The Power of the Screen: Releasing Oneself from the Influence of Capital Owners

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Abstract — Indonesia’s Media has long played a pivotal role in every changing. The world’s dependence on political, economic, and cultural changes leads the media playing an active role in the change order. It is not uncommon that the media has always been considered as an effective means to control changes or the process of social transformation. In the current era of reformation, the press, especially television industry has been experiencing rapid development. This is triggered by the opportunities opened for capital owners to invest their money into media business of television. Furthermore, the entrepreneurs or the capital owners capitalize the benefits by establishing several media subsidiaries. They try to seize the freely opened opportunity to create journalistic works. The law stipulates that press freedom is a form of popular sovereignty based on the principles of democracy, justice, and legal sovereignty. The mandate of this law indicates that press freedom should reflect people’s sovereignty. The sovereign people are the people in power and have the power to potentially develop their life-force as much as possible. At present, Indonesia has over 15 national television stations, 12 of which are networked televisions, and no less than 250 local television stations. This number is projected to be increasing based on data on the number of lined up permit applicants registered at the Ministry of Communications and Information office (Kemenkominfo) or at the Indonesian Broadcasting Commission (KPI) office both at the central and regional levels. If Indonesia has seriously implemented digital television system consistently as of the end of 2012, then that number could have doubled within a short period of time. One frequency that now can be used by one television station, will be able to accommodate 6 to 8 channels, and some even guarantee 12 broadcasting station channels. This paper seeks to examine the role of national private television in Indonesia through literature studies on media studies. From the review results of existing literature added with author’s experiences and empirical observation, it can be inferred that the power of capital owners within Indonesia’s television industry is still dominant. The process of producing TV programs and journalistic works on private television network is still filled with the struggle in the newsroom among capital owners. The capital owner has the power to fulfill his/her demands in accordance with his/her political interests and business goals. The number of investment opportunities wide open in the television industry allows the capital owners to have more power in instilling his/her influence through the TV programs within the television industry. Consequently, the public’s rights to public frequency are subject to be neglected.

Keywords: television industry; capital owner; public

INTRODUCTION

In this era of increasingly rapid globalization, the urgent need for information poses an important aspect of society. Mass media is a form of mass communication capable of delivering information to society about what is happening around them in the quickest way. The media market is a market with unique characteristics as compared to other market types. (Santoso, 2014).A media does not only produce goods, but also services. Goods offered are the program broadcast from the media itself, and the type of service offered is the mass media serving as a medium to connect with advertisers with mass media consumption audiences. (Santoso, 2014).

Mass media has attempted to look for ways in making their production effective and efficient so that their profits can be maximized. Facing a relatively tight competition in the mass media business that necessitates this socio-economic power, there is a tendency of media consolidation which then leads to the emergence of groups of mass media giants which then resulted in the concentration of mass media ownership. (Santoso, 2014)

According to William (2009:7), as a technology, television was not invented at once. It was invented as a result of a number of failed and successful practices. The invention of television relies on the invention and the development of highly complex electrical, the telegraph, photographic, film, and radio technologies. It is the result of numerous causes. The use of technology in society, according to Williams, is consistently changing. This change in use is not brought about by the presence of technology itself, but rather because of the increased awareness of mobility and
changes. (Williams, 2009: 15). By viewing television as a practice, television and its use have become an evolving cultural product in history. Before the existence of television and radio, the public had more opportunities to sort out things they think they needed. According to Williams, the television was invented with the assumption that it has an impact on society. Williams believes that with the birth of television, the world has dramatically changed.

Lately, television broadcast has been a topic of discussion in our public spaces. The public perceives television industry as it abuses the management of frequency with broadcasts of various uneducated programs. This frequency abuse covers from television misuse as the means to show off the political interest (as can be seen in the hustle and bustle of regional head elections), to the broadcasts of excessive entertainment (such as the live broadcast of artist or celebrity weddings).

The summary of these criticisms departs from the view that television (such as the media in general) was initially a social-oriented institution with which is held liable for showcasing various beneficial broadcasts directly to the public. At the same time, however, the problem lies in the fact that television is also a profit-oriented institution that demands big revenues from the broadcast. The media industry in Indonesia has rapidly grown since the late 1980s to the current reformation era where now poses a development point of the media business. In the last fifteen years, the growth of media industry in Indonesia has been driven by capital interests, lead to a media oligopoly and the concentration of ownership. (Nugroho, et al. 2012)

In other words, television is in a dilemma between performing its social function or making the maximum profit accumulation. That is to say, Indonesia’s television industry has been showing more of its role as a profit-oriented institutions within capital logic. The question is, why is that?

As for now, the number of players in the television industry is growing rapidly. Even over the years, the number of television stations is believed to be doubled or tripled. The development of television technology from analog to digital, as well as the rapid development of information technology, allows individuals to create their own programs that can be uploaded to the internet sites. This has resulted in increasingly tight and competitive challenges and business competition in this industry, as there is an increased portion of advertising pies and domestic advertising expenditure, which is the biggest source of revenue expected by all the television industry.

As the survey conducted by AC Nielsen research institute in 2016 discovered, this year’s advertising expenditure growth shows a positive move with a growth value of 18% in the first semester of 2016. Overall, during the first half of 2016, the total advertising expenditure increased to Rp.67.7 trillion.

The results of research by Nielsen Advertising Information Services published by Nielsen Indonesia shows that the main contributor to advertising expenditure still comes from TV media, which amounted to Rp.51.9 trillion, increased by 26% from the same period last year. According to HellenKatherina, Executive Director, Head of Media Business of Nielsen Indonesia, advertising expenditure in the first half of 2016 shows a positive growth trend. This growth is driven by an increase in advertising expenditure on television, while the growth in advertising expenditure in print media also looks to be quite stable. (AC Nielsen: 2016)

Throughout January-June 2016, Hellen stated that ten product categories with the highest ad spending also achieved a positive growth. The category of government and political organization still remains the largest advertiser which grew by 40 percent with the advertising spending of Rp.3.8 trillion, followed by clove cigarettes category which grew by 53% with a total advertising spending of Rp.3.5 trillion. The third largest advertiser is communication tools and services companies which grew by 27% with a total advertising spending of Rp.2.5 trillion as compared to the same period in the previous year. Hair care category spent Rp.2.5 trillion on advertising expenditure with 20% growth. Coffee and tea category spent Rp.2.3 trillion with 24% growth and facial care spent Rp.2.2 trillion with 31% growth. Online service category is in seventh place showing a very high growth of 66% as compared to the same period in 2015 with the advertising expenditure value of Rp.2.2 trillion.

This paper seeks to answer the following questions: how to get away from the influence of capital owners’ interests within Indonesian television? Despite the fact that the presence of private television in Indonesia was intended for the purpose of creating profit-oriented institutions which then leads to the attraction of a vast amount
of capital. This is different from the history of print media in Indonesia whose early presence has the spirit of social-oriented institutions with the purpose of educating people.

DISCUSSION

In comparison with other alternatives, television is considered to possess strategic values in terms of cultural penetration. This at least shows two aspects. First, the theory has it that the capacity of television to influence the way people think is much more impactful as compared to other media, such as print media, film and newspapers. Television is considered to be a combined product of cinema (audiovisual) and radio (accessibility) effects. Secondly, television can operate throughout the day, making it part of one’s everyday life, but at the same time requires regular and continuous supply. However, this scenario will still face many constraints in the event that the ownership of television broadcasting agency is managed by the government or public institutions. Non-private broadcasting agencies generally show no reliance on advertising, not market-demand-oriented, and do not need to prioritize financing efficiency. In the context of the mentioned need, television privatization system has become a necessity. (Armando 2016: 54-55)

The new order government in power was aware of the possibility that deregulation in the television sector could lead to the loss of power and nation’s hegemony. That is why economic liberalization is not accompanied by political liberation. Since it is obvious that the essence is not aimed at encouraging the process of democratization, but rather tends to aim at opening up the door for the capitalization system which constantly fuels the market economy.

The media industry in Indonesia has never been the same since the advent of private television in the late 1980s. As Indonesia gets more inclined towards international capital flows and as the development of communications technology gets more massive, the government has been triggered to raise concerns about it. The concern arises since, on one hand, the regime still wants to maintain an authoritarian political system, and on the other hand, they must meet the demands of liberal international economic order, creating its own dynamics within the New Order capitalist system.

In that context, information monopoly by the government using TVRI receive serious threats. The rapid explosion, as well as the transmission of video technology development in the border areas, enables people to have access to TVRI broadcasts. While at the same time, programs broadcast by TVRI has decreasing quality.

The ban on advertising in 1981 has made this state-owned television channel short of funds to produce programs that attract viewers. Inevitably, this drives a need to establish private television networks that can attract back audience’ attention from "foreign" products so as not to endanger the regime’s life, and still under control and can maintain "stability".

According to Armando, the privatization of Indonesia’s television may go hand in hand with democratization in Indonesia. But he did not assume that private television is part of the driving force of democracy in Indonesia. The main explanation for the growth of private television in Indonesia appears to be within economic scope, not within political and territorial scopes. (Armando 2016: 20). According to Armando, the privatization of Indonesian television began when the domestic capitalist saw an opportunity to diversify businesses into a tertiary sector that can generate huge and quick-returned profits. These domestic entrepreneurs are those who take advantage of their relationship with policy makers to gain the right to use a limited broadcasting frequency that provides guaranteed quick profit maximization.

According to Armando, the historical context when Indonesia decided to allow the birth and growth of private television differ much from the context when the philosophy of government-free-intervention press freedom developed. Those who took the initiatives to set up private television networks in Indonesia were a group of people who did not appear to be inspired by enlightening ideas in empowering civil society within Indonesia’s democratization process (Armando 2016: 21). Thus, according to Armando, the main reason behind establishing private television networks is profit orientation. This measure is properly implemented, as Levitt stated, that in the process of economic globalization, transnational corporations seek to develop markets around the world. An assumption developed that Indonesia is regarded as an important element in the world capitalism system, especially in the role of the market which is expected to openly absorb diverse products.
produced by transnational corporations mainly based in the industrialized countries. (Levitt in Armando: 21)

Thus, the television system is viewed as not only a sub-system influenced by the wider economic system, but also as a sub-system that serves to enable the wider economic system to be accepted and maintained in Indonesia. The founders and capitalists of the private television station who took the initiative and the government who issued the policy that facilitated the idea may have no awareness or intention as to merging Indonesia into the global market. They may not have expected as well that the private television stations would turn out to be the forces that helped subvert Suharto from the peak of his power. But once television privatization is implemented, which in the case of Indonesia it was developing very rapidly, it is almost inevitable that private television stations would start broadcasting as well as facilitate the merging process into the global capitalization system (Armando: 22)

The development of commercial television industry from the beginning of its emersion can now be analyzed by referring to an analytical method put forward by Vincent Mosco in his book of "The Political Economy of Communication (2009)" namely commodification, spatialization, and structuring. Commodification deals with three things: content, audience, employees. Commodification is the process of converting the value of gina into the exchange rate. Previous broadcasts with no values were processed in such a way by television in order to get gain an exchange rate.

At the beginning of private television emersion, the broadcasts that touched on politics were banned. Information on political issues was solely broadcast by TVRI. As David Hill puts it, "No news is good news." Inevitably, private television has to create non-political broadcasts and the ones that have entertaining values and inviting advertisers. The commodification process also took place more quickly because the emersion of private television in Indonesia was not aimed at liberalizing information (television) but rather at maintaining the dominance of the New Order regime.

The television monopoly which was previously held by TVRI was handed over to private television networks. It was done by granting private television ownership license to regime's cronies and encouraging private television networks to produce local content. In the meantime, TVRI remains a "leader" in which private television networks were required to relay certain broadcasts and therefore allowing television industry to still rotate their capital.

Wilbur Schramm in his most influential book entitled; Mass Media and National Development (1964), as quoted by Armando, stated that mass media has the potential to broaden people's perspectives, rivet one's attention, generate hope, and create development climate. Schramm does not literally mention that mass media is the only factor, but in his opinion, media can definitely help indirectly change attitudes, values, and practices that have been entrenched in society.

If we take a closer look, in the early days of the establishment of a number of private television stations in Indonesia, those television networks owners who obtained establishment licenses were the children of former President Soeharto and his extended family, as well as those who are closest to Soeharto. For example, RCTI is owned by Bambang Trihatmojo, Indonesian Education Television (TPI) is owned by Siti Hardiyanti Rukmana, SCTV is owned by Henry Pribadi and Sudwikatmono, ANTV is owned by Bakrie Group and Agung Laksono who are the elites of Golkar political party. Meanwhile, Indosiar is owned by Salim Group under the ownership of Liem Sioe Liong who is also Soeharto's close circle.

As such, it may be concluded that the two of Suharto's children, namely Tutut and Bambang are those who determined the pathway of television history in Indonesia. Likewise, the history of the establishment of private television stations in Indonesia could not be separated from the struggles of another businesswoman named Peter Sondakh. This successful entrepreneur who successfully developed the Rajawali business group was facing ups and downs as she tried to start up a private television station. Through another entrepreneur who is also a jazz musician named Peter Frans Gontha, Sondakh made an approach to the son of Suharto, Bambang Trihatmojo. Her efforts bore fruit when Soeharto granted RCTI an operation license in 1987, where at that time, Bambang leading his business group was only 27 years old. In RCTI, Bambang holds 35% shares, and the remaining 65% shares held by Sondakh under her Rajawali business group. (Armada: 148)
With the rapid development of profit-oriented television programs, it is observed that foreign broadcasts imports of up to 90 percent are in the forms of western movies, telenovela, cartoons and other popular programs. In the process of commodification, capital acts to separate knowledge from the skill of executing the task.

In the end, television workers work solely for the purpose of gaining capital accumulation. Journalists or television workers alienated from the journalistic products or broadcasts they produce. Spatialization is done in two ways, horizontally and vertically.

Horizontal spatialization arises when capital owners combine different types of media in one control of ownership. For example, conventional media owners such as newspapers buy a television or online media or vice versa. Considering that the provision of television broadcasting infrastructure requires huge cost as compared to other mass media, hence the ownership of commercial broadcasting institution tends to be in the hands of big investors. This bias will get even stronger if commercial television stations are granted the license to have broadcasts or establish station networks to serve audiences in a far-reaching coverage such as Indonesia.

As a result, the concentration of ownership of commercial television stations in the hands of domestic giant financiers leads to the media expansion and the interests of transnational financiers. These domestic giant financiers operate their own commercial television stations by putting profit-seeking motives with the highest level of priority. Thus, they are open to building mutual cooperation with the interests of transnational capital. (Armando: 74)

This can be observed by the phenomenon of a conglomeration of media ownership by many entrepreneurs. For example, an entrepreneur who is also a politician of Nasdem party, Surya Paloh, the owner of the Media Group business group previously known to have a newspaper business called “Priority” in the New Order era, ever since 2000 he started up a news TV station named “MetroTV”. Also, he has a national newspaper of “Media Indonesia” with a daily circulation of 250 thousand copies. MetroTV editorial office is still under one roof with Media Indonesia’s editorial office in Kedoya, West Jakarta.

While vertical spatialization happens as media owners combine companies from different types of industries to gain control over the production process. Spatialization is done to gain multiples revenues while reducing the market uncertainty that might potentially hamper production mechanism.

In addition to Media Group, this spatialization example is increasingly noticeable in the media industry after 1998. For example, Kompas-Gramedia Group (KGG) group, which initially focused on print media business named “Kompas” daily, took a step in establishing KompasTV in cooperation with regional television stations. Other examples include the business ownership of Bakrie Group which not only covers shares within the media industry, but also runs other lines of business such as telecommunication, agribusiness, and energy.

Structuring is illustrated as a process in which social structures are mutually shaped and influenced by agents in which parts of the structure are capable of serving one another. Structuring produces a series of power relationships as well as social relationships between gender classes, races, and social movements.

According to Nugroho, there are currently twelve major media groups controlling almost all media channels in Indonesia, including broadcasting, print media and online media. They include MNC Group, KompasGrameida Group, ElangMahkotaTeknologi, Visi Media Asia, GrupJawaPos, Mahaka Media, CT Group, BeritaSatu Media Holdings, Group Media, MRA Media, Femina Group dan Tempo Inti Media. The MNC Group has three free-to-air television channels - the highest number owned by media groups - as well as 20 local television networks and 22 radio networks under their subsidiary of Sindo Radio. While JawaPos Group has 171 print media companies, including Radar Group. KOMPAS (Indonesia’s most influential newspaper), has expanded its network by establishing content provider KompasTV, in addition to 12 radio broadcasts under their subsidiary of Sonora Radio, and 89 other print media companies. Visi Media Asia has evolved into a powerful media group with two terrestrial television channels (ANTV and tvOne) as well as the fast-growing online media vivanews.com. A media company under Lippo Group, BeritaSatu Media Holding, has set up Internet Protocol Television (IPTV) BeritaSatuTV, an online media channel beritasatu.com and also
owns a number of newspapers and magazines. (Nugroho, et al. 2012)

Within the context of the television industry, it can be simplified that structures (politics, broadcasting systems, television shows) and audiences (individuals) interact and influence each other. A simple illustration can explain this concept. The term "public frequency" that has been in circulation to date is principally full of huge political consequences.

With the concept of public frequency, television, as the public's frequency tenant, has the social responsibility to produce broadcasts that have positive values or to not violate public interest. However, this so-called concept gains no popularity amongst Indonesian people.

Since the beginning of television industry, it's existence is understood to do the accumulation of capital which leads to their free right to use the frequency at will even when the broadcast programs have a negative impact on public interest. The centralization within media industry occurs as an inevitable consequence of capital interests that promote the development of media industry in Indonesia. Current media oligopoly jeopardizes citizens' rights to information as media industry is inclined towards profit-orientation and media companies have represented a lucrative business perspective that can be shaped by the owner's interests and thus, businesses in the media has greatly benefited those who seek power. This phenomenon is considered an issue when a number of media owners are also affiliated with the political party interests. Aburizal Bakrie, the Chairman of Golkar Party who is also the owner of Viva Group and Surya Paloh, the founder of the NasDem political party who is also the owner of Media Group, are two real examples of this trend. There is a growing general perception that the interests of these media owners have jeopardized citizens' rights to the media, as they use the media as a tool of political campaigns to influence public opinion. In short, the media has become a mechanism in which businessmen and politicians deliver their interests and at the same time generate profit from their businesses. (Nugroho, et al. 2012)

A research conducted by Nugroho, et. al. found that media owners have turned media into a commodity, with viewers being treated only as consumers, not as legitimate citizens. The concentration of media industry that takes place through mergers and acquisitions among media companies has threatened the spirit of 'diversity of ownership' and 'diversity of information' within a media. Several important mergers and acquisitions have taken place recently: Indosiar was acquired by ElangMahkota Technology, a holding company of SCTV; Detik.com was acquired by CT Group, the owners of TransTV and Trans7; and also a number of local television channels such as SindoTV and JawaPos networks were also taken over by a big company of MNC Group which has its own television network. Laws and regulations seem to have no power in controlling this ownership concentration. (Nugroho, et al. 2012)

These research results subsequently showed that the dynamics of the media industry are closely related the development of media policy or lack of media policy development. In many cases, the government as a regulator has difficulty in harmonizing regulations with the rapidly changing media industry environment. The unresponsive government has made the industry run on its own without strict rules. This lack of a strict regulatory framework is evident in the law on Broadcasting number 32 of 2002, which is constantly being criticized by civil society organizations, media activists, as well as by the media industry itself. Each party has different understanding towards the multi-interpretation law: on the one hand it promotes democratization and diversity through media, on the other hand, it does not elaborate the concrete implementation in details. This vague regulation allows the media to have freedom, which leads to the businesses using public goods without firm control of the government. Another media regulation such as the law on Information and Electronic Transactions has also threatened citizens' right to participate in the media and has removed citizens from their role as media controllers. (Nugroho, et al., 2012).

As a tool for power, the media bears an inevitable bias due to the intervention of media owners which also includes the need to support the government and corporate policies when creating content (especially news content) and distributing it to viewers. Public information in the media is the industry's privilege: they construct it and at the same time contribute the content to other media. As a result, citizens are only exposed to limited information, as most important social, economic, and political issues are selectively delivered by the media. Most media companies refer to the rating
point to created their contents. High-rating programs are duplicated, hence resulting in a duplicate content. As a result, the media tends to run its business by falsifying citizens’ demands and claiming them as a necessity. In so doing, the media manages to shape public opinion and public interest on various issues. In short, the media industry has become a profit-oriented business medium instead of a public medium. Furthermore, the power to control media seems to have become a power to control policies and laws of media, which leads to the conclusion that this regulation leans more towards corporate-interest rather than public interests orientation.

SOCIAL MEDIA ISSUES

According to Nugrohoet al., advances in media and communications technology have not only changed the media industry environment but also opened up a wider space for citizens to participate in the media through the Internet and social media. The Internet seems to have become a major space where citizens are allowed to build communication without any restriction. Spaces such as blogs, social networking sites, and microblogging have enabled citizens to create their own public sphere and engage freely with each other. With 64% of internet users using social media, it is not surprising that a number of activism and civil society movements have been organized under social media and new media platform. Information dissemination through social media is outstanding that it is then referred by the mainstream media. The Internet has become an important infrastructure when the media industry has to deal with new challenges in media technology: convergence and digitization.

Future challenges for media are media convergence and digitization. They have forced and will continue to force the media industry to create a multiplatform business that will go beyond conventional media. This will result in the integration of the content provider industry with the telecommunications industry as a way to create technology-based multiplatform media. Media convergence has forced the industry to prepare its infrastructure since infrastructure inevitably plays an imperative role. Nevertheless, its impact on citizens and citizens’ rights in participating in the media has not fallen under industry's consideration. In the context of digitalization, despite the fact that citizens may have broader channel alternatives, special infrastructure is needed to access these channel options, and the provision of this infrastructure is undecided. Community media seems to lag behind in all the frenzy of digitalization and convergence.

CONCLUSIONS

According to Ade, society cannot reject the poorly rated broadcasts. Despite they may be aware of a big problem lying within television broadcasts. Basically, the society has turned into passive consumers. The rich who are fed up with low-quality television broadcasts resort to subscribing premium-TV channels in order to watch broadcasts from foreign television channels with high quality. However, lower-middle-class society may feel that there are no other alternatives, hence making them accept the entertainment and television broadcasts as it is. As a result, without being aware, some people start to dream off. They idolize certain television celebrities and expect their children to become a part of the glitzy-looking television industry. Therefore, if we agree that television shows are the force that affects public health, that the majority of people are television viewers, and that the contents of our current television broadcasts are against good broadcasts standards, thus, according to Armando, there must be a knowledgeable group that can actively interrupt and remind broadcasters within the television industry.

Nonetheless, the problem is the capability of filing claims against television such as suing a giant capitalist who has for decades running the business comfortably. Suing television for poor quality broadcasts is taken as sneaky and even neglected by not only television viewers but also by other civil society groups who consider television content to be no more serious than corruption, terrorism, go green, drugs, children and women rights, and other major issues. Suing television is not attractive for fund disbursement. Suing television may be detrimental to the convenience of broadcasting regulators who see the lawsuit as threatening the legitimacy of their institution's existence. Being a television plaintiff can be considered "plebeian", unattractive, and even closes up the possibility of becoming a part of an ever-gleaming industry.
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