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Between fear and power : Kompas, Indonesia's most influential daily newspaper, 1965-2010

Wijayanto, W.

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Author: Wijayanto, W.

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Part 1

The Kompas' Way

Chapter 2

***Kompas'* History of Dealing With Fear**

The year was 1965. The day was Monday, June 28. It was on this day that *Kompas* was founded and published its first edition. The founders were P.K. Ojong and Jakob Oetama. Ojong acted as the General Director, while Jakob was the Chief Editor. But something was missing from the front page of the new newspaper. In the top left corner of the front page, there was a small box listing the name of Jakob Oetama, explicitly mentioning him as the Chief Editor, along with all the other members of the editorial board. However, there was nothing written about the position of the General Director, nor the name of the person occupying that post. It was simply not there.

Fifteen years later, exactly two days after PK Ojong passed away, Jakob Oetama gave an explanation for this strange omission. In a testimony dedicated to Ojong at his funeral ceremony on May 31, 1980, Jakob explained how because Ojong's name was still something of a political taboo during that period, his name and position was omitted. Helen Ishwara, a former *Kompas* journalist who wrote a biography of P.K. Ojong, gave a further explanation. She believed that Ojong had started to become a political outcast right after *Star Weekly*, the weekly magazine in which Ojong had acted as Chief Editor, was banned by Sukarno's regime in 1961 (Ishwara, 2014). Therefore, there was a fear that making Ojong's name visible would antagonize Sukarno, which might lead to

the banning of the newspaper. Thus, since its very first day, *Kompas* chose to compromise.

This chapter discusses the history of *Kompas* and proposes an argument that this newspaper was born into a culture of fear, and that it has internalized this fear over three decades of authoritarian regime, under President Suharto. This fear was due to, on the one hand, the constant threat of press bans whenever the newspaper was considered to be critical of the power holders, and on the other, the practices of discrimination associated with the Chinese and Catholic identities of their founders. At the same time, *Kompas* has managed to transform itself into an economic giant, successfully diversifying its business operations beyond being merely a media company. Interestingly, this success was achieved partly due to political assistance and financial support from the state. However, this further added to the culture of fear at the newspaper, as the journalists were no longer just responsible for ensuring the survival of the newspaper, but also for all the business units sheltered under the umbrella of *Kompas*.

To showcase this argument, this chapter will be divided into two main parts. The first part will discuss the history of *Kompas* as a newspaper and how it struggled to survive amid various threats from the political and social environment. The repressive journalistic policies and practices of the political regimes, from the twilight of the Old Order era under President Sukarno to the rise and fall of the New Order under Suharto, will be charted, with emphasis on how these impacted on the life of the newspaper. The second part will discuss *Kompas*' history as a media business and how it has been assisted, directly or indirectly, by the authoritarian state. It will also elaborate on the business diversification of *Kompas*, which transformed the daily into a business group consisting of many other companies. This section will also present the case of the ban on *Monitor* weekly, one of *Kompas*' subsidiaries (*anak perusahaan Kompas*), due to its coverage on sensitive Islamic issues. This is to demonstrate that being a giant business media conglomerate fueled the fear of the

newspaper, especially in relation to sensitive issues such as ethnicity, religion, race and intergroup conflict (*Suku, Agama, Ras dan Antar Golongan/SARA*).

2.1 Kompas As a Newspaper

PK Ojong and The Pre-history of Kompas

Understanding the reason why Ojong was labeled a political outcast sheds light on the political setting of Indonesia's Old Order under President Sukarno, especially the period in which the regime was approaching its demise in 1966. *Kompas* daily newspaper came to life on June 28, 1965, in the period under the Old Order known as 'Guided Democracy'. This period began on July 5, 1959, when President Sukarno issued a presidential decree which abolished the parliament, promulgated the 1945 Constitution, and promised that the institutions of the Constitution would be formed immediately. This speech came to be known as the Manipol USDESK political manifesto, whose main principles involved: harking back to the 1945 Constitution, Indonesian Socialism, Guided Democracy, Guided Economy, and 'Indonesian Personality' (USDEK)³. This became the main doctrine of the state of the Old Order.

The political constellation of the period was dominated by three main political actors: Sukarno, the Army, and the Indonesian Communist Party (PKI), creating a 'triangle' balance of power. The nature of the power structure of this period was the delicate interplay of relationships between these three actors. Sukarno needed the PKI as a counterweight against the increasing power of the army, not only in the military but also in the political and economic field. By this strategy, he freed himself from total dependency on the army. On the other hand, the President also needed the army to enhance his power at the domestic level against the PKI, whose power was increasing sharply over and above other Indonesian political parties. The army supported Sukarno as the lifelong President in order to prevent the necessity for a general election, which

³ This is a teaching of Sukarno, the first Indonesian President, saying that Indonesia should have, among other things, an Indonesian personality.

would most likely be won by the PKI. Furthermore, and no less importantly, the army needed Sukarno as a legitimizing figure behind which it could build, consolidate and extend the power it gained during martial law. Finally, the PKI needed Sukarno as a shield against the threat of the army, as well as providing access to the heart of Indonesian politics. The absence of an election would give the PKI time to consolidate their power before finally launching a communist revolution.

In accordance with Guided Democracy, President Sukarno argued that the press also needed to be 'guided' to support the political ideals as stipulated in the Manipol USDEK. For the regime, the press could function as a tool to raise public awareness of the ideals of Guided Democracy. In 1963, the government issued another presidential decree (presidential decree no. 6/1963) which revealed that any criticism of government policy must be carried out constructively and must not offend the state ideology of *Pancasila* and the teachings of Manipol USDEK. This rather vague regulation was explained by the Minister of Information, Ruslan Abdulgani as follows:

We must realize that the recognition of press freedom as an elementary right ...does not signify that we may return to the press practice of liberal democracy that is individualistic and Social-Darwinistic. But we must be able, in the implementation of this elementary right, to impose restraints on ourselves defined by morality, national interests, state security and the prosperity of the people in accelerating the conclusion of our revolution. (cited in Lee, 1971: 140).

It was in this specific political setting that Ojong experienced a media ban through three publications in which he was involved: *Star Weekly* – a weekly magazine in which he was Chief Editor, *Keng Po* –a daily newspaper belonging to the same group as *Star Weekly*, in which Ojong was a journalist, and *Pos Indonesia* - a newspaper founded by the same group to replace *Keng Po*, but which also ended up being banned (in this newspaper, Ojong acted as one of its

commissioners). Besides belonging to the same group, all these media shared one similar characteristic: they were all Chinese media aimed at Chinese Indonesian readers. These three print media were important not merely because Ojong had connections to all of them, but also because they belonged to the same company which then went on to establish *Kompas* daily newspaper⁴. In fact, in the early period of its birth, *Kompas* occupied the same editorial office as *Keng Po* and *Star Weekly*.

Star Weekly was a weekly magazine intended for non-Chinese-speaking Chinese Indonesians, and was founded by former journalists of *Keng Po*, a newspaper for non-Chinese-speaking Chinese Indonesians which was banned during the Japanese occupation on January 6, 1946. The first edition of the magazine was only eight pages long. Among its journalists was Khoe Won Sioe, who acted as the first Chief Editor of *Star Weekly*. Together with some of his colleagues, Khoe was once sent to prison by the Japanese because of his critical articles in the newspaper. Early in the year of 1946, Ojong met Khoe and soon joined *Star Weekly* as one of its journalist. A year later, on January 2, 1947, *Keng Po* was again allowed to be published, and it occupied the same building as *Star Weekly*. After that, Ojong also worked as a contributor to *Keng Po*. The interaction between Khoe and Ojong was so close that Khoe was often considered to be the ideological father of PK Ojong. In his biography, Ojong said that he wanted to write a biography about Khoe, but had never realized it until his death in 1980.

Unfortunately, at the end of 1961, despite its impressive growth in terms of circulation (60.000 copies by then), as well as its development in terms of journalistic quality, the magazine was banned after its October 7, 1961 edition. Ojong was summoned by the government and asked to come to the regime's office, from where he returned with the bad news: the magazine was to be

⁴ *PT Keng Po*, which then published *Keng Po* and *Star Weekly* then changed its name into *PT Kinta* (acronym of Kertas dan Tinta) which was the company who printed the earliest edition of *Intisari* magazine and *Kompas* daily newspapers.

banned. According to Tan Hian Lay, the Vice Chief Editor of the magazine, the reason for this was because of a critical piece written by one its journalists, Ide Anak Agung Gde Agung, in the regular column “*Foreign Affairs*”, about the failure of the government’s policy in India. It was perceived that the magazine never spoke positively about the work of the government in general, however; there were never any clear explanations issued by the regime itself for the ban.

This critical position was not only directed at government policy alone, but more fundamentally, also to the ideological position of the regime. At the time, Sukarno was very close to the Communist Party (PKI), whose ideology diametrically opposed the Catholic group of which Ojong was an elite member. Furthermore, Ojong feared that if the PKI were in power, they would abolish the existence of other political parties. In one of his pieces in *Star Weekly*, five days before the September 29, 1955 election, Ojong boldly wrote:

Communists are the biggest enemies of religion everywhere. Religions with the fewest adherents will be communist victims, if the PKI wins.... So even though Star Weekly cannot name just one party to support, we can give a dividing line. The dividing line is the ideological line. Across the line we reject parties like the PKI. Because if the PKI wins, then the general election of 29 September will be the last general election. Other parties will be eliminated. (Ishwara, 2014: 129)

Furthermore, Ojong was also close to political prisoners such as Mochtar Lubis, the Chief Editor of the banned newspaper *Indonesia Raya*, and he often visited him in prison. It should be noted, however, that Ojong’s anti-PKI stance gradually softened after learning that the PKI was getting closer to Sukarno, and as he became aware of the increasing authoritarian nature of Sukarno’s power before and during Guided Democracy.

Therefore, the ban that took place in 1961 was a shock for Ojong, as he had anticipated it and taken pre-emptive action by being more cautious and less critical in his *Star Weekly* coverage. This was following the ban of *Keng Po* on

August 1, 1957, where Injo Beng Goat, the then Chief Editor of the newspaper, was imprisoned for several months. This ban, as well as the banning of *Pos Indonesia*⁵, a new newspaper published by the same company to replace *Keng Po*, in January 1961, sent a warning to Ojong that the same thing could happen to his *Star Weekly* magazine.⁶ Therefore, he took several actions to prevent this. The first was eliminating a column that was critical of the government: the column “*Domestic Affairs*” which was written by Injo Beng Goat⁷, the former Chief Editor of the obsolete *Keng Po*, was dropped from the magazine in 1958 (Ishwara, 2014: 159). Ojong also took further preventative actions, such as terminating the column “*Gambang Kromong*” whose content was a critical satire of the government.

The question is: were these media banned simply because they were seen as being critical of the political regime, or also because of their Chinese-ness? I argue that based on the political circumstances, it was due to both factors. At the time when *Keng Po* was banned, there was no explicit reason provided by the government for the ban. However, there was a rumor that besides being seen as critical of the government, the regime also suspected the newspaper was not sufficiently nationalist because it was a Chinese newspaper. After the ban, as if to refute the anti-nationalistic stigma, Tan Eng Kie, a former *Keng Po* journalist, wrote:

Even though the name of Keng Po was considered foreign (to the Indonesian language) and was created by Chinese Indonesians, the voice is not anti-nationalist. Bung Hatta believed that Keng Po was a

⁵ Ishwara does not give much information about *Pos Indonesia*, except the fact that the newspaper had successfully replaced *Keng Po* in the sense that it enjoyed similar circulation numbers.

⁶ After the banning of *Keng Po*, some of its journalists went on to work at *Star Weekly*.

⁷ Ishwara described Beng Goat as a socialist with very progressive views and a sharp tongue, which ensured that he was jailed under every political regime: the Dutch government, the Japanese regime, and again in the Sukarno era.

nationalist daily. This I found out when I read the letter of Bung Hatta addressed to the SOB holder (the government institution which had the authority to issue publishing permits). Bung Hatta protested against the ban of Keng Po... But his effort did not succeed, even though by then he was already Vice President again. (Ishwara, 2014: 158-159)

As the Martial Law of 1957 implied, there was a policy to “Indonesianize” the press by banning Dutch press, followed by the restriction of Chinese newspapers (even if published in the Indonesian language), in order to protect the “national press”. This policy was then continued during the Guided Democracy period (Lee, 1971: 61). On April 18, 1958, the highest commander of the military under martial law, Peperti (panglima perang tertinggi), issued a decree banning all newspapers printed in Chinese characters. After it became clear that the newspaper still had a social function considering the large Chinese population in Indonesia, unlike the Dutch, permission to publish was granted again. However, the newspaper owners had to obtain a license to publish. The tendency to discriminate against Chinese newspapers was again practiced when the newspaper *Sin Po* was banned after being accused of publishing sensationalist news. It was allowed to publish again only after changing its name to *Pantjawarda*. However, *Keng Po* was banned for different reasons, after being accused of supporting the local rebellion PRRI/Permesta.

In the early days of independence from the Dutch, citizenship was an important issue in the context of power consolidation. The newly independent state wanted to make citizens of those who were considered as migrants, and for them to declare themselves as citizens of Indonesia. This matter was regulated in the 1954 Citizen’s Act. In this setting, some of the people of Chinese descent in Indonesia formed the Indonesian Citizenship consultative body (Badan Permusyawaratan Kewarganegaraan Indonesia, or BAPERKI) as a commitment to assimilation and support to the government. But most Chinese remained non-citizen oriented, and leaned instead towards the People’s Republic of China. In these circumstances, Ojong, as a person of Chinese descent, could not

escape the existing political upheaval. He initially chose to become a member of *BAPERKI* and campaigned for assimilation through the medium of *Star Weekly* (Ishwara, 2013). However, Ojong then withdrew his membership from *BAPERKI* as the institution became increasingly leftist and pro-Sukarno. Despite his pro-assimilation stance, he refused to make his magazine declare itself as a supporter of the leftist ideology, and chose instead to be free and critical of the regime.

This resulted in Ojong becoming a target for two sides. He was attacked by the government as he did not declare support to the political orientation of the regime who was close to the political left. In domestic politics, President Sukarno was close to the PKI, while in foreign affairs, he was close to the People's Republic of China and the Soviet Union, both of whom were communist countries. Ojong's withdrawal from *BAPERKI* made him appear to have abandoned the idea of assimilation, thereby bringing into question his commitment to being a loyal citizen of Indonesia. So it was to no surprise that according to Ishwara, the official biographer of Ojong, that Ojong was also attacked in relation to his ethnic background.

How the banning of *Star Weekly* impacted on Ojong personally can be gleaned through his diary entry, dated in the new year of 1962, in which he wrote:

There were two dark sides: in January Pos Indonesia was banned and on 11 October Star Weekly died. The impact of this last ban was already clear. The death of Pos Indonesia means that there were no more dividends and no payments for me as a commissioner in the year of 1960... Once more, 1961 was very gloomy. Since February 1961, we had heard rumors of the death of Star Weekly. The general situation was worrying. The community was sick, psychologically. The tone of the press was serving the regime. Phrases like "screaming with the wolves in the forest" were too often heard... What would 1962 then

bring for us? Would it be like Bismarck's Germany of 1866? (Ishwara, 2014: 169-170)

From the quote from his diary above, it can be seen how the impact of the ban affected Ojong psychologically. For him, the ban of *Star Weekly* was such a miserable event that he lamented it in his diary. Writing his diary in the New Year, he also worried about the future of media freedom by asking whether the press would face similarly harsh treatment to that which occurred in Germany in 1866.

It was against this political backdrop of Guided Democracy that the infant newspaper *Kompas* was born on June 28, 1965. A major motivation behind the founding of this newspaper was to curb the influence of the PKI's newspaper, and this was initiated by the army and agreed to by the Catholic Party. Being perceived as an atheist party, the PKI was seen as a common enemy of both the army as well as the religious parties, including *Partai Katolik*. The next section will elaborate further on the founding of *Kompas*.

The Birth of Kompas and the Political Turmoil of 1965

It started with a phone call. One day in April 1965, General Ahmad Yani, the Minister of Defense in Sukarno's cabinet, called his colleague Frans Seda, who was a minister of *Perkebunan* in the same cabinet and also the chairman of the Catholic party, suggesting to him to start a newspaper. Yani argued that almost every political party at that period had its own newspaper, and therefore, the Catholic party should also have one. Furthermore, the main purpose of this newspaper would be to curb the influence of the communist press. In the words of Seda, as written in *Kompas* on its anniversary on June 28, 1980 in a piece entitled "*Along The Memorial Road*":

The process of Kompas's birth was like the birth process of every creative business. It started with an idea. The idea came from General Ahmad Yani. The idea was that the Catholic group should have a daily newspaper to balance the PKI and its allies... This idea of General Yani

was spread among the leaders of the Catholic Party and was seen as something difficult to be realized. (Ishwara, 2014: 214)

The anti-communist tone of Seda was stronger in the documentary video made about Jakob Oetama, on the commemoration of his 84th birthday. In the video entitled “*Jakob The Kompas*”⁸ Seda said: “The founding [of this newspaper] is the people’s conscience. Our news is fulfilling what people want. People who want to be free, who are free, who do not like the PKI, who do not like communism”⁹. Seda then contacted his colleague IJ Kasimo (the General Leader of the Catholic Party), as well as his fellow Catholics: P.K. Ojong and Jakob Oetama, whom he knew as experienced professional journalists. Seda asked Ojong and Jakob to establish the newspaper, and they reluctantly accepted the idea.

The hesitation of Ojong and Jakob was recorded by Jakob in *Kompas* on June 2, 1980, in an article entitled “*Driving Ojong’s Departure*”:

We both felt hesitant to accept the request to establish Kompas daily newspaper. The economic and political environment, as well as the infrastructure, were not supportive. (But) the request was urgent and came at a time when some newspapers were labeled as “BPS”¹⁰ and having an anti-communist stance, were closed down (by the regime). (The question then) was how to break through this oppressive news

⁸ The video was published on *Kompas.com* on September 29, 2015. The article shares the same name as the video: “Jakob Sang Kompas”.

⁹ In fact, the name of the newspaper was initially “Bentara Rakyat.” While the word “Bentara” means the ‘messenger of the king’, the word “rakyat” mean people. The word “rakyat” was chosen to show that “rakyat/people” was not just the monopoly of the PKI. In the end, the name “Bentara Rakyat” was changed to “Kompas”, which means ‘guidance’. This was based on the recommendation of President Sukarno (Sularto, 2011)

¹⁰ BPS was the acronym from Badan Pendukung Sukarnoisme (The Supportive Board for Soekarnoism) which was established by Murba Party at the initiative of Sumarto and Sayuti Melik. This board had the main aim to prevent the PKI from getting too close to Sukarno.

policy, since even the dominant Antara news agency had been labeled 'red'¹¹. (Ishwara, 2014 : 317)

From the extract above, it is clear that the founding of *Kompas* was initiated by the Catholic party at the suggestion of the military. The initiative of the Catholic Party can more clearly be seen by the fact that *Kompas* was established by an existing foundation, *Jajasan Bentara Rakyat*, which was founded earlier on January 16, 1965. The members of this group were elites of various Catholic organizations such as the Catholic Student Organization, the Catholic Youth Organization, the Catholic University and, above all, elites of the Catholic Party such as IJ Kasimo, founder of the Catholic Party and Frans Seda, its Chairman.

In this regard, Dhakidae (1991) argued that *Kompas* was the result of the Catholic community's efforts to be accepted in Indonesia, and that the historic process of the establishment of Catholicism in Indonesia was pursued through three stages. The first of these stages was missionizing in the narrow sense, where Catholic doctrines were propagated, but were viewed suspiciously by non-Catholics. At this point, there was no intention of becoming a member of any political group, nor to establish a Catholic party. In the 1920s, the changing role of the Catholic Church in Holland also impacted the role of Catholicism in the Dutch Indies. The rise of Catholic political power in Holland was followed by the development of Catholic activities, including non-profit development work. This ideology was carried out in Catholic missionary work in the Dutch Indies, concentrating mainly on medical services and education.

This marked the second stage of Catholic missionizing, which also included the founding of a Catholic Party in the Dutch Indies (*Indische Katholieke Partij*) in 1917, whose members were almost all Dutch. In 1923, an indigenous member, Kasimo, established a Javanese branch of the party. This branch eventually transformed into an independent political party in 1925. By this stage, there was a shift from the exclusivity of the earlier missionizing period to the

¹¹ Indicating that this news media was seen as having political ties with the communist party.

inclusivity of political Catholicism in Indonesia. Inclusivity in this case meant that there was no longer a gap between the indigenous population and the Europeans, since many Indonesian Catholics joined the *Indische Katolische Partij*. But Catholic activity was still seen as exclusive from the perspective of the ecclesiastical hierarchy, on which it was dependent.

When the Catholic party was dissolved in the 1970s due to government policy, the third stage of Catholic politics began, which is referred to as the liberalization of political Catholicism. It took two different forms. The first were the groups under the leadership of Jesuit father Joop Beek, who initiated the so-called *Kursus Kader Katolik* (Catholic Cadre Course). This course provided the bedrock of anti-communism and anti-PKI feelings, and liaised with a section within the Army known as Opsus (Specific Operations) (Dhakidae, 1991: 234). Dhakidae's view about the role of Pater Beek is in line with Wieringa (2015), who went further by arguing that Beek held a strong resentment towards the PKI and was supportive of the idea of mass killings of PKI members after the tragic attempted coup on September 30, 1965. She further believed that Beek played an important role in preparing, training and educating many youths who became influential figures in Indonesia.

Both Wieringa and Dhakidae share the view that Beek was also responsible for the birth of some prominent intellectuals such as Harry Tjan Silalahi. Harry was one of the founders of CSIS (together with Ali Murtopo), a think-tank which played an important role in formulating Suharto's developmental policy. Furthermore, Harry was also one of the Chairs of the Catholic Party. Despite its wider scope of activities which involved distancing itself from the control of the clerical hierarchy, this stage of Catholic politics in Indonesia was still marked by exclusivity, and a medieval, crusading anti-Muslim sentiment was apparent in its campaign.

The second form of liberalized political Catholicism in Indonesia occurred during the period of Vatican II (Concilium Vaticanum Secundum), and was very much influenced by the Vatican's policy for the Catholic Church to be more

open and be a blessing for the entire world. While the main activities of the first stage involved the so-called non-profit activities such as educational and medical services, taking the form of an elite Catholic school system and a host of high quality hospitals, the main activities of the second stage were in modern non-governmental organizations and communications.

This form started much earlier with some small scale general magazines and news weeklies such as *Basis* and *Penabur*, which were respected in terms of their content, but were not so successful in terms of circulation. In this sense, *Kompas* can be seen as the most phenomenal achievement of this stage, the most liberal of Catholic endeavors¹². There were two main reasons for this. Firstly, *Kompas* journalists consisted of not only Catholic believers, but also Muslims - in fact, most of the journalists were Muslim. Secondly, *Kompas*' editorial policy was not just directed at Catholic readers, but to all Indonesian readers.

From the explanation above, it can be seen that anti-communist sentiment was deeply rooted in *Kompas*. It was advocated by some branches of the Catholic Church, which influenced the Indonesian Catholic Party as part of the overall Catholic mission. Therefore, *Kompas*, both as the result of Catholic missionizing in Indonesia, as well as being the product of the Catholic Party, was inevitably to carry the same sentiment. In fact, Yayasan Bentara Rakyat, which was the founding organization behind *Kompas*, consisted of elites from the Catholic Church as well as the Catholic Party, and therefore carried the mission of the Catholic Church.

According to Seda, it was not until the 1970s before *Kompas* was finally independent from the party (in Dhakidae, 1991: 244). The intense interaction

¹² In this case, Pater Beek also had an important role. He founded the Catholic school of Seminari in Mertojudan and Muntilan, Magelang, where Jakob Oetama was schooled. This experience of studying in the seminari influenced Jakob significantly in developing his journalistic ideas. This will be elaborated more in the chapter on Jakob Oetama and the 'Kompas Way'.

between *Kompas* and the Catholic Party only ended in 1971, when he had already resigned as the leader of the party. By 1973, the Catholic Party itself was also no longer in existence, as it had merged with several other parties such as the *Indonesian Nationalists Party* (PNI) and the *Indonesian Christian Party* (Parkindo). The merger of these parties resulted in the *Indonesia Democratic Party* (PDI), and was the result of the authoritarian regime's policy to weaken its political opponent and secure political stability. After the merger, there were only three political parties remaining (where before there had been ten). These were the PDI (as the result of the fusion of non-Islamic parties), the PPPP (as the result of the fusion of Islamic parties) and Golkar (the party of the regime).

Furthermore, from the illustration above, it could also be seen that there was a shared political interest between the military and the Catholic Party to counter the influence of the PKI in general, and especially its influence on President Sukarno. In a discussion conducted by the elites of both groups, they concluded that one of the secrets behind the PKI's success in approaching Sukarno was because the PKI had a newspaper that could function as the mouthpiece of Sukarno, which was vital for the authoritarian President to maintain his political populism among the Indonesian public. Therefore, it was no surprise that the Catholic Party had difficulty getting a license to publish *Kompas*. This was due to the fact that the Local Military Commander (KODAM) in Jakarta who had the authority to issue publishing licenses had already been infiltrated by the PKI, which obviously did not want to have an opponent in the media field. In the words of Seda: "the problem was that the apparatus which had the authority to give a publishing permit was influenced by the PKI." (Ishwara, 2014: 215)

Thus, there was a tense atmosphere due to a sharp conflict between the PKI on the one hand, and the military in coalition with the Catholic Party on the other, with both sides competing for political ties with President Sukarno. The Catholic Party saw the PKI as a threat to Indonesian politics, whilst on the contrary, the PKI saw the military in coalition with the Catholic Party as the greatest threat to their power. Thus the birth of *Kompas* clearly reflected the political

constellation that existed at that time, centering on the triangular balance of power between Sukarno, the PKI and the military.

As explained by Roosa (2006), during the beginning of the demise of the Old Order, the tension between these three forces increasingly heated up, until it exploded in the form of physical confrontation between the three. The earliest incident was an attempted coup by middle-ranking military officers, committed by soldiers who were allegedly influenced by the PKI. The failed coup took place on the night of September 30, 1965, and resulted in the attempted kidnap and eventual deaths of seven military generals, with the aim of weakening the power of the President. It was this incident that was then used by Suharto to launch a coup d'état, on the premise of ensuring national security. The killings of these military generals was further used as a pretext for the mass murders of suspected members or sympathizers of the PKI by Suharto, and killed at least half a million people. This massacre occurred between 1965 and 1966, and was initiated by the army with the help of civil society members, creating state sponsored violence and high civil unrest. It was the scale of these killings that has created deep fear and lingering trauma in Indonesia, and which has still not yet been fully resolved today. It was no doubt one of the darkest chapters in Indonesia's history.

During this period of killing, the military was aware of the importance of the mass media. They seized the national radio (Radio Republik Indonesia/RRI) and announced the killings of the generals by the PKI, declaring a military siege. Accordingly, the military closed down all the existing newspapers and only allowed one military-sponsored newspaper to operate: Berita Yudha. The aim was to disseminate propaganda to shape public opinion about what was occurring in line with the military's version of events. The newspapers were allowed to publish again only after they declared their loyalties to Suharto. It goes without saying that the newspapers affiliated to the PKI were never allowed to publish again. In addition, there were at least 26 newspapers which were banned, and hundreds of journalists and media workers arrested.

Moreover, many other journalists sympathetic to the PKI were killed in the large-scale massacres.

Even though *Kompas* had close historical ties with the army, it was also a target of the media ban. The ban lasted for five days from 1-5 October 1965, only three months after the newspaper was first founded. This further added to the fear in the minds of its journalists. Therefore, the end of Sukarno's terrifying authoritarian regime which has oppressed the media was replaced by another authoritarian regime with the same character under Suharto, who labeled his regime as "the New Order".

The New Order and the Second Ban

Apart from the initial ban surrounding the coup d'état by General Suharto, the new regime's relationship with the mass media was good at the beginning. The new government needed the support of the press to promote a positive image. Suharto issued the first Press Act in 1966, and its basic principles were very supportive of freedom of the press. In this Press Act, it was regulated that "*no censorship or bridling shall be applied to the national press*". The act also stipulated "*freedom of the press is guaranteed in accordance with the fundamental rights of the citizens*". Some journalists even recalled the early period of the New Order as the Indian summer of the Indonesian Press, which lasted from 1966 to 1971. During this period, even a critical newspaper such as *Indonesia Raya*, which was banned during the previous regime under Sukarno, was allowed to operate again in 1968.

In line with this, *Kompas'* relationship with Suharto was also good at the beginning. *Kompas* welcomed the New Order with great optimism, as Suharto had successfully eradicated the PKI and Communism, which had been seen as the main threat for the Catholic group. In its editorial in 1966, the daily wrote:

Bung Karno as the President has officially commanded The Highest Commander of the Army to act on his behalf to take any necessary action to save the people, (continuing) the Pancasila revolution and to

guarantee the safety and the pride of the President.... As a consequence, we all have to obey the order and policy of Lieutenant General Suharto. (Kompas, March 14, 1966)

This clearly showed the newspaper's support of President Suharto.

The newspaper went further by emphasizing the support of the army and the New Order in another editorial as follows:

Now Pancasila has been re-established again and saved from misinterpretation. The PKI was the complete manifestation of that misinterpretation... The New Order is essentially trying to put Pancasila and the 1945 Constitution in its rightful position... ABRI (the military) was the initiator of the New Order. (Kompas, September 28, 1966)

Kompas' support was rewarded by the regime, which saw *Kompas* as its ally. This good relationship reached its zenith when Jakob Oetama was granted the Bintang Maha Putra award by Suharto in 1973 for his achievement in developing the Indonesian press.

During this honeymoon period, the more open climate gave the newspaper the chance to convey some bold criticism to the power holders. This criticism was written by Ojong in a special column, entitled *Kompasiana*, between April 4, 1966 to January 20, 1971 (Ojong, 1980). In total, there were 400 articles written, with comments such as:

There is a deprived minister partying with people's money, the result of the sweat of the peopleOur objects are now ministers who are now in power and ministers who will overtake them. They have to work with the thought that there is always a stick ready to beat them if they misbehave. The stick is the free press. (PK Ojong, "The Press as "Social Control", Kompasiana, Kompas, April 4, 1966)

However, as the regime grew stronger and strove to accelerate its development, its tolerance towards the press decreased.¹³ In 1974, a series of bans was applied in reaction to the student protest against Suharto's foreign policy. On January 15, 1974, the government closed down several newspapers: six Jakarta dailies (*Harian KAMMI*, *Indonesia Raya*, *Nusantara*, *Abadi*, *Pedomandan the Jakarta Times*), two regional dailies (*Suluh Berita* in Surabaya and *Indonesia Pos* in Ujung Pandang) and four weeklies (*Mahasiswa Indonesia*, *Mingguan Wenag*, *Pemuda Indonesia* and *Ekspress*). Almost all of these newspapers were silenced permanently, except for two: *Abadi* and *Jakarta Times*, which appeared with new names and changed staff. Many journalists were also sent to jail without trial.

This first series of bans revealed the true nature of the regime towards the press. *Kompas* had actually been able to anticipate this change in attitude long before 1974, and had implemented some preventative measures. One of the earliest preventative measures taken was to cease publishing its column *Kompasiana* in 1971. This omission raised questions among media experts, as the newspaper did not provide any specific reason to its readers. But in 1980, when Ojong passed away, the explanation was clear. Giving testimony for Ojong, Mochtar Lubis wrote that when he asked Ojong why *Kompasiana* was decommissioned, Ojong answered:

I feel of no use. If we want to write, as we believe we should write, then the life of the newspaper will be threatened. If we write according to the request of the power holders, we cannot live peacefully with our conscience. Would not it then be better not to write?" (Mochtar Loebis, "PK Ojong Whom I Know" in Ishwara, 2014: 328)

¹³ I discuss the relation between the growing power of the regime and its more repressive attitude towards the media later in Chapter 5.

This was clearly an act of self-censorship conducted by *Kompas*, after becoming aware that the regime had become more repressive and less tolerant of criticism. The purpose was to avoid being banned by the regime.

Nevertheless, despite this a ban was eventually inevitable. When another series of bans happened again in 1978, *Kompas* was among the newspapers which were affected. The ban was applied to all media which covered the student protest demanding Suharto to resign from the Presidency. There were six other dailies which had also covered the student protest and were also banned, as well as seven student newspaper (Hill, 1994: 39). The government was so offended by the students that the military even occupied some campuses and arrested 223 students (Hill, 1995: 39). According to Sularto (personal communication 8 July 2014), a *Kompas* journalist who had witnessed the 1978 ban, *Kompas* was in a dilemma. On one hand, if they did not cover the demonstration, it would mean concealing significant journalistic facts. On the other hand, if they did cover the demonstration it would put them under threat of being banned. In the end, *Kompas* decided to cover the demonstration, which subsequently led to its closure.

This happened in January 1978. The phone call arrived on the evening of Friday 20, from the military. The call was from Lieutenant Colonel Anas Malik who was the Chief of Information Laksuda Jaya (kepala penerangan laksuda jaya), and it was received by Swantoro, one of the Senior Editors at *Kompas*. The message was short and clear: *“due to security reason, Kompas is one of the newspapers which is not allowed to publish tomorrow morning.”* Swantoro then informed Jakob. Jakob, who was by then at home, immediately went back to the *Kompas* office to discuss the matter. All agreed that by this phone call, *Kompas* was officially banned. They did not know for sure how long the ban would last, as the political regime had not given any indication. Neither had they provided a reason. However, the *Kompas* staff could guess that it was related to their coverage of the student protests demanding the resignation of President Suharto.

In the editorial of the newspaper dated January 16, 1978, entitled “Students’ Aspirations”, *Kompas* took the view that the student demonstration needed to get adequate attention from the regime. The editor said: “The students’ aspirations were correct and would bring benefits for development, equality, prosperity, *Pancasila* democracy, national defense, climate stability and innovation. We have to be honest and open, as we indeed do have the regime’s interest at heart”. *Kompas* was banned until February 5, 1978. It was permitted to publish again after Jakob agreed to sign a contract with the power holders on January 28, 1978. In the contract, Jakob had to apologize to the regime and promise not to cover any sensitive issues, as written in his biography:

After the letter was signed by Jakob, it was given back directly to the military. He recalled that there were some requirements, the most significant of which were these following four points: first of all, Kompas will not cover any issues about President Suharto and his family, as well as the origin of their wealth and prosperity. Second, Kompas will not question the double function of the military (dwi fungsi ABRI). Third, Kompas will not report on any issues related to ethnicity, religion, race and intergroup conflict (SARA). Fourth, Kompas will not on report any news which would contribute to any social conflicts. (Sularto, 2011: 24)

While *Kompas* does not have the letter above, a copy was found in the personal archive that belonged to Atmakusumah, an editor of *Indonesia Raya*, which confirms these stipulations. During the course of my interview with him on September 4, 2016, he explained to me that he believed that the copy of the letter he had is a duplicate of the original version. This version was then published by Atmakusumah (2009) in his book entitled “*Demand of the Era: Freedom of Press and Expression.*” Although the content of the letter differs in detail from Jakob's recollection of the agreement as recorded by Sularto, it confirms both the spirit of that agreement, and the inclusion of a specific reference to the protection of Suharto's personal dignity and good name.

Four days after being allowed to operate again, Jakob met Suharto at the National Press day in Solo, on February 9, 1978. During the meeting, the Minister of Information, Harmoko, suggested Jakob apologize directly to the President. Following this suggestion, speaking in refined Javanese, Jakob said to the President as he shook his hand: “*Maturnuwun sampung dipun parengaken terbit malih (Thank you for allowing us to publish again)*”. Surprisingly, Suharto looked upset. The iconic smile slipped from his face (Suharto was idealized as ‘The Smiling General’). Staring at Jakob, Suharto also replied in Javanese, but not the refined version. He said: “*Ojo meneh-meneh (Never again!)*” (Sularto, 2013 : 28).

After 1978, a series of press bans remained the running theme of the authoritarian New Order, ensuring *Kompas* tread cautiously in political matters. In the 1980s, several significant media bans shaped and consolidated the boundaries of acceptable journalism in Indonesia. *Tempo* was banned for two months in 1982 due to its critical coverage of the general elections. *Jurnal Ekuin* (Economy, Finance and Industry Journal) was banned in April 1983 after reporting on the impending reduction in oil price for export. *Expo* magazine was banned in 1984 after its piece on the 100 wealthiest men in Indonesia, in which 39 of the first 40 were ethnic Chinese, and several were business associates of the Suharto family. In the same year, the news magazine *Topik* was closed after its article on poverty in Indonesia. In May 1984, the same fate befell *Fokus* magazine after it published a list of 200 Indonesian millionaires. In 1986, the daily newspaper *Sinar Harapan* was closed due to its commentaries on the Suharto family business monopoly, although some months later, after hard negotiations and a substantial restructuring, it was then allowed to reappear under the new name of *Suara Pembaruan*. In the same year, another established economic daily, *Prioritas*, was silenced for giving too much space to political news when its permit required it to publish at least 75% on economic news.

As Indonesia moved into the 1990s, it was generally believed to be entering a period of increasing political latitude and liberalism. Restrictions towards the

media were no longer considered appropriate in the era of global openness. Despite this, the most dramatic media ban since 1978 occurred on June 21, 1994, when the Minister of Information, Harmoko, withdrew the publication licenses of three major weeklies: the highly prestigious and widely read *Tempo* magazine (with estimated sales of 187,000), *DeTik* (with estimated sales of 200,000) and the weekly magazine *Editor* (with sales of about 80,000). This series of bans demonstrated that media restriction was a constant theme throughout the reign of the New Order, before it finally fell in 1998. This situation forced *Kompas* to remain cautious in its coverage, as the fear of being banned continued to linger in the minds of its journalists.

However, although the newspaper continued to be overshadowed by fear, it had succeeded in transforming itself into one of the largest business groups in Indonesia, consisting of dozens of subsidiaries. However, this success served to heighten the fear of its journalists, as it meant that the paper had to be cautious, not merely for its own survival, but also for that of its subsidiaries. The next section will elaborate further on this.

2.2 Kompas As an Economic Giant

Business Vision of PK Ojong

Although *Kompas* continued to be overshadowed by fear, it succeeded in transforming itself into an economic giant by diversifying its business activities, becoming one of the largest business groups in Indonesia. In this section it will be revealed that the experience of being banned in the past inspired the *Kompas* founders to diversify the business in anticipation of the newspaper being banned again. This vision could only be fully realized after 1972 when the media got financial support from the state. Thus, although the authoritarian regime had made *Kompas* fearful, it was also this regime that helped the daily become an economic giant. Interestingly, being economically strong did not make this newspaper bolder, but rather more fearful as there was now much more to be protected.

Although at first the founding of *Kompas* seemed to be an "accident": the result of outside pressure from both the army and the Catholic Party, from the beginning it was more than just a newspaper with an idealistic goal. It was also a profit-oriented business institution. It was evident from Jakob Oetama's expression that from the very beginning of its establishment, he and Ojong had carefully considered the economic situation of Indonesia at the time. In Jakob's words, "*the economy and political environment as well as the infrastructure were not supportive*" (Oetama, *Kompas*, June 2, 1980). This statement could only be understood as an attempt to ensure the economic survival of the daily, or in other words, to make profit.

This notion continued to evolve with the growth of *Kompas*, and found one of its most prominent forms in 1970, as revealed by Jakob Oetama:

Since 1970 (after we owned the printing machine) a change had happened in society...from an economic point of view, Kompas began to be a pioneer in the press business. The others did not even think to advertise as much as possible. Their emphasis was on the editorial side. That explained why the most highly placed were the journalists and the editors (yang hebat itu hanya wartawan, hanya redaksi). In Kompas, however, we left that concept behind. The press was an amalgam of editors, managers and printers. In other words, a newspaper should be supported by an organizational structure. That was why the men who took care of business management were those who had graduated from the University of Indonesia's Department of Economics. (Oetama in Dhakidae, 1991: 250)

However, despite this explicit expression of the need to manage the newspaper as a business by Jakob, the "blueprint" of *Kompas* as a business institution actually started in the mind of PK Ojong. As described in Jakob Oetama's biography, Jakob saw Ojong as a teacher of business (Sularto, 2012). This was inseparable from the fact that Ojong was 10 years older than Jakob, and had experienced being the leader of three publishing companies: *Star Weekly*, *Keng*

Po and *Pos Indonesia*. Indeed, since the very beginning there was a division of labor in which Jakob managed the editorial side and Ojong took on the business side. Therefore, it was not surprising that Jakob panicked when Ojong died in 1980, because this meant that he must also handle the business side which had been previously been entrusted to Ojong. Several days after Ojong died, Jakob Oetama wrote in a *Kompas* editorial as follows:

The legacy of PK Ojong is surely the Kompas Gramedia group. For me, fellow chairmen and employees, that legacy is the vision, values, passion as well as corporate cultures which he has left behind. (Oetama, Kompas, June 2, 1980)

Therefore, if we want to understand *Kompas* as a business operation, we need to understand the business philosophy of PK Ojong. In this regard, it is fair to assume that since Ojong was still studying under the direction of Khoe Woen Sioe, he had learned something of the importance of diversification by establishing other businesses besides the newspapers.

After the permanent banning of *Keng Po*, the directors tried hard not to dismiss the employees whose livelihoods depended on the newspaper. In order for their enterprise to avoid bankruptcy, they received printing newspapers and various magazines. They also worked with other publishers and individuals to publish magazines such as *Si Kunci* weekly and *Varia* weekly. *PT Keng Po* also changed its name to *PT Kinta (Kertad dan Tinta*, which means “paper and ink”) and provided venues, employees, tools, means of distribution, and advertising, as well as capital loans. The diversification was made more extensive after the demise of *Star Weekly* and *Pos Indonesia*. Khoe Woen Sioe (the director of *Keng Po*) also founded a publishing company, *PT Saka Widya* which means “pillars of wisdom”, in which all former members of *Star Weekly* were declared as the founders and first shareholders. In this case, Ojong was considered a direct student of Khoe and was appointed as the Director of the publishing company, marking a new chapter in Ojong's life" (Ishwara, 2014: 170). With regard to

Khow Woen Sioe's important influence on Ojong, Ojong wrote in *Kompas*, on June 5, 1976:

(from Khow we learn) that the core of the problem we face is not the interests of a handful of shareholders. The main issue is the workers, the employees who work in the company, and who are now the unemployed. Their number was 400. Multiplied by 5 (plus wife and three children), this means that 5x400 = 2000 souls become victims by the death of the company. This is the point. Not small shareholders...Is this tragedy not preventable? (in Ishwara, 2014: 189)

Inspiration from Khow and the experience of being banned in the past made Ojong constantly aware of this threat. When *Kompas* was only two years old and the atmosphere of political freedom was still very good because Suharto had just come to power in 1967, he still stayed alert to the possibility of being banned. In the *Kompasiana* column of *Kompas*, on May 3, 1967, Ojong wrote: "Well, if the press act were revoked and *Kompas* was banned, we would build a bookstore anyway". Three years later, this vision of Ojong materialized; in 1970, Ojong actually opened a bookstore owned by *Kompas*. (Ishwara, 2014: 292).

In the course of history, Ojong's fears were regularly confirmed, as the regime eventually became more hostile towards the media and banned a series of newspapers which they deemed subversive. The peak was when *Kompas* itself was banned. According to Isjwara, when *Kompas* was banned, the worst hit were Ojong and the former journalists of *Indonesia Raya* and *Pedoman Daily*, who had experienced bans in the past. They were well aware of what a ban meant. That was why the leadership of *Kompas Gramedia* started to think more seriously about how to be able to support all its employees and their families if the government dropped the arbitrary ban, and consider how it might be possible to accommodate existing employees if the disaster hit their media. In doing so, they even became pioneers in the business of hospitals and hotels, by for example, buying a small hotel in Bandung, Semarang and in Bali, which later

became the forerunner of the Santika hotels in several cities (Ishwara, 2014: 294-295).

In the oral and written history circulated among *Kompas* journalists, it is said that at the time there was a kind of dispute between Jakob and Ojong, where Jakob was considered more soft and pragmatic and willing to kowtow to the regime, whilst Ojong was unwilling and unyielding. The story goes that Ojong said: "*Jakob, do not apologize. Dead today is better than dying tomorrow.*" Jakob responded: "*Corpses cannot fight. Only a living person can be persuaded to fight*". The result of the quarrel was Ojong's retreat from editorial affairs altogether. As an idealistic, critical journalist, a friend of the controversial Mochtar Lubis, and the columnist for *Kompasiana*, Ojong strongly rejected the notion of swallowing your pride and pandering to the regime. But Ojong had another side: the other, entrepreneurial, pragmatic side of Ojong actually supported this behavior. This is not much known or recognized by *Kompas* journalists, but support can be seen from Ojong's article in *Our Buletin* as follows:

What does it mean when a company dies? Doors are closed, trademarks disbanded (merek diturunkan). Workers become unemployed... the invaluable experiences are irrevocably lost. Skills, honed over tens of years, for example the skill of color printing, the experience of quality control, of book importing, newsprint, managing plates, chemical materials, marketing skills, news selection, news writing, news reviewing and all of the skills of the company are irretrievably lost... A man ought to die, even if it brings sadness when he does. A company does not have to die. A company or an organization can live for centuries. That is why we are even sadder when a company dies. (Ojong. Bulletin Kita, no. 29, March 1980: 3-5)

What happened to *Kompas* in 1978 strengthened Ojong's resolve to diversify in anticipation of the newspaper being permanently outlawed, as he wrote in March 1980, several months before his death:

*In managing this company with its economic resources we have to resort to the social function of private ownership according to the following policy and implementation. We are not going to consume our profits for ourselves (for example, by dividing up profits among users by increasing the salary of the workers to the last cent of the profit). Instead, we have to utilize a part of the company's profit for society at large, for example, by establishing a new company of the same sort or of a different kind (diversification). **This new company helps to multiply the employment opportunities in our developing society, or safeguards our own workers when one of our companies is closed down.**"¹⁴ (Dhakidae, 1991: 339, emphasis added by author).*

From this section it is clear that from the beginning, *Kompas* was designed to not only be a media institution, but also a profit-oriented company. The idea came from Ojong, and was later developed by Jakob. Thus the experience of being banned in the past was instrumental to formulating the idea to diversify. The next section will explain how this idea was then manifested in practice.

Kompas and Its State-Sponsored Wealth

Like most newly formed business institutions, *Kompas* was originally a small newspaper. The daily was founded by the *Bentara* Foundation with an initial capital of IDR 100,000, or about US \$ 400.00 (Dhakidae, 1991: 245, Sutamat, 2012: 18). In addition, the Catholic Party also provided additional capital - as much as five million rupiahs, or \$ 2000. Jakob Oetama also received a *Mazda* car from the Catholic Party Chairman, Frans Seda. Another Catholic party leader, IJ Kasiomo, donated a pickup car for marketing (Sutamat, 2012: 19). This shows that since the beginning, *Kompas* received financial support from power holders in the form of the Catholic party, which had a close relationship with

¹⁴ Dhakidae (1991) suggested that this is the original form of Ojong's first concept. It was then reworked several times, adjusted and reformulated to supposedly be elevated to the so called "Credo of Kompas Gramedia Group". In the version published in Ishwara (2014), the motivation to survive a ban had been erased.

the regime. When first published on June 28, 1965, the newspaper only had a circulation of 4,828 copies and only published as many as four pages. For technical reasons, this morning publication was also always published late, which made them the butt of the joke "*Kompas = komt pas morgen (will arrive tomorrow)*".

However, although the financial capital of the above investment was not large, the daily also had other capital because it had inherited the marketing network, financial management, and management and marketing personnel used by the Chinese newspaper, *Keng Po* daily, which had already been banned during the Sukarno era. Equally important, *Kompas* also inherited a print lease contract with *PT Kinta*, formerly used by *Keng Po* daily, which also published *Intisari*, a weekly magazine founded by Ojong and Jakob in 1963. The fact that at that time, *Intisari* was financially strong, provided additional financial backup for the establishment of *Kompas*. This fact shows that the newspaper has a historical connection with Chinese groups on the business side.

In October 1965, there were other events that indirectly helped *Kompas* to become more competitive. The first of these was the banning of the PKI newspapers, who were the main competitors of *Kompas*. The practice of restricting the mass media affected 46 of Indonesia's 163 remaining newspapers. Soon after Suharto took over power and became President in October, 1965, these 46 newspapers were banned for their association with, or sympathy for, the Indonesian Communist Party (PKI) and its allies. Many hundreds of journalists or media workers were arrested. Moreover, many journalists sympathetic to the PKI were killed in the large-scale massacres which took place then. As written by Swantoro, after the banning of the PKI newspapers, *Kompas* experienced a considerable increase in circulation (in Dhakidae, 1991: 251). From what was originally only a circulation of about 10-15,000 before October 1965, this increased to 23,268 in November 1965, and then again to 45,161 in June 1966.. The surge in *Kompas'* circulation was also partly attributed to the special order from ABRI which then distributed *Kompas*

for free or half price (Sutamat, 2012: 55). So unintentionally and indirectly, the banning of other newspaper was a blessing in disguise for *Kompas* sales.

But the most significant support from the regime that boosted the influence of *Kompas* occurred in 1972, when the newspaper was no longer connected to the Catholic Party (since 1971), and after the *Kompasiana* column had also stopped being published in that same year. An enormous amount of capital aid from the state was given on November 25, 1972, as much as IDR 236 million (\$ 94, 400), making it possible for the paper to purchase its own printing machine (Nainggolan in Sularto, 2007; Dhakidae, 1991). This assistance was part of the government's Domestic Investment Act given through the Indonesian Bank (BI). Related to this, Ojong wrote as follows:

Investment for this printing was about IDR 300 million. Only one quarter of this amount was collected by our shareholders and three quarters of it (75%) came from a loan from the Bank of Indonesia... (as much as) IDR 236 million. Only one quarter of the investment came from private capital. This means, if our dear guests enter this publishing building and come across a four-legged chair, it can be said that only one leg belongs to us, and the other (three) legs belong to Bank Negara Indonesia 1946 or Bank Indonesia. Through these two banks, we want to thank the Indonesian government for its trust in us. (Ojong in Dhakidae, 1991: 249)

Dhakidae does not mention specifically whether it was only *Kompas* who got financial support, however, considering the specific context of the period, it is obvious that not all media groups got this aid.

As explained by Hill (1994), the regime had started to ban newspapers viewed as critical, so these newspapers were not even allowed to operate, let alone get financial support from the state. The fact that *Kompas* got this aid means that the newspaper was seen as obedient to the regime and was expected to continue to behave accordingly. This lead Dhakidae (1991) to argue that the

media capitalists during the New Order were state-nurtured capitalists, thus providing the reason why the media during the New Order was economically prosperous but politically incapacitated.

With the existence of this printing machine, *Kompas'* performance became much more efficient. When hiring a printing press from *PT Kinta* whose capability was limited, the deadline of *Kompas'* reportage to go to print was at 6 pm. Since there was now a machine with a larger printing capacity, the deadline was moved later to 10 pm. This allowed the journalists four additional hours to work on the content of the newspaper. Furthermore, while the paper rental machine from *PT Kinta* could only print 20, 000 copies per hour, their new machine could print 96,000 copies per hour. This new equipment also enabled *Kompas* to increase the number of pages from eight to twelve pages. After gaining possession of this new printing machinery, *Kompas'* circulation increased more rapidly than at any time before, reaching 100, 000 copies or nearly double. There is no doubt that this new tool of production made the newspaper more efficient, and it was now on sale in the early morning, enabling it to shed its previous stereotype as the “arrive tomorrow/*komt pass morgen*” newspaper. The state’s financial supported also allowed *Kompas* to build a new building in Palmerah Selatan, which they began to occupy in the same year.

The impact of the state’s financial support also enabled the newspaper to realize its dream of diversification. With a big sum of money at hand, a series of other publications were soon established under the umbrella of *Kompas Gramedia Group (Kelompok Kompas Gramedia/KKG)*, such as the famous Indonesian magazine for children, *Bobo* weekly (1973). It also further diversified its own publications. In addition to the *Gramedia Publishing Company* that was founded in 1974 for fiction and non-fiction books, *Kompas* also established a special press that published books on computers in *Elex Komputindo* (1985), another that produced children's books of primary and secondary education in *PT Gramedia Widiasarana Indonesia / Grasindo* (1990), and *Kompas* also formed *Library of Popular Gramedia (KPG)* and *Kompas Book*

Publisher (PBK) to republish all the articles ever published in the newspaper in 1996. In at least one case, that of the tabloid *Monitor Weekly* (of which more below), a *Kompas* venture was established as a public-private partnership, with the Indonesian government maintaining joint ownership of the venture.

The diversification of this effort also included the publishing of regional newspapers that started from 1987 under the name of the regional press group, *Persda*, which started in Palembang by taking over the daily *Sri Wijaya Post*. In 1988, this expansion was carried out in Aceh by taking over local *Swadesi newspapers*. In 1992, *Kompas Gramedia* took over *Pos Kupang* in Kupang and in 1994 took over *Banjarmasin Pos* in Banjarmasin, Kalimantan. In turn, *Kompas Gramedia* established a local newspaper in almost all provinces in Indonesia under the brand *Tribune*. Finally, in 1995, *Kompas* set up an online presence with the website *Kompas.com*.

This diversification also encompassed various other fields of business, such as radio with the establishment of *Radio Sonora* (1972) and film production with *Gramedia Film* (1976). *Kompas Gramedia Group* also established a tissue manufacturing company in *PT Graha Kerindo Utama* (GKU) in 1988, and built a successful hotel business in the name of Santika Hotel (1981), which is now one of the most renowned hotel chains throughout Indonesia. Diversifying further, they also established a TV company in 2000 called *TV7*, and even though it was subsequently sold, in 2009 *Kompas* again established a TV company with the name of *Kompas TV*. In 2005, *Kompas Gramedia Group* even established a university called *Universitas Multi Media Nusantara* (UMN).

In short, with this diversification, *Kompas Gramedia Group* (KKG) owned at least 11 subsidiaries consisting of online media, bookstores, printing press, publishing houses, radio and television stations, hotels, educational institutions, cultural organizations and events companies. As a whole, this group of companies employed at least 22, 000 employees throughout Indonesia. In 2016, Jakob Oetama was named the 21st richest person in Indonesia by the *Asia Globe*, with a total wealth of 1.6 billion dollars. The wealth of this *Kompas* founder and

the story above clearly demonstrates how the newspaper became an economic giant in a country of a quarter of a billion people.

However, *Kompas'* business ventures came with a price, as it had placed the newspaper in an ambivalent position towards the regime. Although the political regime had helped the daily to achieve its economic success by providing financial support, it also did not hesitate to ban the newspaper in 1978. Furthermore, in 1973 the regime designated Jakob Oetama a golden boy by giving him the award of "*Bintang Mahaputra Utama*", which means "a prominent shining star": the highest award given by the President to a civilian. Yet President Suharto also demonstrated his anger and displeasure towards Jakob after the incident of 1978, and warned him not to be critical towards the regime. In other words, *Kompas* was allowed to grow economically, but it was kept small politically. This situation resembles that of any other Chinese conglomerate in Indonesian and their relationship to the state (Baker, 2013; Chua, 2008).

Furthermore, becoming an economic giant did not necessarily mean that the newspaper could assuage its fears. On the contrary, its tremendous economic success compelled *Kompas* to be even more cautious. This is because the economic success meant that more people were working for the newspaper and relied on it to earn a living. As written in the biography of Jakob by Sularto, this was one of the main considerations that influenced his decision to apologize to the regime, and avoid being banned in 1978. His biography states:

The decision to apologize to the regime was due to consideration of, among other things: the lives of the workers.... In 1965, the number of journalists could be counted on the fingers of your hands and toes of your feet. In 1978, the number of workers was around 2000 people. The ban would be a huge catastrophe for them. (Sularto, 2011: 15)

This shows that the growing size of the company made the newspaper more cautious.

Furthermore, with regard to its business groups, *Kompas* had to consider not only the survival of the newspaper, but also the survival of all business units under the umbrella of *Kompas Gramedia Group* (KKG). One of the best illustrations of the impact of a ban is the case of *Monitor Weekly*, which was banned in 1990 due to its coverage on sensitive issues on Islam. This will be explained in the next section.

Monitor Weekly and Kompas' Syndrome of "Islamophobia"

The 1990 *Monitor* case involved a weekly tabloid published under the management of *Kompas Media Group* (KKG). This case was triggered by the *Monitor's* publication of the results of a reader survey about "The Most Admired" figures in Indonesia (Pontoh, 2013; Shiraisi, 1997). The survey findings showed that the most respected figure was President Suharto, followed by his predecessor, President Sukarno, at number two. Interestingly, the Prophet Muhammad ranked only 11th—below Arswendo Atmowiloto, the Chief Editor of *Monitor*, which rankled Indonesian groups with Islamic leanings.

After the publication of the survey, demonstrators destroyed the weekly's office in Jakarta. This was followed by a wave of protests in major cities such as Semarang and Surabaya. The protests were supported by the majority of Islamic leaders in Indonesia, who strongly criticized the editorial policy of the weekly. Those who questioned *Monitor* included some Islamic figures who were considered moderate, such as Nurcholis Madjid, a Muslim intellectual who was a former chairman of the Association of Islamic University Students (HMI), and Amin Rais, Chairman of Muhammadiyah, one of the biggest Islamic mass organizations in Indonesia.

Monitor's problems did not stop there. The weekly was finally closed down by the Minister of Information, Harmoko, on October 23, 1990. Arswendo, the Chief Editor, was summoned to court and sentenced to five years in prison. He was charged with blasphemy (article 156 of the Criminal Code) and the spread of contempt against the population (article 157 of the Criminal Code).

Interestingly, a similar article had been published by *Tempo* magazine in the 1970s. In an article dated June 3, 1978, *Tempo* covered the main findings of research done by a PhD student, Sarlito Wirawan, who suggested that Suharto was a more famous figure than the Prophet Muhammad. However, the *Tempo* article did not generate protest or anger like that directed at *Monitor*.

The case of *Monitor Weekly* was important for two reasons. First of all, even though this case was not directly related to *Kompas*, the public sentiment was that of hatred towards the newspaper, in no small part due to its Catholic background. Therefore, the protests from Islamic society were founded on the notion that such coverage attacking the Islamic prophet was an attempt by the Church to spread Catholicism and to initiate de-Islamization.

Secondly, the protest was nearly unstoppable, despite the fact that the ownership of the weekly was actually shared between *Kompas* as well as the government. 30 percent of the shares belonged to a state-owned foundation, *Gema Tanah Air*. In addition, a further 30 percent was owned personally by the Information Minister, Harmoko. *Kompas*, which managed the weekly, owned the remaining 40 percent (Sopian, 2002). Therefore, this incident taught *Kompas* that despite protection from the power holders, Islamic groups could still destroy them. Furthermore, the Islamic groups had developed into a political force to be reckoned with, as the regime could not exert control over them.

Although the *Monitor* case did not directly affect *Kompas*, it was enough to traumatize the owner, Jakob Oetama, who at that time was also the editor of the newspaper. As suggested by a senior journalist, the *Monitor* case left Jakob in great shock:

Because at that time he felt that Indonesia had grown along with Kompas into a tolerant society. But the Monitor event made him hesitate and ask: "Who are they actually? Apparently I do not know this society." This historical trauma was then to be carried by all

generations of journalists after him. (Jimmy Laluna, member of Kompas editorial board, personal communication, August 23, 2016).

At the time of the incident, Jakob had personally issued an apology for the coverage of *Monitor* by admitting that the weekly had been in the wrong. In the editorial of *Kompas*, Jakob wrote as follows: “*Monitor* was in the wrong by publishing such surveys. Therefore, we regret it and condemn it.... I suppose *Monitor* deserves to get its punishment. (*Kompas*, October 23, 1990).

The case of *Monitor* had added another dimension to *Kompas*' fears. While previously the sources of fear were communism and authoritarian rule, now the source of fear included conservative Islamic groups. The fact that *Monitor*'s coverage was not wrong journalistically, and that it was not the only newspaper which had published such results, reflects the existence of discrimination towards the Catholic roots of the daily. It is worth noting that the *Monitor* case left lingering historical trauma in the minds of *Kompas* journalists, and that this trauma grew even stronger in the Reformation era, resulting in self-censorship. This will be discussed further in chapter 4.

2.3 Conclusion

This chapter clearly shows that the development of *Kompas* as a newspaper involved internalizing a culture of fear, and yet it also managed to transform itself into an economic giant. At its conception, the fear was due to the fact that one of the *Kompas* founders, PK Ojong, was seen as a political outcast by the Old Order regime under Sukarno's Presidency. This label of political outcast was the result of a series of bans on his three publications, due to their critical tone towards the power holders. Those three publications were: *Keng Po*, *Star Weekly* and *Pos Indonesia*, which were all Chinese-orientated media published for the Chinese descendants living in Indonesia. This situation was made worse due to the fact that Chinese groups were the subject of political discrimination, as their loyalty to the new independent republic was doubted. Therefore, both due to his criticism of the regime and being an ethnic Chinese himself, Ojong

was suspected of being a disloyal citizen. Being a political outcast had restricted Ojong from working in the media, let alone establishing a newspaper. It is the reason why, when *Kompas* was first published, there was no single mention of his name in the newspaper.

This fear was compounded by the difficulty in obtaining a publishing permit, which reflected the strong political conflict at that period. Guided Democracy was dominated by three main political powers: the army, the communist party (PKI) and President Sukarno, who competed with each other to be at the top of the Indonesian political structure. *Kompas* was born amidst this competition, at the initiative of the army in coalition with the Catholic Party. The initial aim of this finding was to counter the growing influence of the newspapers published by the PKI, which was seen as a common threat both for the army and the party. However, to be able to be published, *Kompas* had to obtain a permit from a unit in the army (Laksusda Jaya) which was under the influence of the PKI. This situation created a difficulty for the newspaper, as the Laksusda Jaya laid down complex requirements for the license to be obtained. Despite this, *Kompas* finally managed to gain a publishing license, but the complexity of the political tension added to the fear of its journalists.

The transfer of power from President Sukarno to Suharto was colored by much bloodshed, which meant that the new ruler's power was based on hundreds and thousands of dead bodies, instead of on public consent through a democratic election. Suharto's presidency was therefore characterized by the constant need for political legitimacy, which was done through, among other things, keeping tight control of the media. Thus, the story of the New Order state was the story of a regime of power that was just as repressive as the previous regime, or even worse. In this political setting, the fear that has haunted *Kompas* since its birth continued during more than three decades of Suharto's regime, from 1965 to 1998. Throughout this period, *Kompas* constantly practiced a cautious style of journalism in order to avoid being banned by the power holders. Nevertheless, despite its consistent efforts to avoid being banned, the newspaper was closed from January 21 to February 5,

1978, due to its coverage of the student protest demanding Suharto to step down as President. This was a very critical situation for the daily, as there was a possibility that *Kompas* would never be allowed to operate again, especially as it was the source of frequent anger for the regime. However, *Kompas* was allowed to operate again on the requirement that its freedom was muzzled. The requirement was that *Kompas*' Chief Editor had to apologize to the regime, and sign an agreement with the government that the daily would never write, among other things, any coverage of the misconduct of the President, his families and friends.

Despite the fear that has continuously haunted its journalists, *Kompas* managed to transform itself into an economically successful newspaper, even securing financial support from the political regime. Furthermore, the daily also succeeded in expanding its business well beyond being a mere newspaper company. This success was due to the financial support from the political regime, which resulted in the newspaper's dependency on the state, and consequently kept it weak politically. However, this success could not be separated from Ojong's brilliant business vision: the product of his previous experiences working in the media. The vision was to see *Kompas* not only as a media institution, but also a business institution, and involved business diversification, with a publishing company, bookstores, hotels, tour and travels all under the *Kompas Gramedia Group* (KKG). This was done in the event that the newspaper would once again be shut down by the authorities, as diversification would give journalists another space to make a living. So, in this regard, the fear of a ban contributed to shaping Ojong's business vision.

Unfortunately, being a media group added another source of fear, as any mistake committed by *Kompas* could also impact other members of the business group. Equally, any mistakes committed by its subsidiaries would also have an impact on the newspaper itself. This can be seen by the case of *Monitor* weekly, in which the mistake of the weekly by covering a sensitive issue about Islam resulted in the Islamic groups attacking *Kompas*, and targeting the Catholic-ness of the newspaper. Underlying this attack was the

practice of discrimination from conservative Islamic groups in Indonesia, who were protected by existing Indonesian law. This was because of the existence of the law on blasphemy, which makes illegal any action that offends the religious feeling of the majority religious groups. In the case of *Monitor*, despite its coverage being journalistically sound, the weekly was seen as hurting the religious pride of Muslims who are the majority group in Indonesia. As a result, the Chief Editor Arswendo Atmowiloto was imprisoned for five years and the weekly was closed down forever.

This leads to the question: how exactly did the fears regarding the repressive political regimes and conservative Islamic groups impact the editorial policy of *Kompas*? This question will be examined in chapter 4, which discusses the practice of self-censorship in *Kompas*, and how it relates to *rasa* - an element of Javanese culture which is the basis for this self-censorship. This culture was very much influenced by Jakob Oetama, who acted as the Chief Editor of the newspaper over the first four decades of publishing. This made the journalistic values of *Kompas* a complete manifestation of Jakob's habitus. Therefore, before discussing self-censorship in chapter 4, the next chapter will discuss Jakob and his influence in shaping *Kompas*' journalistic culture.