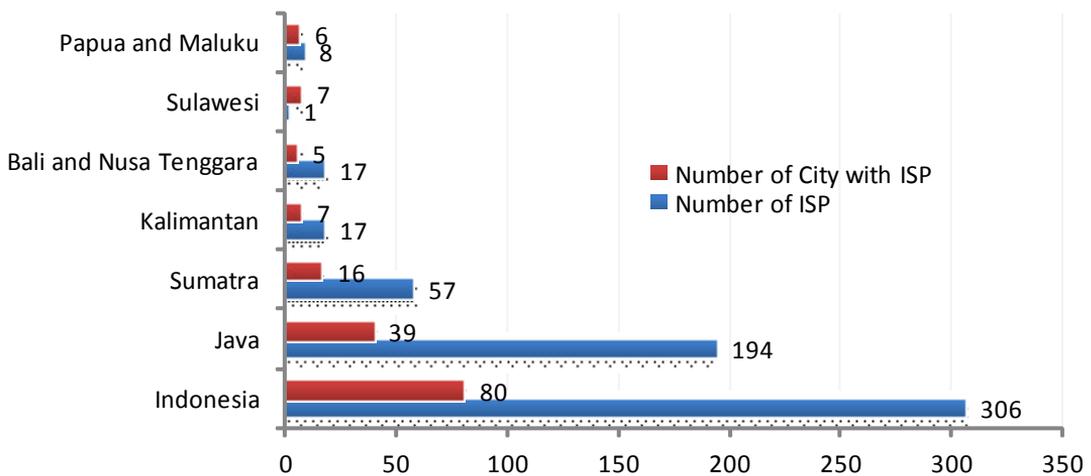


Figure 6.5. The distribution of ISPs in Indonesia: 2007

Source: BPPT (2008)

The Figure 6.5. above (last update 2007) shows that most ISPs are located in Java and have spread to reach most cities in the province. Yet, this does not happen in other provinces. This inequality of infrastructure makes it difficult for people living in the least serviced areas (like Sulawesi, Maluku and Papua) to connect to the Internet and new media. The uneven infrastructure could also lead to a digital gap and media literacy gap between those living in the city and those in remote areas. The government could ensure the fulfilment of citizens’ rights to media (particularly the right to have access to media infrastructure) by asking the private sector to build the infrastructure in the remote areas, and giving incentives to those who can.

So there should be a breakthrough, some kind of bottom up [movement] to [push] the government to make it [the provision of Internet infrastructure] legal. The easiest way is for the government to give some incentives that will boost local industry. (DB. Utoyo, ICTWatch, interview, 26/10/2011)

Donny's idea is seconded by Kanaka:

Now about [the development of] infrastructure. The government can provide incentives. Industrial people are actually very simple. Just give them cookies, or sugar [as incentives]. They will definitely come. Put the sugar in remote areas and in an uninteresting area [for business purpose]. Once the government puts sugar in the area, they definitely will come there [to open infrastructure business]. So build a data centre in Jayapura, or in Ternate, or at the centre of Riau Island. [Industrial] people may first ask themselves why they should build a data centre in those areas? But if they were given the incentives with some kind of deal that they can use the infrastructure that actually belongs to the government, to speed up business, they will do it. (K. Hidayat, Member of Indonesian Telematics Society, interview, 13/12/2011)

Kanaka continues that although the development of infrastructure by the government is not yet crystallised, it already sees the importance. The government has started building the infrastructure over the past two years (K. Hidayat, interview, 13/12/2011). But this alone will not work. The participation of citizens is central in order to maximise the utilisation of the telecommunications infrastructure, including Internet infrastructure, to make their lives better.

6.5. The online media industry in Indonesia: A newborn niche media?

With the rapid progress and adoption of the Internet and new media technology, what can we learn from the development of online media in Indonesia?

Apparently, online media are mostly used for social networking purposes. Accordingly, the industrial development has turned online media into a niche and segmented form of media. As online media grow, this somehow leads to the creation of information overload. While such overload has reduced the depth of users' understanding, the media industry does not care much about it, as long as their media are profitable. This becomes worse since regulation focuses more on the content than on how the structure of the media business and industry is supposed to be controlled in order to promote online technologies as alternative media.

One structural problem regarding online media is the concentration of infrastructure in certain areas (Java-Bali and Sumatra). With the media industry having no intention of initiating the building of the infrastructure, the government should step in and through policy should encourage and oblige the media industry to build the necessary infrastructure for citizens so that it is equally distributed across the archipelago. Limited access to online media will hamper the effort to increase media literacy and spread public information which is central in activism for change. Infrastructure, therefore, is the one core problem which must be addressed to ensure access to information is available for citizens. Only then can we bridge not only the digital gap, but also other gaps in citizens' capacities for participation and engagement.

This point is central as citizens' engagement can actually be facilitated through online media. In fact the rise of online media is somewhat correlated with the rise in citizens' activism in Indonesia. This also includes some grassroots' movements which are initiated in and around online media (e.g. the case of Prita Mulyasari, the use of social media for aid mobilisation, among others, as partly documented in Nugroho, 2011a). Online and new media do provide new spaces for the public, enabling various activisms that help citizens to exercise their rights to media. For example, hundreds of community

media initiatives, especially broadcasting, have shared an ICT platform in suarakomunitas.com³⁷.

Citizens' journalism is one example of how citizens can participate in shaping the media. Yet this requires some media literacy, which at the moment is quite low among many people. Only with such literacy would citizens be able to strategically utilise online media and their online space to educate themselves, and to civilise themselves through quality civic engagements (the seeds of which have been planted in a number of community programmes promoted through social media such as *Indonesia Berkebun*, *Blood for Life*, among others).

Yet, although online and new media provide spaces for citizens, it is not just about citizens. New media and online media, or the ICT innovation more generally, have also changed the media industry business models. They have had to respond to this new technology and make a profit at the same time. However, these changes in media business are not followed by matching changes in regulation. Most of the existing regulations are reactive in nature in addressing the rapidly progressing technology. One result of this reactive response is coercive regulations like the ITE Law, which represses citizens' rights in using the Internet based on 'moral value' rather than regulating the practice. Another result is the fast-changing business environment that manages to evade the regulation that is supposed to govern it.

In reflecting on the development of technology, the changes in the media industry should actually have been predictable, and therefore the regulations could also have been adjusted. Now, looking at the future, what challenges can media policy anticipate for the media industry in Indonesia? Two are imminent: media convergence and digitalisation. These are the subject for the next chapter.

37 The member distribution of community media that shared an ICT platform in suarakomunitas.net can be accessed from <http://suarakomunitas.net/map/>

7. Media convergence and digitalisation: Future challenges in the media industry in Indonesia

7. Media convergence and digitalisation: Future challenges in the media industry in Indonesia

From the regulation point of view, the condition of the media in Indonesia is relatively free, since the government's intervention on media content has already changed compared to the New Order era. Recent challenges in the media industry have in fact come from the media owners who intervene in the content of the media – that is one challenge. The journalist's professionalism is also a problem and it is another challenge. The next challenge is the media regulations, particularly the regulation on media ownership that has yet to be taken into account seriously. What does this tell us? That one media group could have numerous media channels... The media regulator merely evaluates the content of the media whilst [in practice] we cannot separate the content from the media's industrial structure.

(Ignatius Haryanto, LSPP, interview, 11/10/26)

The excerpt above illustrates how the development of the media industry in Indonesia still has many problems in need of resolution. In this study we find that the existing regulations only focus on regulating media content and do not regulate on the ways in which the changing structure of media business should be controlled (as discussed here and in our other report, i.e. Nugroho et al., 2012). In the eyes of the regulators, media business structure is to be treated the same as any other business structure. Although media-specific Laws exist, such as Broadcasting Law No 32/2002 and Press Law No 40/1997, there is no specific regulation on the structure of media business. Since media – and particularly the broadcasting media – use public goods (i.e. the frequency), the regulation of its business structure needs to ensure that it is being used for the greater good of the public, not just for corporate profit.

Another challenge is how the media industry responds to advances in technology, which have changed, and will always be changing, the ways in which the industry operates. The media are now facing the era of convergence and digitalisation, which is in fact a direct consequence of the current technological trajectory. Convergence itself is not new: in economic terms it has taken place in the form of media consolidation by means of concentration of ownership. Yet the media industry is now becoming more serious in preparing for multiplatform media channels. And more will happen, whether in terms of technological uptake/adoption, business expansion, or a combination of both.

Unfortunately, while the media industry seems to be preparing itself well, media policy seems to be lagging behind. Policies and regulations on media convergence are still being formulated, and are progressing rather slowly, with debates around them. This is despite the fact that policies on media convergence actually have a clear objective: to maintain the public character of the media in the face of the risk posed by changing media business models which are in turn driven by both technological and economic convergence.

We elaborate on this issue, relatively briefly, in this chapter, which focuses on media convergence and digitalisation and their impacts on citizens' rights to media.

7.1. Media convergence

Advances in ICT innovation have given new impetus to the ways in which service industries work, including the media. Through digital technology, networks of services emerge and create new possibilities in the industry, driven largely by the new interactions between the audience and the media, and among audiences themselves. Media convergence, which is a consequence of this technological progress, synchronises all media platforms (broadcasting, online, print media) into one. Media convergence can also mean an effort to combine conventional media with new media for the dissemination of news, information and entertainment (Lawson-Borders, 2006:ix).

In the words of an Indonesian media practitioner, convergence in the media is about “how a news is delivered through multiplatform coverage” (N. Patria, Vivaneews, Interview, 17/10/2011). It has apparently forced the media industry to change the way it does business. With convergence, channels will be synchronised. In order to adapt to this situation, the media industry has to play the game by combining several diverse newsrooms into a single, integrated newsroom. This altering business strategy includes changes in the ‘news gathering’ process. In convergence, the maximisation of content happens through various platforms.

[In media convergence] What is being synchronised is the news gathering process [and] the reporting process. So there will only be one report for a single event. Whichever channel arrives at the scene first will have to convey the information to the other channels. But this only applies for the news gathering process. The news production still depends on the news production team in each channel. (Z. Lubis, ANTV, Interview, 16/11/2011)

Zulfani’s account above implies that in media convergence, the production of a news item – from the agenda setting up until execution – is under the control of a single newsroom which will cater for all channels. However, despite the attempt to synchronise all channels, each of them has its own agenda as well as its own news production process. In practice, this means that after the news is gathered, each channel still has to reproduce the news according to its own distinctive agenda. Some business players view media convergence as an efficiency strategy for their production, as it needs only one journalist to produce reports for different channels at the same time. However, there are problems inherent in this approach, such as the ability of journalists to work across platforms.

As an idea, convergence can be beneficial for the industry, as it integrates all channels and their loyal viewers can retrieve news from the same media company through different channels. With the increasing number of media operators, however, there is intense competition to gain the public’s attention. Each media group will attempt to achieve this through utilising a number of channels. The more channels they have, the more attention they get from the public.

Reasons for conglomeration?

Convergence is inevitable. So we cannot avoid being onto it. And to go there [to media convergence] we need an exceptional adjustment since convergence means [that] we have to have one newsroom. It will be very difficult. We have not found a pattern which we can follow. (N. Patria, Vivaneews, interview, 17/10/2011)

Although most media groups have their own range of channels, this does not make the road towards convergence easy in any way. The media industry has to incorporate convergence as part of its business development strategy, and include it in the business plan, as the ex-CEO of the *Beritasatu Media Holding* explained to us:

In our business strategy, we see convergence as something inevitable. That is why we incorporate media convergence into our business plan. (E. Sambuaga, interview, 12/10/2011)

Convergence also unifies industries such as IT, telecommunications, and content provision (i.e. the media industry – print media, television and radio). With the unification of platforms, one company has to be ready with all channels, and this has made business expansion a favourable option. Convergence has forced the media industry to be prepared with their infrastructure, since this plays a central role. Some media companies are ready; their content is ready to be repackaged and distributed across other channels, but others have yet to develop their infrastructure in order to be able to do so. This explains the growing number of mergers and acquisitions (M&A) currently happening in the Indonesian media industry, despite the seemingly slower response from policymakers.

It will only be two sides: the content provider and the network provider. In the [drafting of the] Convergence Bill, there is still a debate as to whether one company can only be either content provider or network provider, or whether they can providing both network and content at the same time. (Z. Lubis, ANTV, Interview 16/11/2011)

ANTV, as part of *Visi Media Asia* under *Bakrie & Brothers Group*, is considered to be one of those companies which have prepared themselves to be both content and network providers. *Bakrie Group* also owns a telecommunications company (*Esia*) and an ISP (*Aha*) that could be used as the network provider for their media group. Similarly, the acquisition of *detik.com* by *CT Group* is one evident way of adding a new channel to the group's existing business. *CT Group* has already been established as a powerful player in the television industry. By buying *detik.com* (the largest online media presence in Indonesia),³⁸ the group will control the two most powerful channels: television and online media. And it may be just a matter of time before the group buys or acquires a print media company, as speculated by a senior journalist below:

Consolidation is happening at the moment, [bringing together] newspaper and television. Almost all television [companies] want to have print media, [particularly] newspapers. Chairul Tanjung [the owner of CT group] actually has a great desire to buy *Jawa Pos*. But he could only buy *detik.com* because Dahlan Iskan [the owner of *Jawa Pos Group*] will not sell his newspaper. However, he still has a great desire to have a newspaper. (DD. Laksono, WatchDoc, interview 26/09/2011)

Kompas Gramedia Group, one of the country's biggest print media companies, also established *KompasTV* in 2011 with a local networking platform. *KompasTV* works together with local television stations and shares the content with a '70–30 scheme' in which Kompas provides 70% of the programmes and the rest 30% are allocated for local content. Kompas also already has its own online media channel: *kompas.com*. These three channels – newspaper, online media, and television – are managed and developed towards a strategy of convergence, as an executive of KompasTV told us:

If we do not show ourselves [our own programmes] in the television, the audience will miss our good content. We are thinking from the external view. From the internal view, we also realise that we will be left behind because the circulation of Kompas newspaper is decreasing. People are now more into online and audiovisual media. Ready or not, we have to take that challenge. (B. Nugroho, interview, 12/10/2011)

38 According to alexa.com, detik.com is the most visited online-news website in Indonesia.

We map *Kompas'* media network below.

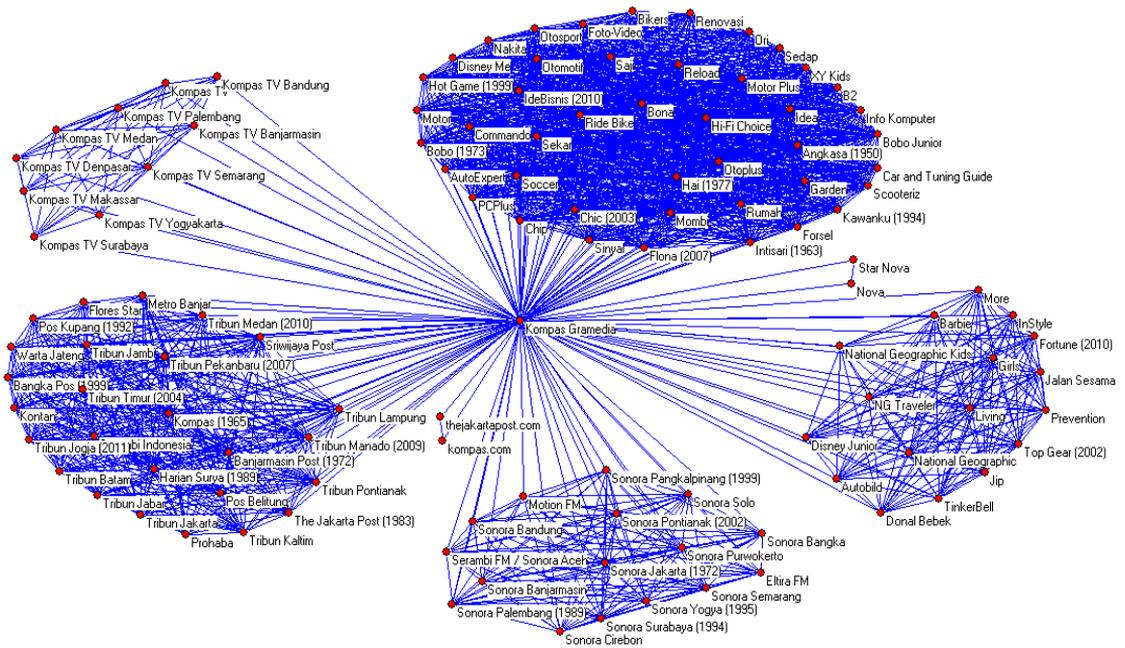


Figure 7.1. *Kompas'* media network: 2011
 Network measures: N=118; d=0.24289; 44-core; Kamada-Kawai 'separate component' layout.
 Source: Authors

Evidently *Kompas* has comparatively strong control over many different media channels. While technological convergence perhaps still needs some steps to completion (as Bimo suggests above), channel convergence (and hence business) seems to be well underway.

We can envisage how media convergence will affect the media industry. Major media groups with immense capital can expand their network by acquiring the channels they did not have before. But what will happen to small media companies that do not have enough capital to add a new channel? Most likely they will have to surrender to the larger groups. The danger posed by the resulting integrated media is twofold: a decrease in the quality of journalism, and the unification of content, which jeopardises the diversity of information needed by the society.

[This is the time when] media will rely more on the network provider, which is managed by people with non-journalistic backgrounds. They do not have any journalistic ideals. Hence, journalists will be forced to produce content only for profit. It cannot be prevented, let alone here in Indonesia. This is the era that we have to face. (Z. Lubis, ANTV, Interview, 16/11/2011)

Clearly there is a strong link between convergence and conglomeration. As some have suggested, convergence is only about the technology, while conglomeration is the business, the impact of which could be devastating.

The role of government in media convergence

While convergence in the media industry has already begun, there is still no specific regulation in

place. The Convergence Bill is still being drafted, and in the mean time the industry has nothing to guide the ways in which companies are changing their business strategy towards media convergence. Consequently they can only use existing regulations, although these are not actually compatible with the current situation. Apparently the government is trying to merge all existing regulations into the Convergence Bill, probably with a hope that in the future there will be only one piece of regulation that governs the media sector.

While the Convergence Bill is still in process, both government and non-government agencies can actually play their role in watching the development of business structures in the media industry. Institutions like Indonesian Broadcasting Commission (KPI) could play a bigger role in supervising media content with regard to the potential for the reduction of the diversity of information. Likewise, the Ministry of Communication and Informatics could be responsible for providing the infrastructure.

We [in the Ministry of Communication and Informatics] only control digital and IPTV [Internet-Protocol Television]. IPTV and ICT [Information and Communication Technology] are two different things. Many citizens are questioning whether the Ministry is controlling [ICT]. It is not ours to control. We only control the IPTV, the internet protocol. (A. Widiyanti, Broadcasting Director, Ministry of Communication and Informatics, interview, 27/10/2011)

Actually, the one organisation which can control the less educating and less informing content of media, and sustain the ideals of journalism, is KPI. (Z. Lubis, ANTV, Interview, 16/11/2011)

KPI currently controls only the media content; it fails to consider the way in which restructuring and cross-ownership happens in the media industry as the result of convergence, despite the fact that these issues have an increasing impact on media content. Regulation is needed to control the changes taking place in the industry's business structure such as the increasing number of M&As between media companies. Media practitioners are also worried about the lack of regulation in this area. They have learned from the experience of regulating the network television few years ago.

Virtually none of the regulation confronts the changes in business models caused by content and copyrights. It is still unclear how the regulation will control the changing business model triggered by media convergence. (Z. Lubis, ANTV, interview, 16/11/2011)

Zulfiani, a member of the *ATVSI Asosiasi Televisi Swasta Indonesia* (the Indonesian Private Television Association), notes that there is no regulation controlling media business structure. As a result, current and existing changes in media business practice are not actually properly regulated. The current draft of the forthcoming Convergence Bill is "very much heavy on the capital interest," (P. Widiyanto, Former House member, interview, 14/10/2011). Indeed, the media companies are the ones who make a huge profit out of the industry. Consequently, the role of community media in this convergence era is being overlooked.

While the Convergence Bill seems to cover a great deal of the media industry sector, the impact that it will have on citizens and citizen's rights to media have not been fully taken into account. With regard to community media in particular, the Bill is not seen as supportive of its development. Community radio, for example, which has suffered a lot from the lengthy and bureaucratic permit application process, will face a harder time as the Bill is not in favour of the initiative. In addition, the government should also improve Internet access for citizens if it envisages that they are to benefit from the convergence.

The use of the technology by citizens [in community media] is not regulated [in the Convergence Bill] towards legalisation. On the contrary, [the Bill] has made it more illegal. The other thing is that the basis for convergence of telecommunications technology lies in Internet Protocol [which has yet to be prepared]. (DB. Utoyo, ICT Watch, interview, 26/10/2011)

Although most media groups have prepared for the convergence era, they still need to face several challenges. One challenge is the ability of journalists to adapt to the changing media structure, mostly on the issue of news creation. For example, news created by a print media journalist could be used for the online media output of the same company, or the same journalist may also have to provide the news online. In the convergence era, journalists are encouraged to become multimedia professionals. In some cases, this does not work out well. One issue concerns salary and the skills of the journalists.

When a print media company establishes a television station, for example, it does not always mean that those journalists already employed in its print media companies have the appropriate skills for television journalism. This assumption proved to be a mistake at *Kompas*, when it established its television station a few years ago, the now-deceased TV7.

At the beginning of the establishment of TV7 [that belonged to Kompas Group], we were hoping to use contributors from Kompas newspaper which had already spread throughout Indonesia. [We thought] we just needed to teach them how to use the camera. But it did not work out well. Some objected to working for two channels for only one salary. [Others simply could not work for both]. It was not easy to do that. (Z. Lubis, ANTV, Interview, 16/11/2011)

As is obvious, different journalistic skills are needed, since the news production process varies between those two channels. Converging two media channels requires more than just a changing business strategy or technological adoption; most significantly it requires the preparation of human resources. Certainly, convergence does not always mean efficiency.

7.2. Digitalisation: A flowery dream?

In addition to convergence, digitalisation has been one of the hottest topics of discussion in the media industry, not only in Indonesia but also globally. Indeed the two are inseparable. There will be no genuine, full-blown media convergence without media digitalisation. Conversely, digitalisation will be a logical consequence of growing media convergence. In Indonesia, the Ministry of Communication and Informatics set the year 2018 as the target year of 'Indonesia Digital'. That year will mark the point in time when Indonesia will become fully digital in terms of ICTs and media, leaving analogue technology behind.

Digital. What is the concept of digital? In digital [stage], there will be four times the current number of TV channels available. Will the government be ready for that? TVRI [the state-owned public television] is not being treated well, and now they want to make it into four channels [through digitalisation]? Nobody watches TVRI; now they want to make it into four? Where will they get the money from? (A. Armando, lecturer, interview, 27/12/2011)

The concern voiced above makes sense since TVRI, Indonesia's one and only public television station, has already begun to adopt a digital system but has yet to perform well. Digitalisation in the Indonesian media came in a rush while many people are still struggling with access to conventional media and new

media. Despite the government's anticipation of full digitalisation by 2018, we still have a long way to go. Digitalisation is not a new term in the media industry. It concerns the integration of digital technologies into the media sector which, considering the growth in technology, is to some extent predictable. However, digitalisation is heavily dependent on the infrastructure. Therefore the government should concern itself with ensuring the readiness of the digital society before rushing to full digitalisation.

The rapidly evolving world of digital technology has changed the face of the media, which in turn have transformed our societal structures. The media industry needs to move rapidly to face new competitors, since with digitalisation it will be easier for newcomers to enter the industry and this means more competitors for the existing players. For some, however, digitalisation is seen as threat to the media industry.

It is rather impossible for newcomers to enter the industry with the current analogue system. Digitalisation opens the possibility for newcomers in the media industry. But the existing corporations are actually happier with the present analogue system. (P. Widiyanto, Former House Member, interview, 14/10/2011)

Bimo, the Corporate Representative of *KompasTV*, which implements a network broadcasting scheme with a number of local television stations, sees the idea of digitalisation as helpful for local television stations which wish to compete fairly with the larger groups.

Digitalisation has to be started soon. There will be plenty of room for them [local TV] to broadcast. The problem is, these large [terrestrial] television [companies] refuse the idea. Why? It is understandable in that they will have more competitors; they will be competing for advertisement. (B. Nugroho, KompasTV, interview, 12/10/2011)

Although the media industry is to a certain extent ready or at least prepared for digitalisation, the corporations seem to be happier with the current analogue system. This is only because the competition for advertising in a digitalised industry will be much tougher, and this is not good for their business.

Digitalisation will only work if the market is ready. As much as digitalisation is inevitable, it also requires readiness, not only from the industry but also from the government, who must prepare the regulatory framework, and citizens, who need access to the necessary equipment. Almost all of the production equipment currently used in the media industry is already digital. The industry is just waiting for the transition from analogue to digital systems. However, while the industry is ready for digitalisation, the government and the citizens still need time to prepare themselves. Ignatius Haryanto, the director of the Research Institute for Press and Development argues that:

The process of digitalisation is time-consuming. For example, all the existing television sets should use a *set-top box*. One *set-top box* costs 300,000 Rupiahs. Can you imagine 300,000 rupiahs times the number of televisions that currently exist? ... I am a person who thinks that we should take our time in altering technology before we know the advantages and disadvantages of what [the technology] we will be using. (I. Haryanto, LSPP, Interview, 26/10/2011, emphasis indicates original wordings).

Indeed, in order to implement digitalisation in television, a set-top box³⁹ is needed, and this is one

39 A set-top box (STB) is a device that connects to a television set and an external source of signal. The STB turns the digital signal into content viewed on the television screen. STBs are commonly used in cable TV and satellite TV systems, to transform the digital signal so that it can be used by the television set.

big problem. The government cannot put the burden of purchasing this equipment onto society. The government is responsible in constructing a system and regulation for digitalisation, as former House Member Paulus Widiyanto states:

The state is responsible for building the system and the technology. They are also [have to be] responsible for its spectrum management and the distribution of frequencies in order to enhance the economic life of its citizen. ... With digitalisation there will be more frequencies available for the public, but in what ways will the state have it distributed? It is not decided, it is not drafted [in the regulations], its economic potential is also not being controlled. (P. Widiyanto, interview, 14/10/2011)

However unclear the plans for realising the digital transition may seem, the government has designated 2018 as the year in which Indonesia will go digital. This means that all broadcasting technology will be totally switched from analogue to digital, following The Geneva Frequency Plan Agreement on Digitalisation, which was drawn up by the International Telecommunications Union in 2006. The whole process could prove to be a bumpy ride for Indonesia, especially with regard to the availability of appropriate infrastructure in remote areas.

Perhaps one can argue that since the development of our society also has to adjust to the advances in technology, digitalisation is inevitable. While this argument may bear some truth, we need to consider what impacts these latest trends – convergence and digitalisation – bring to citizens and their rights to media.

7.3. Media convergence and digitalisation: Impact on citizens

While it is obvious that citizens will definitely be affected by media convergence and digitalisation, their role in the dynamics of the media is rarely discussed. In today's media industry, the public interest has already been downgraded, if not ignored, in that most media content is profit-oriented and less educating. With the convergence of technology and the centralisation of ownership that bundles various owners into one, it will be difficult to find citizens' spaces in the media. The industrial interest – i.e. shareholder interests – in the media is getting bigger and bigger, leaving only a small space for citizens. Moreover, with the concentration and dominance of ownership leading to the homogenisation of information, media companies will only have one newsroom for several channels, and most of them have set their agenda to synchronise issues. Here again, only a small space, if any, remains for citizens and their interests in the media.

[About convergence] my question is, who will benefit from the [media] convergence? It is not an easy task to transform the existing policies to be *digital policies*. People will say that [in digital and convergence era] there will be more opportunity for radio to broadcast, since there are numerous frequencies available. But is there any guarantee that community-broadcasting institutions will also have the same portion as private broadcasting institutions? Regulators, if we see the boxes [of interest], will always put industrial interest and business interest at the front ... leaving community radio stations behind. That is, in my opinion, another problem of media convergence, how can it create places for public expression? (I. Haryanto, LSPP, Interview, 22/08/11, emphasis indicate original wordings)

Most of the debates and discussions on convergence and digitalisation are biased towards business interests. There is a clear threat to community broadcasting in the digitalisation discourse due to the incompatibility of the digital technology with the old technology used by community broadcasters.

Perhaps it is only media activists who are concerned about citizens' interests in this era. Understandably, as a commercial institution, the media industry will be paying more attention to content that is profitable for the company rather than what is important to the public (Lawson-Borders, 2006). As such, it endangers the public function and characteristic of media. Consequently, the media will not only alienate citizens from their societal context, but also risk losing their very reason for being.

Not only do convergence and digitalisation change the way in which the media operate; they also change the way in which citizens access information. Since both convergence and digitalisation rely heavily on technology, non-technology-savvy citizens will be left behind.

[About digitalisation] people will face barriers starting from the ownership of the medium. This could lead to a disparity of civilization, since the access to the medium is inadequate. Those who can enjoy [the facilities of] receiving blood donations quickly are those who own gadgets [because they can use mobile application to ask for a blood donation], while people living in suburban areas, or those who do not know where they can ask for help, have to queue in PMI [*Palang Merah Indonesia* - Indonesian Red Cross]. It is fortunate if they get it [the blood], but what if they don't? (DD. Laksono, WatchDoc, interview, 21/09/2011)

Infrastructure and medium indeed play a big role in shaping how citizens can participate in the convergence and digitalisation era. Sadly, given the current poor infrastructure condition it is still difficult to foresee the future of citizen participation in the wake of convergence and digitalisation, and how they can benefit from it. *SatuDunia*, an Indonesian CSO working on ICT issues, argues that instead of protecting citizens' rights to media infrastructure, the Convergence Bill would only strengthen citizens' consumer rights regarding media products, and thus it treats citizen as merely consumers (Cahyadi, 2011a; 2011b).⁴⁰ Infrastructure remains a crucial problem, as it is not evenly spread throughout the country. Although there is a clause in the Convergence Bill which states that the government is obliged to provide the necessary infrastructure in remote areas, citizens' rights to infrastructure in the event that the government is unable to fulfil this obligation are not mentioned there. With consolidation between media owners and media outlets creating conglomeration through convergence, citizens could become mere spectators of the battle between media groups and media owners, while their own rights to information are overlooked. Citizens will have to compete with the industrial giants, while government seems to neglect its obligation to protect its citizens.

To illustrate, let us see the media network belonging to the biggest media group in Indonesia, *MNC*, below.

40 See also, "*Publik Desak RUU Konvergensi Dirombak*" (The society demands a change in the Convergence Bill) <http://www.satudunia.net/content/publik-desak-ruu-konvergensi-dirombak>

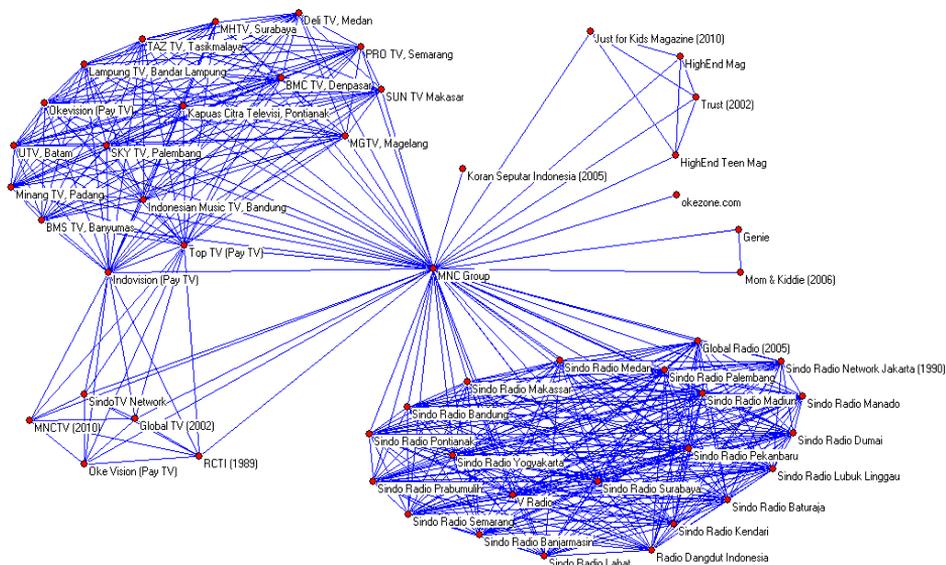


Figure 7.2. MNC's media network: 2011

Network measures: N=53; d=0.31775507; 22-core; Kamada-Kawai 'separate component' layout.

Source: Authors

As the figure demonstrates, *MNC*, which controls many media channels across Indonesia, is very likely to benefit from convergence and digitalisation. As the largest media group, *MNC* already dominates the media sector. By controlling local media companies (such as local television and radio stations), *MNC* is already becoming more powerful within the media market in Indonesia. Convergence and digitalisation will probably lead to a more M&As in *MNC* as these offer a way of controlling resources in order to increase revenues and viewership. The network illustration also shows how, through controlling various channels, *MNC* has been more efficient in reaching viewers, and in turn has made more profit.

Indeed, successful media companies usually buy out other companies to make themselves more powerful, profitable, and able to reach a larger audience. Below is an illustration of another media network, that of *Jawa Pos Group*.

media is properly about the public (*locus publicus*) is one thing; media as a profitable industry is another.

What we observe in our media today is a phenomenon that perhaps can be best conceptualised as 'media disembodiedness' (after Polanyi, 1957); that is, a situation where the media practice and content are uprooted from the societal context in which they exist. Having all television channels across Indonesia airing soap operas (*sinetron*) full of metropolitan lifestyle (or problems), for example, is not just about the loss of content diversity. More fundamentally, it is a disembodiment process which uproots the audience from their reality – especially those who are disadvantaged and/or situated in remote areas.

Media convergence, in this light, can worsen this situation. Imagine the situation when it is not just the television stations that banalise their audience with non-educative programmes, but also all other media channels with the same content, simply because the logic of convergence dictates so. The impact of such a scenario will be grave.

The profit-driven industry has clearly put aside citizens' interests. The audience is viewed only as potential consumers for the industry, not as citizens with rights. This is where the government needs to step in with an appropriate media policy. The complexities of convergence and digitalisation can easily distract the regulatory framework aiming to regulate them. But the focus should remain intact: the protection of a public sphere in the media and the fulfilment of citizens' rights to media. The Convergence Bill in Indonesia is a good example of a piece of regulation in which the debates surrounding its formulation are focused more on the technicalities of the matter – and the business interests inherent within – than on the substantive concern regarding the role of citizens in the media.

If the government fails in this task, the citizens will then have to rely on themselves to exercise their rights to media. Given the recent trends, there is good reason to worry that the media seems to have moved further and further away from citizens, and to have abandoned their duty to guard the *res publica*, the implications of which will be presented in the next, concluding chapter.

8. Reclaiming the media,
reclaiming the *res
publica*:
Implications and
conclusions

8. Reclaiming the media, reclaiming the *res publica*: Implications and conclusions

Logically, business expansion is inevitable and is somewhat 'compulsory', even in the media industry. But how far do conglomeration and expansion still protect the public interest? If we are resting on the principle of diversity of ownership and diversity of content in the media, is the expansion [of media] developing towards these principles? I am afraid not... The content of the media, including their news, is definitely moving towards commercialisation and sensationalism to the extent that it abandons other issues more relevant and important for the public, only because they are less interesting. It is all about ratings that subsequently degrade the public interest. ... Two things that define the mass media are the market and the public. For the media owner, the media is no more than a market in which they offer their products. But we would like to state that the media is not solely a market. This is the public; a conscious public that has the right to choose, the rights for its basic interests to be served, the right to information. These two perceptions are not always connected. They [media owner] look at the media as a mere market whilst they also have consciousness and rights. This is where [the media] is being contested.
(Ignatius Haryanto, LSPP, Interview, 26/10/2011)

Ignatius Haryanto's quote above more or less concludes this study. Throughout this report we have attempted to portray the current affairs of the media industry in Indonesia. Unfortunately, the picture turned out to be not so bright. Mapping the landscape of the industry, we found that the development of the media has led to an apparent abandonment of their public functions, so that the media have become more of a corporate commodity than a meeting place for citizens. In this picture, citizens and their rights to media are bleak. What we see in the landscape of the Indonesian media industry is its rapid growth as a business institution rather than a social institution.

Our empirical data suggests that the development of the media industry does not always mean the development of the media as a public medium. On the contrary, its development has significantly reduced the notion of citizens: the industry sees the audience as mere consumers rather than as citizens with rights to media. Such a position has serious implications, since it concerns our shared life and how we perceive it through the media, as well as the very definition of the media itself.

We outline our major findings and their implications before concluding the research and offering a future agenda for action.

8.1. Major findings

The media industry is one of the fastest growing sectors in Indonesia. Begun during Soeharto's New Order era, the media industry started to blossom after the *reformasi* in 1998. The growth of the industry had been remarkable, but the law of the 'survival of the fittest' has dominated: not all can survive the fierce competition and address the complicated problems of the media business. What remains in the map of the Indonesian media industry are a number of media groups whose survival was made

possible by expansion and the concentration of ownership.

This is driven, in large part, by the profit motive and business interest, rather than by the intention to provide spaces for the citizens to engage. As such, the current business practice in the media industry needs to be governed. However, media policy seems to be lagging behind the development of the industry.

The current development of the media industry in Indonesia seems to be characterised by mergers and acquisitions (M&As), a situation which unfortunately is not addressed in the media policy framework. This makes business expansion and conglomeration a direct consequence in the media industry. The absence of a media policy that adequately governs the media business seems to have created serious consequences. One of these is the fading public function of the media. This leads to another consequence concerning the fulfilment of citizens' rights to media: the development of media industry does not seem to take citizens' rights to media infrastructure, content, and participation in the policymaking process seriously. Such is the result of the main logic driving the development of the media industry in Indonesia: profit and power.

In the context of Indonesia, the development of the media industry as characterised above has led to some related problems. Firstly, within the industry itself there is an ongoing contestation over whether the media should present content and information that serves public interests, seeks profit, serves the owner's interest or maintains its integrity. This contestation remains perpetual, in each and every media group. Here, maintaining media integrity becomes the most relevant challenge as the owner's interests are ever present and ratings, which largely glorify sensationalism, become pivotal in determining content production.

Secondly, such development of the media industry has put the promotion of shareholders' interests high on the list of factors which influence decision-making processes in the newsroom. As they keep capital flowing into the business, their interests should be guarded, which in turn also determines what the media present to the public. Indeed, the media operates largely in line with a business logic rather than for the public interest. The media depend on advertisers, sponsors, and licensing fees to operate and make profits on behalf of their shareholders.

Finally, with the profit orientation as such, competition in the media sector in Indonesia remains high despite the concentration of ownership. One key to this competition is technology. In the digitalisation era, Internet access is a prerequisite for the media industry to move towards convergence and digitalisation. When newsrooms are merging as a consequence of the convergence strategy, the homogenisation of content and information seems imminent and inevitable. Convergence and digitalisation can thus be seen to endanger the diversity of content and potentially to hinder the fulfilment of citizens' rights to trustworthy information.

All these implications lead us to conclude that the development of the media industry has disembedded the media from the society in which they exist. The disembeddedness will become more apparent in the near future due to the gap in access to infrastructure, which creates a digital divide. The divide will not only be about the technology itself but also about the capacity to maximise or strategically use it. This will have implications for citizens, especially those who have minimum access to both the infrastructure and capacity.

Some particular implications of this disembeddedness for citizens' rights are outlined below.

8.2. Implications for citizens' rights

No right exists without a mechanism to ensure its fulfilment. In this light, the notion of citizens' 'rights to media' poses a challenge. The challenge is not whether or not the mechanism for its fulfilment exists, but rather whether such a mechanism works or not. The government has the mandate to protect and ensure the fulfilment of *any* citizens' rights. Yet when it comes to the media, the government is barely there for the citizens. In the media sphere, which is always contested, the absence of governmental protection of citizens' rights to media as such is appalling. As the media mediate what is possible and impossible in our shared life, it is important to ensure that they maintain their role to civilise society; that is, to provide content that educates the public and to provide them space for engaging in discourse exchange. While the media apparently has the power to sway the public view, it has to be responsibly exercised. This is where the government should play its role through setting up an appropriate set of media policies.

However, some pieces of media regulation are evidently ambiguous, if not biased towards business interests. Although independent bodies like the Press Council and the Indonesian Broadcasting Commission (KPI) are available, they play a minimal role in regulating the media. This needs addressing to ensure that citizens can play their role in the development of the media. Two principles must be maintained: the diversity of content and the diversity of media ownership.

These two principles should be the key targets for governmental action to rebalance the regulatory framework for the media in Indonesia.

8.3. Ensuring citizens' rights to media: A conclusion

In a nutshell, our study concludes that the rapid development of the media industry has left citizens on the periphery of the media sector. The landscape of the media industry seems to be highly dynamic, but it is much less so regarding citizen participation in the media with the exception of community media, where citizens are actively engaged.

Consequently, relying on the industrial setting in order to ensure citizens' rights to media will take us to nowhere. Throughout the research we learnt that citizens' right engagement in the media sector has to be fought for, instead of being welcomed and accommodated by the industry. Community media can serve as the platform for this 'struggle'. Being relevant in terms of the content and specific in terms of the issue, community media such as radio initiatives can be a powerful tool to facilitate genuine citizens' engagement.

Likewise, while technological innovation, particularly ICTs, has progressed the media business, the same technology can also be appropriated by citizens' groups to help exercise their rights to media. The Internet and social media have proved to be transforming the way the media business operates. The same applies for civic activism. The use of ICTs and particularly the Internet has brought about an unprecedented opportunity for citizens to voice their aspirations and get responses in a way and scale that was previously unthinkable. Bringing a hope for freedom of expression, online media have become a new public space for the promotion of the *bonum commune*.

Yet, we have to be cautious with all of these high hopes, as online technology as such requires access to infrastructure that is currently unequally distributed in Indonesia. Access to the Internet is only properly available in Java, Bali and major cities. As a consequence, the majority of Indonesian citizens are marginalised in terms of accessing the technology. If this continues, what once promised to be a liberating technology will instead create a worsening state of disembeddedness.

In summary, with the rapidly growing conglomeration and concentration of ownership in the Indonesian media, there is an urgent need for government intervention to ensure citizens' roles beyond that of media consumer. There is no other way for the government to achieve this except through strong leadership reflected in an appropriate, strong media regulatory framework, which has a clear bias towards protecting citizens' interests and rights while balancing corporate interests for profit.

8.4. Future Agenda

The twenty-first century news audience is seen, paradoxically, as both exceptionally passive and unprecedentedly active. On the one hand, the news audience is thought to be made up of apathetic and easily distracted consumers rather than active and engaged citizens; on the other, they are 'the people formerly known as the audience'... not consumers but 'prosumers', creative generator of media content (Calcutt and Hammond, 2011:166).

Having presented the findings, implications, and our conclusion, we envisage at least three immediate action points:

First is the need to address publicly the concerns regarding the worryingly large development of media conglomerations and the resulting concentration of ownership that compromises the quality of journalism and threatens the diversity of content/information. This is to ensure that the development of the media industry will not wipe away the media's *raison d'être* as *locus publicus*, a public sphere that mediates civic life.

Secondly, in the same vein, the next point for action should be to revitalise the regulatory role of the sector's public bodies, particularly the Indonesian Broadcasting Commission (KPI). KPI should have the authority to control the landscape of the media industry and the way in which media companies work. In turn, this will ensure the existence of public channels through which citizens can voice their concerns about the workings of the media in Indonesia in the face of the vast media industry.

Finally, as much as we are concerned about the development of the profit-making media industry, it is important to revive our state-owned public media, i.e. *TVRI* and *RRI*. Without having strong, high-quality public broadcasting, there is no way to ensure the creation of a public sphere where citizens can voice their views and engage in healthy interaction, or to ensure the fulfilment of citizens' rights to media.

Throughout this report we have mapped the development of the media industry in Indonesia. The dynamics, or lack thereof, of the media industry have enormous impacts on both the media sector and public life. With this, we now call upon future initiatives to empower citizens and civil society groups to strategically exercise their rights to media. Such exercise will help ensure that our media industry retains its very reason of being, that of being a mediator for the public interest.

References

- AJI, 2009. Wajah Retak Media (Fractured Face of the Media). Report. Jakarta: AJI and Tifa Foundation.
- APJII, 2010. Statistics of APJII. APJII (Indonesian Internet Service Providers Association), <http://www.apjii.or.id/dokumentasi/statistik.php>, viewed 12 December 2010.
- Arnstein, S.R., 1969. A Ladder of Citizen Participation JAIP 35(4), 216-224.
- Arsenault, A.H., Castells, M., 2008. The Structure and Dynamics of Global Multi-Media Business Networks. *International Journal of Communication* 2(2008), 707-748.
- Bagdikian, B., 2004. *The New Media Monopoly*. Beacon Press, Boston, MA.
- Batagelj, V., Mrvar, A., 2003. How to Analyze Large Networks with Pajek. Workshop at SUNBELT XXIII, Cancún, México.
- Benhabib, S., 2004. *The rights of others: aliens, residents, and citizens*. Cambridge University Press, Cambridge.
- Berkhout, R., Koster, K.d., Kieboom, M., Pieper, I., Fernando, U., Ruijschoot, L., 2011. Civic Driven Change: Synthesising implications for policy and practice. Report. Development Policy Review Network.
- BPPT, 2008. Keberadaan sinyal televisi. Indikator TIK (Availability of television signal. ICT Indicator). Report. Jakarta: BPPT.
- BPS, 2010. Statistics of Communication and Information Technology in Indonesia. Report. Jakarta: Central Bureau of Statistics.
- Bryman, A., Bell, E., 2007. *Business Research Method*. Oxford University Press [2nd ed.], Oxford.
- Bunnell, F., 1996. Community Participation, Indigenous Ideology, Activist Politics: Indonesian NGOs in the 1990s, in: Lev, D.S., McVey, R.T. (Eds.), *Making Indonesia*. Southeast Asia Program, Cornell University Itacha, pp.
- Cahyadi, F., 2011a. Konglomerasi Media di Era Konvergensi Telematika (Media conglomeracy in the era of telematics convergence). Report. Jakarta: Satu Dunia.
- Cahyadi, F., 2011b. Wajah Bopeng RUU Konvergensi Telematika (The ugly face of the Telematics Convergence Bill). Report. Jakarta: Satu Dunia.
- Calcutt, A., Hammond, P., 2011. *Journalism Studies: A Critical Introduction*. Routledge, Abingdon.
- Carlyle, T., 1840. Lecture V: The Hero as Man of Letters. Johnson, Rousseau, Burns. James Fraser [Reported with emendations and additions (Dent, 1908 ed.)], London.
- Cassell, C., Symon, S., 2004. *Essential Guide to Qualitative Methods in Organisational Research*. Sage Publications, London.
- Castells, M., 2010. *The Rise of Network Society. The Information Age – Economy, Society, and Culture – Volume I (2nd Ed.)*. Wiley-Blackwell, West Sussex.
- Chellappa, R.K., Sin, R., 2005. Personalisation versus Privacy: An Empirical Examination of the Online Consumer's Dilemma. *Information Technology and Management* 6(2-3), 181-202.
- Creswell, J.W., 2003. *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*. Sage [2nd ed.], Thousand Oaks, CA.

- Croteau, D., Hoynes, W., 1997. *Industries and Audience*. Pine Forge Press, London.
- Curran, J., 1991. Rethinking the media as public sphere, in: Dahlgren, P., Sparks, C. (Eds.), *Journalism and the public sphere*. Routledge, London and New York, pp. 27-57.
- Denzin, N., Lincoln, Y. (Eds.), 1994. *Handbook of Qualitative Research*. Beverly Hills CA: Sage.
- Diani, M., McAdam, D. (Eds.), 2003. *Social Movements and Networks: Relational Approaches to Collective Action*. New York: Oxford University Press.
- Doherty, B. (2010) *Why Indonesians are all a-Twitter: How can a country where millions of people are so poor they've never even used a computer be the world's biggest user of Twitter?* The Guardian, <http://www.guardian.co.uk/technology/2010/nov/22/indonesians-worlds-biggest-users-of-twitter>.
- Eldridge, P.J., 1995. *Non-Government Organizations and democratic participation in Indonesia* OUP South East Asia, Kuala Lumpur.
- Freedom House, 2011. *Freedom on the Net*. Report. Washington DC: Freedom House.
- Gabel, M., Bruner, H., 2003. *Global, Inc. An Atlas of the Multinational Corporation*. The New Press, New York.
- Ganie-Rochman, M., 2000. *Needs assessment of advocacy NGOs in a New Indonesia*. Report. Report to the Governance and Civil Society of the Ford Foundation. Jakarta: Ford Foundation.
- Habermas, J., 1984. *The Theory of Communicative Action*. Vol. I: Reason and the Rationalization of Society. Beacon. [German, 1981, vol. 1], Boston.
- Habermas, J., 1987. *The Theory of Communicative Action*. Vol. II: Lifeworld and System. Beacon. [German, 1981, vol. 2], Boston.
- Habermas, J., 1989. *The Structural Transformation of the Public Sphere*. MIT Press. [German, 1962], Cambridge, MA.
- Habermas, J., 2006. Religion in the public sphere. *European Journal of Philosophy* 14, 1–25, J. Gaines (trans.).
- Hadiwinata, B.S., 2003. *The Politics of NGOs in Indonesia. Developing Democracy and Managing a Movement*. Routledge Curzon, London, New York.
- Haryanto, I., Ramdojo, J., 2009. *Dinamika Radio Komunitas (The dynamics of community radio)*. Report. Jakarta: LSPP and TIFA.
- Herman, E.S., Chomsky, N., 1988. *Manufacturing Consent: The Political Economy of Mass Media*. Pantheon Books New York.
- Hill, D.T., 2003. Communication for a New Democracy. Indonesia's First Online Elections. *The Pacific Review* 16(4), 525–548.
- Hill, D.T., Sen, K., 2000. *Media, Culture and Politics in Indonesia*. Oxford University Press, Oxford.
- Hill, D.T., Sen, K., 2002. Netizens in combat: Conflict on the Internet in Indonesia. *Asian Studies Review* 26(2).
- Janowitz, M., 1980. Observations on the Sociology of Citizenship: Obligations and Rights. *Social Forces* 59(1), 1-24.
- Jatmikasari, I., 2010. *Media and Consumer Change in Media Scene. The official guide to advertising media in Indonesia*. Report. Jakarta: IPTK.
- Joseph, A., 2005. *Media matter, citizens care: The who, what, when, where, why, how, and butts of citizens' engagement with the media*. UNESCO. Available online http://portal.unesco.org/ci/en/files/19137/11164945435advocacy_brochure.pdf/advocacy_brochure.pdf.
- Kaplan, A.M., Haenlein, M., 2010. Users of the world, unite! The challenges and opportunities of Social Media. *Business Horizons* 53(1), 59–68.
- Kominfo, 2010. *Komunikasi dan Informatika Indonesia: Whitepaper 2010*. 2010 Indonesia ICT

- Whitepaper. Jakarta: Pusat Data Kementerian Komunikasi dan Informatika.
- Kominfo, 2011. Indikator TIK Indonesia. Report. Jakarta: Pusat Data Kementerian Komunikasi dan Informatika.
- KPI, 2008. Annual Report 2008. Report. Jakarta: Indonesian Broadcasting Commission.
- Laksmi, S., Haryanto, I., 2007. Indonesia: Alternative Media Enjoying a Fresh Breeze, in: Seneviratne, K. (Ed.), *Media Pluralism in Asia: The Role and Impact of Alternative Media*. Asian Media and Information Centre, pp.
- Law, J., Hassard, J. (Eds.), 1999. *Actor Network Theory and After*. Oxford and Keele: Blackwell and the Sociological Review.
- Lawson-Borders, G., 2006. *Media Organization and Convergence – Case Studies of Media Convergence Pioneers*. Lawrence Erlbaum Associates Inc, New Jersey.
- Levinson, P., 1999. *Digital McLuhan – A Guide To The Information Millenium*. Routledge, London.
- Lim, M., 2002. Cyber-civic Space. From Panopticon to Pandemonium? *International Development and Planning Review* 24(4), 383-400.
- Lim, M., 2003a. From Real to Virtual (and Back again): The Internet and Public Sphere in Indonesia, in: Ho, K.C., Kluver, R., Yang, K. (Eds.), *Asia Encounters the Internet*. Routledge, London, pp. 113-128.
- Lim, M., 2003b. The Internet, Social Networks and Reform in Indonesia, in: Couldry, N., Curran, J. (Eds.), *Contesting Media Power. Alternative Media in a Networked World* Rowman & Littlefield, Oxford, pp. 273-288.
- Lim, M., 2004. Informational Terrains of Identity and Political Power: The Internet in Indonesia. *Indonesian Journal of Social and Cultural Anthropology* 27(73), 1-11.
- Lim, M., 2011. @crossroads: Democratization and Corporatization of Media in Indonesia. Report. Research collaboration of Participatory Media Lab and Ford Foundation. Arizona: Arizona State University and Ford Foundation.
- Lippmann, W., 1922. *Public Opinion*. Free Press Paperbacks, New York.
- Lippmann, W., 1927. *The Phantom Public*. MacMillan, New York.
- Manan, A., 2010. Ancaman Itu Datang Dari Dalam – Laporan Tahunan AJI (The threat is coming from within - AJI annual report). Report. Jakarta: Aliansi Jurnalis Independen - Independent Journalist Alliance.
- Manggalanny, M.S., 2010. *Indonesia Infrastructure - Internet Statistic 2010 and Projection: The Latest Trend*. Presentation at Satudunia Workshop on Internet and Civil Society. Jakarta: Satudunia.
- Manggalanny, M.S., 2011. *Tren Keamanan Internet Indonesia 2011*. Jakarta: IDSIRTII. Indonesia Security Response Team On Internet Infrastructure).
- Mansell, R., 2001. *New Media and the Power of Networks*. London: First Dixon Public Lecture and Inaugural Professorial Lecture.
- Mansell, R., 2004. Political economy, power and new media. *New Media & Society* 6(1), 96-105.
- MARS Report, 2011. *Indonesian consumer profile*. Jakarta: Mars.
- McCargo, D., 2003. *Media and Politics in Pacific Asia*. Routledge Courzon, London.
- McChesney, R.W., 1999. *Rich Media Poor Democracy: Communication Politics in Dubious Times*. University of Illinois Press, Urbana and Chicago.
- McLuhan, M., 1964. *Understanding Media: The extensions of man*. McGraw-Hill, New York.
- McLuhan, M., 1994. *Understanding Media: the extension of man*. MIT Press, Massachusets.
- Media Scene, 2011. *Media Scene: The official guide to advertising media in Indonesia*. Media Scene, Jakarta.

- Miles, I., 2002. Appraisal of alternative methods and procedures for producing Regional Foresight. Paper prepared for the STRATA-ETAN High-level expert group "Mobilising the Potential Foresight Actors for and Enlarged EU.
- Miles, I., Keenan, M., 2002. Practical Guide to Regional Foresight in the UK. European Communities, Luxembourg.
- Montgomery, A., Smith, M.D., 2008. Prospects for Personalisation on the Internet. Heinz Research. Paper No. 46. Available online <http://repository.cmu.edu/heinzworks/46>.
- Morozov, E., 2011. The Net Delusion: How not to liberate the world. Penguin Books, London.
- MPA Analysis, 2011. Prospektus Awal Visi Media Asia (Initial prospectus of Visi Media Asia). Jakarta: Visi Media Asia. http://www.vivanews.com/appaux/propektus_awal_pt_visi_media_asia_tbk.pdf.
- Nielsen, 2011a. Belanja Iklan di Media Naik 17% (Advertising expenditure in media increasing by 17%). Nielsen Newsletter August 2011. Jakarta: Nielsen. http://www.agbnielsen.net/Uploads/Indonesia/Nielsen_Newsletter_Aug_2011-Ind_.pdf.
- Nielsen, 2011b. Local TV Gets Stronger in Surabaya and Banjarmasin. Nielsen Newsletter April 2011. Jakarta: Nielsen. Available online http://www.agbnielsen.net/Uploads/Indonesia/Nielsen_Newsletter_Apr_2011-Eng.pdf
- Norris, P., 2001. Digital divide: Civic engagement, information poverty, and the Internet worldwide. Cambridge University Press, Cambridge.
- Nugroho, Y., 2008. Adopting Technology, Transforming Society: The Internet and the Reshaping of Civil Society Activism in Indonesia. International Journal of Emerging Technologies and Society 6(22), 77-105.
- Nugroho, Y., 2010a. Localising the global, globalising the local: The role of the Internet in shaping globalisation discourse in Indonesian NGOs. Journal of International Development.
- Nugroho, Y., 2010b. NGOs, The Internet and sustainable development: The case of Indonesia. Information, Communication and Society 13(1), 88-120.
- Nugroho, Y., 2011a. Citizens in @ction: Collaboration, participatory democracy and freedom of information – Mapping contemporary civic activism and the use of new social media in Indonesia. Report. Manchester and Jakarta: MIOIR and HIVOS.
- Nugroho, Y., 2011b. Opening the black box: The adoption of innovations in the voluntary sector – The case of Indonesian civil society organizations. Research Policy 40(5), 761.
- Nugroho, Y., Nugraha, L.K., Laksmi, S., forthcoming. Citizens' rights to media in Indonesia. A case study of four vulnerable groups. Report. Engaging Media, Empowering Society: Assessing media policy and governance in Indonesia through the lens of citizens' rights. Jakarta: Centre for Innovation Policy and Governance, HIVOS Regional Office Southeast Asia, Ford Foundation Indonesia.
- Nugroho, Y., Siregar, M.F., Laksmi, S., 2012. Mapping Media Policy in Indonesia. Report. Engaging Media, Empowering Society: Assessing media policy and governance in Indonesia through the lens of citizens' rights. Jakarta: Centre for Innovation Policy and Governance, HIVOS Regional Office Southeast Asia, Ford Foundation Indonesia.
- O'reilly, T., 2007. What is Web 2.0: Design Patterns and Business Models for the Next Generation of Software. Communications & Strategies No. 1(First Quarter), p.17, available at SSRN: <http://ssrn.com/abstract=1008839>.
- Polanyi, K., 1957. The great transformation. Rinehart, New York.
- Purbo, O.W., 1996. Internet utilization in Indonesia. Report. Computer Network Research Group. Bandung: Institute of Technology Bandung.
- Purbo, O.W., 2000a. Awal sejarah Internet Indonesia (The history of the Internet in Indonesia): A personal memoir. <http://www.bogor.net/idkf/idkf-2/cuplikan-sejarah-Internet-indonesia-05-2000.rtf>, viewed 30 September 2004.

- Purbo, O.W., 2000b. Melihat 5 juta bangsa Indonesia di Internet 10 tahun mendatang (Towards 5 million Indonesians in the Internet in the next 10 years). <http://www.detikinet.com/database/onno/jurnal/200004/aplikasi/ap-37.shtml>, viewed 30 September 2004.
- Purbo, O.W., 2002a. Getting connected: The struggle to get Indonesia online. *Inside Indonesia Online International Journal* 72, 14-16.
- Purbo, O.W., 2002b. An Indonesian digital review - Internet infrastructure and initiatives. UNPAN, <http://unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN007779.pdf> viewed 30 September 2004.
- Remotivi, 2011. Polusi Bisnis di Udara Indonesia. Catatan Akhir Tahun 2011 (Business Pollution in the Indonesian Air. A yearend note 2011). Report. Jakarta: Remotivi. <http://remotivi.or.id/comment/439>
- Schultz, J., 1998. *Reviving the fourth estate*. Cambridge University Press, Cambridge, England.
- Socialbakers, 2011. Top 5 countries on Facebook. Socialbakers. www.socialbakers.com - visited 27/2/2010.
- Surbakti, D.A., 2011. *Media Online di Indonesia: Transisi Menuju Media Kapital (Online media in Indoneisa: Transition towards capital media)*. Report. Jakarta: Satu Dunia.
- The Economist, 2011. Eat, pray, tweet: Social-networking sites have taken off in Indonesia. Who will profit? *The Economist*, Issue No.
- van Cuilenburg, J.J., McQuail, D., 2003. Media policy paradigm shifts: Towards a new communications policy paradigm. *European Journal of Communication* 18(2), 181-208.
- Warren, C., 2005. Mapping Common Futures: Customary Communities, NGOs and the State in Indonesia's Reform Era. *Development and Change* 36(1), 49-73.

Appendix 1

Media Groups in Indonesia

A.1.1 Television

No	Group	FTA Television	Local TV	Pay TV
1	Global Mediacomm (MNC Group)	RCTI	Deli TV, Medan	Indovision (Pay TV)
		MNCTV	Lampung TV, Bandar Lampung	Okevision (Pay TV)
		Global TV	Minang TV, Padang	Top TV (Pay TV)
			UTV, Batam	
			Indonesian Music TV, Bandung	
			PRO TV, Semarang	
			BMS TV, Banyumas	
			MHTV, Surabaya	
			Kapuas Citra Televisi, Pontianak	
			BMC TV, Denpasar	
			SUN TV Makasar	
			MGTV, Magelang	
			SKY TV, Palembang	
	TAZ TV, Tasikmalaya			
2	Elang Mahkota Teknologi (EMTEK)	SCTV	O-Channel	None
		Indosiar		
3	Visi Media Asia	AN TV	None	None
		TVOne		
4	Mahaka Media		Jak TV	None
			Alif TV	
5	CT Group	Trans TV	None	None
		Trans 7		

No	Group	FTA Television	Local TV	Pay TV
6	Jawa Pos Group	None	JTV Surabaya	None
			Batam TV	
			Riau TV (Pekanbaru)	
			Padang TV	
			Fajar TV (Makassar)	
			PalTV (Palembang)	
			Padjadjaran TV (PJT Bandung)	
			Radar TV (Lampung)	
			Jambi TV (Jambi)	
			Bogor TV	
			Malioboro TV	
			JakTV Jakarta	
			CB Channel Bogor	
			SBO TV Surabaya	
			Balikpapan TV	
			Triarga TV Bukit Tinggi	
Pontianak TV				
Simpanglima TV				
Banjarmasin TV				
Samarinda TV				
Radar Cirebon TV				
7	PT Tempo Inti Media	None	Tempo TV	None
8	Media Group	Metro TV	None	None
9	Berita Satu Media Holding	None	beritasatu TV	First Media
10	Kompas Gramedia Group	None	Kompas TV	None
			Kompas TV Medan	
			Kompas TV Palembang	
			Kompas TV Bandung	
			Kompas TV Semarang	
			Kompas TV Yogyakarta	
			Kompas TV Surabaya	
			Kompas TV Denpasar	
			Kompas TV Banjarmasin	
Kompas TV Makassar				

A.1.2 Radio

No	Group	Radio Network
1	Kompas Gramedia Group	Sonora Jakarta (1972)
		Sonora Surabaya (1994)
		Sonora Yogya (1995)
		Sonora Pangkalpinang (1999)
		Sonora Pontianak (2002)
		Sonora Palembang (1989)
		Sonora Bandung
		Sonora Semarang
		Sonora Bangka
		Sonora Solo
		Sonora Banjarmasin
		Sonora Purwokerto
		Sonora Cirebon
		Eltira FM
		Motion FM
Serambi FM / Sonora Aceh		
2	Global Mediacomm (MNC Group)	Global Radio (2005)
		V Radio
		Sindo Radio Network Jakarta (1990)
		Sindo Radio Surabaya
		Sindo Radio Medan
		Sindo Radio Madiun
		Sindo Radio Palembang
		Sindo Radio Lubuk Linggau
		Sindo Radio Prabumulih
		Sindo Radio Lahat
		Sindo Radio Kendari
		Sindo Radio Dumai
		Sindo Radio Pekanbaru
		Sindo Radio Pontianak
		Sindo Radio Manado
		Sindo Radio Banjarmasin
		Sindo Radio Bandung
		Sindo Radio Semarang
Sindo Radio Yogyakarta		
Sindo Radio Makassar		
Sindo Radio Baturaja		
Radio Dangdut Indonesia		

No	Group	Radio Network
5	Mahaka Media Group	Jak FM
		Gen FM
		Prambors Jakarta
		Prambors Bandung
		Prambors Semarang
		Prambors Yogyakarta
		Prambors Surabaya
		Prambors Medan
		Prambors Solo
		Prambors Makassar
		Female Radio Jakarta
		Female Radio Yogyakarta
		Female Radio Semarang
		Delta FM Jakarta
		Delta FM Surabaya
		Delta FM Bandung
		Delta FM Makassar
		Delta FM Medan
Delta FM Manado		
6	MRA Media Group	Cosmopolitan FM (2002)
		Hard Rock FM Jakarta (1996)
		Hard Rock FM Bandung
		Hard Rock FM Surabaya
		Hard Rock FM Bali
		Trax FM Jakarta
		Trax FM Semarang
		I-Radio Jakarta
		I-Radio Bandung
		I-Radio Yogyakarta
		Brava Radio
7	Femina Group	U-FM Jakarta
		U-FM Bandung

No	Group	Radio Network
8	CPP Radionet	87,95 RIA FM
		106,85 PAS FM
		PAS FM
		RCT FM
		POP FM
		Radiks
		101,6 FM Damashinta
		918 Chandra AM
		RKB
		RKS
		106,5 Anita FM
		Satria
		Pro 2 FM
		SBS
		Sendangmas
		Bayusakti
		Wijaya
		SKB
		774 Bimasakti AM
		Irama
		Yasika FM
		Mandala
		98,8 Candisewu FM
		1098 GIS AM
		SAS FM
		JPI FM
		Konservatori
		Permata
		Zenith
		Suara
		RPK
945 Buana AM		
Polaris FM		
RWB		
792 CBS AM		
GSM FM		
Suara		
Kartini		
Suara		
1314 Bintoro AM		

.1.3 Print media

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
1	Kompas Gramedia Group	Kompas	Hai	Nova	National Geographic
		Serambi Indonesia	Kawanku	Star Nova	Top Gear
		Pos Kupang	Otomotif		Autobild
		Bangka Pos	Chic		Jip
		Banjarmasin Post	Nakita		Disney Junior
		Sriwijaya Post	Bobo		NG Traveler
		Harian Surya	Intisari		Fortune
		Kontan	Idea		Living
		Metro Banjar	Renovasi		More
		Pos Belitung	IdeBisnis		InStyle
		Prohaba	Flona		Prevention
		Flores Star	Garden		Girls
		Warta Jateng	Angkasa		Donal Bebek
		Tribun Pontianak	Hot Game		TinkerBell
		Tribun Jambi	Forsel		Barbie
		Tribun Pekanbaru	Soccer		National Geographic Kids
		Tribun Jogja	Sinyal		Jalan Sesama
		Tribun Timur	Saji		
		Tribun Kaltim	Sedap		
		Tribun Jakarta	Sekar		
		Tribun Batam	Bobo Junior		
		Tribun Jabar	Mombi		
		Tribun Lampung	XY Kids		
		Tribun Manado	Ori		
		Tribun Medan	Disney Me		
			Bona		
			Motor Car and Tuning Guide		
			AutoExpert		
			Otosport		
			Scooteriz		
	Otoplus				
	Chip				

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
1	Kompas Gramedia Group		Foto-Video		
			Hi-Fi Choice		
			PCPlus		
			Motor Plus		
			Bikers		
			B2		
			Info Komputer		
			Commando		
			Reload		
			Ride Bike		
2	Global Mediacomm (MNC Group)	Koran Seputar Indonesia	HighEnd Mag	Genie	None
			HighEnd Teen Mag	Mom & Kiddie	
			Trust Just for Kids Magazine		
3	Mahaka Media Group	Harian Republika	Golf Digest Indonesia	Tabloid Janna	None
		Harian Indonesia	Parents Indonesia		
4	Jawa Pos Group	Memorandum (Surabaya)		Otomodify	
		Radar bandung		Agrobis Burung	
		Radar Cirebon		Omega	
		Radar Tasikmalaya		Mentari Putra Harapan	
		Radar Bogor		Lowongan Kerja	
		Pasundan Ekspres (Purwakarta, Karawang, Subang)		Haji	
		Radar Karawang			
		Bandung Ekspres			
		Karawang Ekspres			
		Radar Sukabumi			
		Radar Indramayu			
		Radar Kuningan			
Radar Majalengka					

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
4	Jawa Pos Group	Radar Bekasi			
		Radar Semarang			
		Radar Solo			
		Harian Meteor			
		Radar Tegal			
		Radar Banyumas			
		Radar Kudus			
		Radar Pekalongan			
		Magelang Ekspres			
		Radar Jogja			
		Radar Bali			
		Metro Bali			
		Lombok Post			
		Timor Ekspres (Kupang)			
		Indopos			
		Rakyat Merdeka			
		Lampu Hijau			
		Non Stop			
		Guo Ji Ri Bao			
		Indonesia Bisnis Today			
		Radar Banten			
		Banten Raya Pos			
		Tangsel Pos			
		Satelit News			
		Banten Pos			
		Rakyat Aceh			
		Metro Aceh			
		Sumut Pos			
		Pos Metro Medan			
		Metro Siantar			
		Metro Asahan			
Metro Tapanuli					
Padang Ekspres					
Pos Metro Padang					
Rakyat Sumbar Utara					

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
4	Jawa Pos Group	Riau Pos			
		Pekanbaru Pos			
		Pekanbaru MX			
		Dumai Pos			
		Metro Tabagsel			
		Batam Pos			
		Pos Metro Batam			
		Tanjungpinang Pos			
		Sumatera Ekspres			
		Palembang Pos			
		Radar Palembang			
		Linggau Pos			
		Prabumulih Pos			
		Cau Ekspres			
		Cau Timur Pos			
		Lahat Pos			
		Harian Banyuasin			
		Palembang Ekspres			
		Enim Ekspres			
		Ogan ekspres			
		Jambi Independent			
		Jambi Ekspres			
		Posmetro Jambi			
		Bungo Pos			
		Radar Tanjab			
		Sarolangun Ekspres			
		Jambi Star			
		Kerinci Pos			
		Radar Sarko			
		Radar Kerinci			
Radar Bute					
Rakyat Bengkulu					
Bengkulu Ekspres					
Radar Selatan					
Radar Pat Petulai					

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
4	Jawa Pos Group	Bangka Belitung Pos			
		Radar Lampung			
		Rakyat Lampung			
		Radar Metro			
		Radar Lampung Tengah			
		Radar Lampung Barat			
		Radar Lampung Selatan			
		Radar Tanggamus			
		Radar Kotabumi			
		Radar Tuba			
		Kaltim Post			
		Samarinda Pos			
		Metro Balikpapan			
		Radar Tarakan			
		Pontianak Pos			
		Harian Equator			
		Metro Pontianak			
		Kapuas Pos			
		Kun Dian Ri Bao			
		Metro Singkawang			
		Metro Ketapang			
		Kalteng Pos			
		Radar Sampit			
		Radar Banjarmasin			
		Fajar			
		Berita Kota			
		Pane Pos			
		Palopo Pos			
		Ujungpandang Ekspres			
		Radar Bulukumba			
		Radar Bone			
		Radar Sinjai			
		Radar Sulbar			
		Radar Sulteng			
Luwuk Pos					
Kendari Pos					
Kendari Ekspres					
Radar Buton					
Radar Kolaka					
Manado Pos					

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
4	Jawa Pos Group	Posko Manado			
		Radar Manado			
		Radar Kotabunan			
		Ambon Ekspres			
		Radar Ambon			
		Malut Post			
		Gorontalo Pos			
		Radar Gorontalo			
		Cendrawasih Pos			
		Radar Timika			
5	PT Tempo Inti Media	Koran Tempo	TEMPO		
			U-Magazine		
6	Media Group	Media Indonesia	None	None	None
		Borneo News			
		Lampung Post			
7	MRA Media Group	None	None	None	Cosmopolitan
					Cosmo Girl
					Harper's Bazaar
					Amica
					Good Housekeeping
					Mother & Baby
					Spice
					Hair Ideas
					AutoCar
					Target Car
					Esquire
					Trax
					FHM
					Fitness
			Bravacasa		
			Bali&Beyond		
8	BeritaSatu Media Holdings	Suara Pembaruan	Investor	None	None
		Investor Daily	Globe Asia		
		The Jakarta Globe	The Peak		
		The Strait Times	Kemang Buzz		
			Campus		
			Student Globe		

No	Group	Newspaper	Magazines	Tabloid	Licensed Magazines
9	Femina Group	None	Gadis	None	Cleo
			Cita Cinta		Parenting
			Femina		Fit
			Pesona		Mens' Health
			Dewi		Reader's Digets
			Ayahbunda		Grazia
					Best Life
					Estetica

Appendix 2

Community media in Indonesia

A.2.1 Radio

No	Region	Radio Name
1	Aceh	Aljumhur FM
2	Aceh	Ankasa FM
3	Aceh	Arla FM
4	Aceh	Barona FM
5	Aceh	Darsa FM
6	Aceh	Dewantara FM
7	Aceh	FRKP2J
8	Aceh	Genta FM
9	Aceh	Gisa FM
10	Aceh	Kembang FM
11	Aceh	Khaidir
12	Aceh	Khairatunnisa FM
13	Aceh	KST FM
14	Aceh	Lamkuta FM
15	Aceh	Leueguna FM
16	Aceh	Malaka FM
17	Aceh	Murba FM
18	Aceh	Murti FM
19	Aceh	Raja FM
20	Aceh	Ramada FM
21	Aceh	Rasikom FM
22	Aceh	Samalanga FM
23	Aceh	Samatiga FM
24	Aceh	Samudra FM
25	Aceh	Simpatifm
26	Aceh	Srikandi FM
27	Aceh	Suara Gampong FM
28	Aceh	Sukma FM
29	Aceh	Sumara FM
30	Aceh	YPB
31	Central Java	Arjuna FM
32	Central Java	Bahana Suara FM

No	Region	Radio Name
33	Central Java	Bajing Kulon
34	Central Java	BK FM
35	Central Java	DRR FM
36	Central Java	Forkada Kebumen
37	Central Java	Fortuna FM
38	Central Java	Forum Ekonomi Doplang
39	Central Java	Garuda FM
40	Central Java	Gema Nusa FM
41	Central Java	Insan FM
42	Central Java	Joglo Tani Lestantun
43	Central Java	JTM FM
44	Central Java	Jurnaliswarga Gombong
45	Central Java	K FM
46	Central Java	Komputama Radio
47	Central Java	Komunitas Belajar Tingkir
48	Central Java	Komunitas Gethux Linux
49	Central Java	Kopas FM
50	Central Java	Ledeng FM
51	Central Java	Lintas Merapi FM
52	Central Java	Madany Studio
53	Central Java	Manggala FM
54	Central Java	Mentari FM
55	Central Java	Merapi FM
56	Central Java	MMC FM
57	Central Java	Monalisa FM
58	Central Java	MP FM
59	Central Java	Muha FM
60	Central Java	MUHI Radio
61	Central Java	Mustika FM
62	Central Java	New Arista FM
63	Central Java	Pelosok Desa
64	Central Java	Pendawa FM
65	Central Java	Persma Univ Pekalongan
66	Central Java	PPK FM
67	Central Java	Radio Mandiri FM
68	Central Java	Rameda FM
69	Central Java	Rawaapu
70	Central Java	Red-Q
71	Central Java	Rembang Cyber
72	Central Java	Ristek
73	Central Java	RJA FM

No	Region	Radio Name
74	Central Java	RKPLG FM
75	Central Java	RPI FM
76	Central Java	RSP FM
77	Central Java	Sahabat Perempuan
78	Central Java	Sanggar Baca
79	Central Java	Sanggar Bambu Komisariat - Cilacap
80	Central Java	Sanggar Omah Ngisor
81	Central Java	SBP FM
82	Central Java	Semerlang FM
83	Central Java	Shakti FM
84	Central Java	SRB FM
85	Central Java	Suara Kampung Pintar
86	Central Java	Suara Pendidikan
87	Central Java	Suara Sompis FM
88	Central Java	Sumbing Inti
89	Central Java	Surya FM
90	Central Java	Sutet FM
91	Central Java	Swaramas
92	Central Java	Swaramas FM
93	Central Java	Wonder FM
94	Central Java	Yayasan Gunung SEHATI
95	Central Java	Yobel FM
96	Bali	Rakom Bedugul
97	Bali	ROB Geluntung FM
98	Bali	Suara Pendidikan
99	Bali	Swara Rahaaja
100	South Sulawesi	Allstar FM
101	South Sulawesi	AP3_Makassar
102	South Sulawesi	Birkot FM
103	South Sulawesi	Delstar FM
104	South Sulawesi	Distro FM
105	South Sulawesi	EVB FM
106	South Sulawesi	GSP Radio
107	South Sulawesi	IGA FM
108	South Sulawesi	Jirak Celebes
109	South Sulawesi	Maestro Gate FM
110	South Sulawesi	MBS FM
111	South Sulawesi	Pass Community FM
112	South Sulawesi	PBS FM
113	South Sulawesi	RCB FM
114	South Sulawesi	Salili FM

No	Region	Radio Name
115	South Sulawesi	Spira FM
116	South Sulawesi	SPM FM
117	South Sulawesi	Tamborolangi FM
118	South Sulawesi	Teras FM
119	South Sulawesi	Washilah FM
120	North Sulawesi	Anugrah FM
121	North Sulawesi	Berastagi FM
122	North Sulawesi	Bima FM
123	North Sulawesi	Diakoni FM
124	North Sulawesi	Harosuhta FM
125	North Sulawesi	Horas FM
126	North Sulawesi	Hotline Tapanuli FM
127	North Sulawesi	JARKOMSU
128	North Sulawesi	Langgiung FM
129	North Sulawesi	Mitra FM
130	North Sulawesi	Rakom Tanjung Bunga
131	North Sulawesi	RRT FM
132	North Sulawesi	SAR FM
133	North Sulawesi	SIM FM
134	North Sulawesi	Sinalsal FM
135	North Sulawesi	Teja FM
136	West Sumatra	Alahan Tabek FM
137	West Sumatra	Bahana SMK Dwipa FM
138	West Sumatra	JRK SB
139	West Sumatra	Kiambang FM
140	West Sumatra	Mutiara DJ FM
141	West Sumatra	Padang Sago FM
142	West Sumatra	Rasamal FM
143	West Sumatra	RKPS FM
144	West Sumatra	Suandri FM
145	West Sumatra	Taratak FM
146	South Sumatra	FWKP
147	Lampung	Angkasa FM
148	Lampung	Bimantara FM
149	Lampung	Gema Lestari FM
150	Lampung	GM34 FM
151	Lampung	Independen Radio
152	Lampung	JPRKL
153	Lampung	JRK Lampung
154	Lampung	Klatak FM
155	Lampung	Komunitas Video Lampung

No	Region	Radio Name
156	Lampung	Oase FM
157	Lampung	Pelangi FM
158	Lampung	Radio Komunitas Suara Petani FM
159	Lampung	Radioland Margorejo
160	Lampung	RGL FM
161	Lampung	Suara Kota 107,7 FM
162	Lampung	Suara Rakyat Jojog FM
163	Lampung	Swara Laot FM
164	Lampung	Xavese FM
165	West Java	AIN FM
166	West Java	Angkasa FM
167	West Java	Arjawinangun FM
168	West Java	Arli FM
169	West Java	Arta FM
170	West Java	Artha FM
171	West Java	At Taqwa FM
172	West Java	Baina FM
173	West Java	BBC FM
174	West Java	Best FM
175	West Java	Bete FM
176	West Java	Bilik FM
177	West Java	Cahaya Fajar FM
178	West Java	Caraka FM
179	West Java	Citra Melati FM
180	West Java	Della Fm
181	West Java	Della FM
182	West Java	E Channel FM
183	West Java	Eksis FM
184	West Java	Fams Brother
185	West Java	Giri Asih FM
186	West Java	Indri FM
187	West Java	Jalin Cipanas
188	West Java	JARIK Cirebon
189	West Java	Kenanga FM
190	West Java	Kombas FM
191	West Java	Komunitas LALI (Lembaga Alam Lestari Indonesia)
192	West Java	M-Tas FM
193	West Java	M-Three FM
194	West Java	Mase FM
195	West Java	Merpati FM
196	West Java	One FM

No	Region	Radio Name
197	West Java	Palem FM
198	West Java	Pass FM
199	West Java	Pekka
200	West Java	Pujangga FM
201	West Java	Q-Smart
202	West Java	Rajawali TV
203	West Java	Rakita FM
204	West Java	Raksa Bumi FM
205	West Java	Ramanea FM
206	West Java	Rasi FM
207	West Java	RSC FM
208	West Java	RTS FM
209	West Java	Ruyuk FM
210	West Java	Santai FM
211	West Java	Star FM
212	West Java	Star Suara FM
213	West Java	Suara Kemayu FM
214	West Java	TaQwa FM
215	West Java	Tri Nada - Agri
216	West Java	Tumaritis FM
217	West Java	WAR FM
218	West Java	Waskita FM
219	DI Yogyakarta	AJI Damai
220	DI Yogyakarta	Alga FM
221	DI Yogyakarta	Angkringan FM
222	DI Yogyakarta	BBM FM
223	DI Yogyakarta	FK Sitimulyo
224	DI Yogyakarta	GMKI
225	DI Yogyakarta	IC Radio
226	DI Yogyakarta	Infest Yogyakarta
227	DI Yogyakarta	KOMBI
228	DI Yogyakarta	Komunitas CORET
229	DI Yogyakarta	MSP FM
230	DI Yogyakarta	Murakabi FM
231	DI Yogyakarta	Panagati FM
232	DI Yogyakarta	Parkindo DIY
233	DI Yogyakarta	Radekka FM
234	DI Yogyakarta	Rakodal FM
235	DI Yogyakarta	Sadewo FM
236	DI Yogyakarta	Srimartani FM
237	DI Yogyakarta	Suara Malioboro FM

No	Region	Radio Name
238	DI Yogyakarta	Swadesi FM
239	DI Yogyakarta	Widjaya FM
240	East Java	CNO TV
241	East Java	Grast FM
242	East Java	J2 FM
243	East Java	JRKB
244	East Java	Kanal News Room
245	East Java	Kohhara FM
246	East Java	KOPI Permisan
247	East Java	Lakpesdam_Ngawi
248	East Java	LENSA MATA
249	East Java	Manega FM
250	East Java	Marabunta Film Community
251	East Java	Mutiara FM
252	East Java	Naluma FM
253	East Java	Nirwana FM
254	East Java	POSTRA Perkumpulan Studi Dan Transformasi Sosial
255	East Java	Ronika FM
256	East Java	Sanggar Al-Faz Besuki
257	East Java	SH FM
258	East Java	Suara Porong
259	East Java	TC Daragati
260	East Java	TC Semeru
261	East Java	TC Sunan Drajat
262	East Java	TV4
263	West Nusa Tenggara	Ampera FM
264	West Nusa Tenggara	Bragi FM
265	West Nusa Tenggara	Forest Radio
266	West Nusa Tenggara	Gelora FM
267	West Nusa Tenggara	Gema Pantura FM
268	West Nusa Tenggara	Gitaswara FM
269	West Nusa Tenggara	JRK Lotim
270	West Nusa Tenggara	Kompak FM
271	West Nusa Tenggara	Mitra FM
272	West Nusa Tenggara	NHK FM

No	Region	Radio Name
273	West Nusa Tenggara	Ninanta FM
274	West Nusa Tenggara	Pesona FM
275	West Nusa Tenggara	Primadona FM
276	West Nusa Tenggara	Pris FM
277	West Nusa Tenggara	Rakola FM
278	West Nusa Tenggara	Rujak Ngalun FM
279	West Nusa Tenggara	Sartika FM
280	West Nusa Tenggara	SGS FM
281	West Nusa Tenggara	Spentura FM
282	West Nusa Tenggara	Suara Genem Merenten FM
283	West Nusa Tenggara	Suara Kaula FM
284	West Nusa Tenggara	Talenta FM
285	West Nusa Tenggara	Three Ge FM
286	West Kalimantan	Ambawang Community
287	West Kalimantan	Bujang Pabaras FM
288	West Kalimantan	Cahaya Selimpai FM
289	West Kalimantan	Demam Huri
290	West Kalimantan	Gema Solidaritas
291	West Kalimantan	Madayu FM
292	West Kalimantan	Mandiri FM
293	West Kalimantan	Manjing Tarah
294	West Kalimantan	Pelangi FM
295	West Kalimantan	Pemuda Sambas/AOR FM
296	West Kalimantan	Rama FM
297	West Kalimantan	RDR AM
298	West Kalimantan	Safira FM
299	West Kalimantan	Spatun FM
300	West Kalimantan	Sunia Nawangi
301	West Kalimantan	Swara Melawi FM
302	West Kalimantan	Swara Muslim
303	Central Kalimantan	CIB FM
304	Central Kalimantan	Yayasan Cakrawala Indonesia (YCI)

No	Region	Radio Name
305	South-East Sulawesi	B-Voice Radio
306	South-East Sulawesi	Bajo Bangkit
307	South-East Sulawesi	Bandsol FM
308	South-East Sulawesi	Cemara FM
309	South-East Sulawesi	Green Trust FM
310	South-East Sulawesi	JRK SULTRA
311	South-East Sulawesi	Kantorana FM
312	South-East Sulawesi	Komunitas Hijau
313	South-East Sulawesi	Lestari Bahari FM
314	South-East Sulawesi	Nirwana FM
315	South-East Sulawesi	Onituloua FM
316	South-East Sulawesi	Pasituruang FM
317	South-East Sulawesi	Rajawali FM
318	South-East Sulawesi	Simponi FM
319	South-East Sulawesi	Suara Gaul FM
320	South-East Sulawesi	Suara Maranu FM
321	South-East Sulawesi	Sukma FM_Wangi-wangi
323	South-East Sulawesi	Vatallolo FM
324	West Papua	HMS FM
325	DKI Jakarta	Agus EM
326		RK2M FM
327	South Nusa Tenggara	Suara Kenari FM
328	North Sulawesi	Antra Minahasa Utara
329	North Sulawesi	JRK SULUT
330	North Sulawesi	MCB FM
331	North Sulawesi	Momalia FM
332	North Sulawesi	Noostra FM
333	North Sulawesi	Wanuata FM
334	Central Sulawesi	PPs Maraqitta'limat Buol

A.2.2 Television

No	Name	Address
1	CNO TV	Jl. Diponegoro Tulungrejo Bumiaji, Kota Baru (SMK N 3 Batu)
2	Lisa TV	Jl. SMEA 33 - SMIK Bambuapus Cipayung - Jaktim
3	Rajawali TV	Jl. Rajawali I No. 1-3 Bandung - Jabar
4	MJ TV	Jl. Kesehatan Blok K-2 Sekip UGM - Yogyakarta
5	IAIN-TV	Jl. Jend. Sudirman No. 30 Serang
6	TV Edukasi	SMKN 1 Panji Situbondo
7	MCTV	SMKN 1 Kedawung
8	Bahurekso TV	Jl. Soekarno Hatta Km. 3
9	Tunas TV	SMK Tunas Harapan Pati - Jateng
10	Bahurekso TV	Jl. Soekarno Hatta Km 03 SMKN 1 Kendal - Jateng
11	TV Edukasi Kota Magelang	Jl. Cawang No. 2 Magelang - Jateng
12	TV BLPT	Jl. Brotojoyo No. 1 Semarang - Jateng
13	Teen TV	Jl. Teuku Cik Ditiro SMKN 10
14	Radya TV	Kalimaru, Kec Bayan Kab. Purworejo - Jateng
15	TV Belmo	Jl. Brotojoyo No. 1 Semarang - Jateng
16	TV E Cilacap	n/a
17	Inovasi TV	Jl. Mahar Martenegarra No. 48 - Cimahi - Jabar
18	TV Warga	Jl. Wisnu Wardana No. 40 Jombang - Jatim
19	TV Tani	Kaliurang - Srumbung
20	R TV (MMTC)	Jl. Magelang Km 6 - Yogyakarta
21	Stekmensi TV	Jl. Kabandungan No. 90 Sukabumi - Jabar
22	Kreatif TV	Ruko Rajawali B6 Ps. Minggu - Jaksel
23	TV E Jombang	Jl. Patimura 6 Jombang
24	Grabag TV	Desa Grabag, Kecamatan Grabag, Kabupaten Magelang
25	IKJ TV	Jl. Cikini Raya No 73 Jakarta
26	TV Warga Cilacap	n/a
27	Untirta TV	Jl. Raya Jakarta Km 4 Pakurata Serang - Banteng 42111

About the Authors

Yanuar Nugroho (born in 1972) is a Research Fellow with the Manchester Institute of Innovation Research (MIoIR) and core member of the Centre for Development Informatics (CDI) at Manchester Business School and School of Environment and Development, the University of Manchester, UK. He holds Hallsworth Fellowship in Political Economy 2010-2012 and was awarded the Outstanding Academic of the Year 2009 by the Manchester Business School. He is also a honorary Senior Advisor of the Centre for Innovation Policy and Governance in Jakarta, Indonesia. Yanuar is the leading author of this report and is the principal investigator of the research into media and citizen rights in Indonesia – a joint collaboration between CIPG, Hivos ROSEA, and Ford Foundation.

Dinita Andriani Putri (born in 1984) holds a degree in International Relations and Political Science from Parahyangan Catholic University, Indonesia. She had experiences working in a multi-cultural and multinational corporation and was formerly an active writer on Corporate Social Responsibility. Currently she is a Research Associate in the Centre for Innovation Policy and Governance in Jakarta, Indonesia. She has familiarity with intensive research strategy approach for analysing large qualitative data set gathered through, interviews, semi-ethnographic observation, and focus groups, as well as performing content analysis. Her subject interest is in foreign policies, strategic studies, cultural and social studies. Dinita is a coauthor of this report and is a field researcher responsible for gathering data on media industry in Indonesia.

Shita Laksmi is the Programme Officer at Hivos Regional Office Southeast Asia (ROSEA) in the fields related to media, information and communication technology (ICT) and arts and culture. She holds a masters degree fellowship from Konrad Adenauer Centre for Journalism at the Ateneo de Manila University in 2005. In this collaborative research between CIPG, Hivos and Ford Foundation, she is the co-investigator and co-author.

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.