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# Face, Faith, and Forgiveness: Elite Chinese Philanthropy in Indonesia

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### INTRODUCTION

The ethnic Chinese are a minority in Indonesia. They constitute only around 2% to 3% of the nation's population (Mackie 2005). However, the Chinese in Indonesia are believed to be one of the largest among the Chinese diaspora globally in terms of absolute number (Suryadinata 2008).<sup>1</sup> This minority has never been a homogeneous group—regional, cultural, religious, linguistic, and class diversity account for their heterogeneous identity (see Hoon 2008). Such diversity, however, was not appreciated by successive regimes in postcolonial Indonesia. The Indonesian government regarded the Chinese as a homogenous group, officially labeled them as the *nonpribumi* (nonindigenous), and discriminated against them based on their “foreignness.” Discrimination toward the Chinese reached a climax during President Suharto's New Order period (1966–98) when ethnic Chinese were marginalized in all social spheres: language, culture, politics, public service, and employment. They were forced to assimilate and to abandon their Chinese identity but, paradoxically, were never allowed to totally disappear as a distinct ethnic group. Restricted in public sector employment, many Chinese entered into business where their entrepreneurial and social networking skills could contribute to the official ideology of national development. This inevitably gave rise to the emergence of a Chinese business class and allowed some opportunistic Chinese to expand their own wealth through collaborating with the military and ruling elites through the “*cukong*” system (Mackie 1991).

The privileges a handful of Chinese businessmen received from the New Order regime had fostered an image in Indonesia's public sphere that *all* Chinese-Indonesians are economic creatures and wealthy. Such stereotype, coupled with the continuous “othering” of the Chinese through various state-imposed discriminatory measures, placed them in a vulnerable position of ethnic and class hostility. This is evident in events that occurred in 1998 when Indonesia was devastated by the Asian economic crisis. To divert attention from the public call to resign, former President Suharto made the ethnic Chinese the scapegoats and held them responsible for the financial crisis. Consequently, large-scale anti-Chinese riots broke out in several cities in Indonesia in May 1998 where property of the ethnic Chinese was ransacked, looted, and burned down; many of the ethnic Chinese were attacked; and Chinese women were tortured, raped, and killed (Purdey 2006). After the May riots Suharto stepped down as president and

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Indonesia underwent a process of democratization and *Reformasi*. With the new democratic space, ethnic Chinese began to establish nongovernmental organizations and action groups to fight for the abolition of discriminatory laws, to debunk the exploitative economic animal stereotype, and to liberate their long-suppressed identity and cultural heritage (Hoon 2008). After a decade of struggle, many cultural and legal rights of the Chinese have been restored through governmental reforms, and the Indonesian public is increasingly exposed to the reality of the heterogeneity within the Chinese ethnicity through new representations in the media. However, these positive changes notwithstanding, the fact remains that a considerable portion of the private economy in Indonesia is still controlled by Chinese conglomerates (Chua 2008). The conduct of these wealthy Chinese has significant implications and repercussions for the ethnic Chinese population at large due to the visibility of their status and wealth in Indonesian society. In recent decades, several Chinese conglomerates have established philanthropic foundations in Indonesia. For example, pulp and paper tycoon Sukanto Tanoto established the Tanoto Foundation in 1984; the Riady family who owns the Lippo Group founded the Pelita Harapan Education Foundation in 1993; and the mogul of *kretek* cigarette industry, Putera Sampoerna, established the Sampoerna Foundation in 2001. The focus of this paper is primarily on philanthropic activities of the Chinese business elites, although it acknowledges the everyday altruism carried out by “ordinary” Chinese-Indonesians.

A Chinese-Indonesian community leader-cum-philanthropist identified three reasons that motivate ethnic Chinese conglomerates to establish philanthropic foundations: firstly, to increase their social status (i.e., to “buy face”); secondly, to fulfill certain religious convictions (i.e., to express one’s faith); and thirdly, to remove some of their guilt from “sins” previously committed in unethical business conducts (i.e., to seek forgiveness and moral pardoning) (personal communication, 16 July 2009). There are, of course, other reasons that give impetus to philanthropic work, such as “the desire to support worthy causes, the quest for relief from taxes and the wish to create a family legacy” (Gerisick 2006: 38). In their book, *The Seven Faces of Philanthropy*, Prince and File (1994) characterized seven types of philanthropists:

- 1) The communitarians who think that doing good makes sense. They usually help their own community to prosper.
- 2) The devout who believe that doing good is God’s will. They mostly give to religious institutions.
- 3) The investors who treat doing good as a business. They give in order to achieve tax and estate interests.
- 4) The socialites who do good because it is fun. They intend to help to make the world a better place.
- 5) The altruists who do good because it feels right. They are the selfless donor with generosity and empathy.
- 6) The re-payers who do good to re-pay the kindness they personally benefited, for example, from school or medical centre.

- 7) The dynasts who believe that doing good is part of their family tradition.

Referring to the research in ethnic Chinese philanthropy, Menkhoff (2009: 65) argues that there is a “dearth of empirical studies” in the understanding of the motivation behind their giving. This article aims to fill this gap by trying to address some of the following questions: How embedded is the practice of philanthropy in Asian/Indonesian culture? How do we profile Chinese-Indonesian philanthropists? Why do rich Chinese-Indonesians give? How and through what channel do they give? To whom and to what cause do they give?

The paper draws its materials predominantly from secondary sources such as books, magazines, websites, business reports, and conference proceedings. Primary sources are limited as I only managed to interview two informants who were willing to discuss the topic of philanthropy: (1) Chinese-Indonesian community leader-cum-philanthropist, seventy-three years old, interviewed on 16 July 2009; and (2) Chinese-Indonesian tycoon-cum-philanthropist, eighty years old, interviewed on 26 June 2009. Two qualifiers will be made in regards to such limitation. Firstly, Chinese philanthropic activities in Indonesia are mostly funded using corporate funds. Disclosing information about philanthropy means disclosing information about the business, which is highly undesirable to business people. As Tan (2008: 137–138) explains:

*As in the case in most societies where entrepreneurial activities are undertaken as a family business, there is a tendency for ethnic Chinese in business to function like a closed society, making it difficult to have access to them for research purposes. Moreover, in Indonesia, Chinese businessmen are generally reluctant to participate in a research project. This is primarily due to their vulnerable position in the economy; members of the indigenous community, especially ethnic Indonesians who are in business, tend to be adamant about the need to check the role of ethnic Chinese in the economy. There are also those in government who see the ethnic Chinese businessmen as potential “donors” for their “projects,” be they of a personal or public nature.*

The author of *Chinese Big Business in Indonesia*, Christian Chua, also notes that “research on the rich and powerful in general has to deal with the problem of inaccessibility” (2008: 8). Both Tan and Chua’s observations can be attested by my field work experience whereby making appointments to meet elite Chinese philanthropists, who are mostly business tycoons, were almost impossible.

The second qualification is related to research on philanthropy in Asia in general, particularly among the ethnic Chinese. Young (2004: 145) observes that, “Chinese giving [is] essentially private, personal, and informal.” “Buying face,”

as cited above, is a quintessential aim of philanthropy to many Chinese; some philanthropists may not want to reveal much information about their motives in supporting a particular cause for various reasons. One informant told me that his Christian faith forbids him from publicizing his philanthropic work, quoting Matthew 6:3 from the Bible, "But when you give to the needy, do not let your left hand know what your right hand is doing" (NIV) (personal communication, 26 June 2009). The lack of information about philanthropy is also common in Hong Kong as Young (2004: 47) conjectures, "Despite the existence scores of family foundations, many are unwilling to divulge even basic information about themselves, and there are virtually no sources of published information about them." No wonder Baron (1997: 232) claims that emerging philanthropic entities remain "little known within Asia or in the international philanthropic community."<sup>2</sup> This article is, therefore, a small contribution to this little known field.

#### PHILANTHROPY IN AN ASIAN AND INDONESIAN CONTEXT

This section will examine the embeddedness of the notion of philanthropy in the Asian context. In particular, it will investigate the channels that allow philanthropic activities to be carried out and the legal framework that governs such activities in Indonesia. My informant contended that philanthropy is a Western notion foreign to Chinese culture. He argued that philanthropy is originally a Christian concept that led to the establishment of the welfare state in the West (personal communication, 16 July 2009). Although such assertion has some validity (see "Charity and Compassion: Their Christian Connection" in Schmidt 2004; Ostrower 1997: 18), it should not be generalized as a fact. It may be fair to contend that the term *philanthropy* is relatively new to Asia, but the concept of giving has existed for centuries. As Hewa and Hove (1997: 9) argue, "Although the development of modern organized philanthropy seems to be Western in origin, the practice of giving is by no means unfamiliar to Asians. Both giving and receiving are central to their social and cultural values, which are often informed by religious ideals." In fact, there is ample evidence showing that philanthropy is rooted in major Asian religious and cultural traditions such as Confucianism (see Young 2004; Menkhoff 2009), Buddhism (see Lohmann 1997), Hinduism (see Anderson 1997), and Islam (see Asian Development Bank 2002).<sup>3</sup> Some scholars even suggest that philanthropy is indeed an inherent attribute universal to all human beings (Hewa and Hove 1997: 7).

As the largest Muslim country in the world, philanthropic giving is mainly motivated by religious causes in Indonesia. The giving custom in Islam is formally practiced through the mobilization of ZIS (*zakat*, *infak*, and *sadaqah*). The *zakat* is a religious tax imposed on a Muslim who has reached a certain level of income amounting to as much as 2.5% of his/her annual net savings (Asian Development Bank 2002: 7). On top of that, a Muslim is encouraged to voluntarily donate through other forms of almsgiving, such as the *infak* and *sadaqah*, irrespective of his or her level of income (ibid.: 7–8). Other religious institutions within Hindu, Buddhist, Protestant, and Catholic faith also mobilize

for individual giving and donation, but are much smaller and are limited to incidental events in their own communities.

A foundation can be generally defined as "a nongovernmental, not-for-profit organization with assets provided by a donor or a group of donors, under the control of an independent board of directors or trustees that dispenses its grants to establish or aid socially useful activities" (Kiger 2008: xi). Modern institutionalized philanthropy in the form of a foundation is an American phenomenon and is relatively new to Indonesia (Gerisick 2006: 37). During the New Order, the government made it possible for nonprofit foundations in the fields of education, religion, health, and culture to claim tax exemption through the introduction of Law No.7 of 1993. However, such incentive was contravened by a later decree, Law No. 10 of 1994, which stipulated that tax exemptions for foundations working in these fields are restricted to grants, donations, presents, inheritance, and government subsidies (Asian Development Bank 2002: 11). Moreover, the objective of a foundation is normally social, religious, educational, or humanitarian in nature. However, Suharto's government did not regulate the aims and scope of work that a foundation could serve. This resulted in many abuses of nonprofit organizations and foundations for private interests (ibid.: 11–12). For example, the Suharto family established foundations to obtain donations from conglomerates; the military established foundations to shelter their businesses for the benefit of themselves; and founders of hospitals and universities used their foundations to raise public funds for their own benefit (Ibrahim et al. 2003: 139).

After the fall of the New Order regime in May 1998, regulations on the nonprofit sector have been tightened. An effect of the post-Suharto democratization process is a revitalization of civil society and an expansion of nongovernmental organizations, many of which established themselves as foundations (see Hadiwinata 2003). Consistent with the objective of good governance in the government reform, and to respond to the demand from the International Monetary Fund (IMF), the post-Suharto government ratified Law No.16 of 2001 to promote transparency and accountability in foundation governance and to restore the function of foundation as a nonprofit institution with social, religious, and humanitarian objectives (Ibrahim et al. 2003: 139). Another major change in the reform era is the unprecedented move of legislating corporate social responsibility (CSR) in 2006. Article 74 of Law No. 40 of 2006 made corporate social responsibility mandatory for all companies in the natural resources sector. This move was challenged by various business associations, including the Indonesian Chamber of Commerce (Kadin), which considered CSR a burden and an additional cost to businesses, and argued that CSR should be voluntary. Despite such objections, the Constitutional Court ruled in favor of the decree in April 2009 (see Fauzi 2009; Juwana 2009). However, the effectiveness of the law in its implementation is still yet to be seen.

#### THE PROFILES OF ELITE CHINESE-INDONESIANS

Four Indonesians were named in the article "48 Heroes of Philanthropy" in *Forbes* magazine in 2009, among which three were ethnic Chinese: James

Riady, Putera Sampoerna, and Cherie Nursalim. This section will feature the profile of these personalities, along with two other prominent Chinese businessmen-cum-philanthropists, Sukanto Tanoto and Ciputra, as case studies.

### **Mochtar and James Riady**

Mochtar Riady (Chinese name: Lie Mo Tie), the chairman and founder of Lippo Group, is a renowned banker, businessman, and philanthropist. He was ranked #17 in *Forbes* Indonesia 40 Richest List in 2008, and #12 in *GlobeAsia* list of 150 Wealthiest Indonesians in 2009. Born in East Java, Mochtar received Chinese education, first in Java and later in China, at the then Nanjing University (Suryadinata 1997: 136–137). His company, Lippo Group, spans across the Asia-Pacific region, with presence in areas such as financial investments, property and urban development, retail and services, information technology, and a variety of industrial activities. The Group also controls the largest private health care and hospital group in Indonesia and sponsors an education foundation that operates schools, universities, and a recently inaugurated nanotechnology research institute named after Mochtar Riady. His son, James Tjahaja Riady (Chinese name: Lie Zen) is deputy chairman and chief executive officer of the Lippo Group. He co-founded and serves on the board of the Obi Foundation (Yayasan Obi), which provides free medical care, disaster response, and education services to needy Indonesians (*Forbes* 2009).

Mochtar and James converted to Christianity in the early 1990s and have since become active in philanthropy in Christian education. They established the Pelita Harapan Education Foundation (Yayasan Pendidikan Pelita Harapan) in 1993 and adopted the vision of “True knowledge, Faith in God and Godly character” for all their education institutes. The curricular and extramural activities provided are built on the conviction that students can achieve the highest standards of knowledge, yet remain committed to their faith foundation “in order to promote noble character in line with the Word of God” (Lim and Daslani 2009: 139). The Riadys are devoted to promote quality education in Indonesia. According to James, “Education is the basis for nation-building. It can, through developing a nation’s human resources, improve the nation’s welfare, and this is how my family and I can contribute ...” (Hudiono 2007). The Pelita Harapan Foundation is underway in establishing ten schools for the upper-class people, one hundred schools for the middle-class people, and one thousand schools for the lower-class people. Mochtar has also financially supported the establishment of Putian University in Fujian, China, and Ma Chung University in Malang, Indonesia. In 2007, Lippo Group donated SGD21 million to the National University of Singapore Business School. The funds are used to build a Mochtar Riady Building to honor the founder of the Group, and to fund two distinguished professorships named after his sons James and Stephen Riady. The family also gives to various churches in Indonesia, Hong Kong, China, and Vietnam (*Business Times* 2007).

### **Putera Sampoerna**

A third generation Chinese-Indonesian, Putera Sampoerna (Chinese name: Lin Tianxi) was born in the Netherlands, received his primary and secondary education in Hong Kong and Melbourne, and completed university studies in Texas (Nugroho 2009). He inherited his family clove cigarette manufacturing business in 1980, which he sold to Philip Morris International in 2005. With USD 2.2 billion net worth of wealth, Putera is ranked #4 in both *Forbes* Indonesia 40 Richest List in 2008, and *GlobeAsia* list of 150 Wealthiest Indonesians in 2009.

The billionaire pledged \$150 million of his family’s fortune to establish the Sampoerna Foundation in 2001 (*Forbes* 2009). The Foundation is described as “a professional philanthropy organization and a service provider for Corporate Social Responsibility (CSR) with a focus in education” ([www.sampoernafoundation.org](http://www.sampoernafoundation.org)). It awards scholarships to students with financial needs, trains teachers, and supports schools. Putera thinks that Indonesia is a country full of potential and feels that he has the responsibility to contribute to the development of this nation. He believes that the only way to cultivate leaders, who can lead Indonesia to becoming a stronger and globally more competitive nation, is through educating the next generation (Nugroho 2009: 70). The Sampoerna Foundation has adopted and supported various schools across the archipelago, established a SF Teacher Institute to offer world class training for teachers and principals, set up student loan facility and initiated an international standard boarding school program called the Sampoerna Academy ([www.sampoernafoundation.org](http://www.sampoernafoundation.org)).

### **Cherie Nursalim**

Cherie Nursalim is the executive director of the Gajah Tunggal Group (GTG) founded by her father, a Chinese-Indonesian tycoon, Sjamsul Nursalim (ranked #16 in *Forbes* Indonesia 40 Richest List in 2008, and #40 in *GlobeAsia* list of 150 Wealthiest Indonesians in 2009). GTG is a diversified Group with activities including the largest integrated shrimp farm in the world, largest tire manufacturing operator in Southeast Asia, petrochemical, and consumer network services in the Asia Pacific region. Graduated with a Bachelor in Engineering Science and Economics from Oxford University, and MBA from Columbia Business School, Nursalim’s early career was as a research associate at Harvard Business School and director of East-West Bank in California. With her husband, Enki Tan, they devote considerable time to health, environment, and social justice organizations. Nursalim was one of the founding members of the elite club, Global Philanthropists Circle, and has delivered speeches at prestigious international forums such as the Clinton Global Initiative, World Knowledge Forum, The Forum of Young Global Leaders, and Global Social Innovators Forum. Her philanthropy organization, United in Diversity, has distributed wheelchairs, awarded scholarships, and contributed to numerous disaster-relief campaigns in Indonesia (*Forbes* 2009). Nursalim attributed her philanthropy work as a family tradition as she recalled how her grandparents, who originated from China, supported schools in their homeland after doing quite well for themselves in Singapore (*Alliance Magazine* 2008).

### Sukanto Tanoto

Born in Medan to immigrant parents originating from the Fujian province of China, Sukanto Tanoto (Chinese name: Chen Jianghe) is a second generation Chinese-Indonesian. He received a Chinese education and assumed alien status in Indonesia because his parents held Chinese citizenship. Known as a self-educated entrepreneur, Sukanto learned English word-by-word, using a Chinese-English dictionary. He pursued proper management courses in prestigious business schools such as INSEAD, Harvard, Wharton, and Carnegie Mellon as a mature-age student in the mid-1970s ([www.sukantotanoto.net](http://www.sukantotanoto.net)). Sukanto was ranked #1 in *Forbes* Indonesia 40 Richest List in 2008, with an estimated wealth of USD2 billion. The company he founded, Raja Garuda Mas International, controls five international holding companies with a vast array of business interests including energy resource, pulp and paper, plantations, construction, and logistics.

Sukanto and his family established the Tanoto Foundation in 1984 to give back to disadvantaged communities. The nonprofit foundation began in Indonesia and expanded to Singapore, China, and the Americas. It aims to reduce poverty and advance human achievement. The programs carried out by the foundation are categorized into education, poverty alleviation, health care, and disaster relief. In education, for instance, the foundation offers scholarships to students, facilitates teachers to upgrade their skills, builds schools, and supplies equipment and books to schools. Outside Indonesia, Sukanto has donated money to education institutions like Nanyang Technological University in Singapore and INSEAD. The Tanoto Foundation also provides health care services in remote areas and rapid response assistance when natural disasters hit Indonesia. In China, Sukanto has contributed to the “Qiaoxin Project,” which builds primary schools for the rural poor, and established the Chen Jinrong Foundation, named after his late father, which contributes to education philanthropy ([www.sukantotanoto.net](http://www.sukantotanoto.net)).

### Ciputra

Dubbed as the “Father of Real Estate” in Indonesia, Ciputra (Chinese name: Tjie Tjin Hoan) is a property tycoon who owns the Ciputra Development and established Real Estate Indonesia (Nugroho 2009: 41). He was ranked #28 in *GlobeAsia* list of 150 Wealthiest Indonesians in 2009, and #40 in *Forbes* Indonesia 40 Richest List in 2008. Born in Central Sulawesi, Ciputra has a typical “from rags to riches” life story. He had to sell cakes to help out his family after his father passed away when he was twelve years old. He was determined to succeed in school despite having to walk seven kilometers to school without shoes. He excelled in his education and was admitted to the esteemed Institut Teknologi Bandung where he completed a degree in architecture (*ibid.*: 43–44). Ciputra Development, the company that he established in 1981, is now a leading real estate company in Indonesia that develops large scale residential and commercial properties.

Ciputra has established the Ciputra Foundation that focuses on building quality schools and a university with international-standards in Indonesia. Thus far, he has established three schools, catering for three different income groups

(social classes), and a university, named after himself, that adopts entrepreneurial skills as its core curriculum. Ciputra believes that proper education in entrepreneurship has to be given to the younger generation as early as possible so that they can start their own business venture after they graduate (Lim and Daslani 2009: 138). Ciputra is one of the founders of Prasetya Mulya Business School, one of the few schools that provides progressive entrepreneurship education (*ibid.*).

As a Christian, Ciputra’s philanthropic work extends to his religious community. The Ciputra Entrepreneurship Centre at the university has launched a joint program on entrepreneurship training with the Happy Family Church in Surabaya. This program comprises a three-day seminar for over 150 people from the church to equip them with skills in social entrepreneurship so they can become a “channel for God’s blessings” in their community. This goal is reflected in the program’s objective as captured in the acronym BLESS—“Building Lord’s Entrepreneur that Serves Society” (see *Jawa Pos* 2008). He also built the “The Jesus Blessing Monument” in the city of Manado, North Sulawesi, where he spent his childhood. This monument of Jesus is the highest in Asia and second in the world (after Christ the Redeemer statute in Rio De Janeiro, Brazil). Ciputra presented this monument as a Christmas gift for the Christians in North Sulawesi in 2007. Ciputra hopes that this monument will be a new icon for the city of Manado, as a new pilgrimage destination for both local and international Christians (*Suara Manado* 2007).

### WHY DO RICH CHINESE-INDONESIANS GIVE?

Several observations can be made from the profiles of the elite Chinese philanthropists listed above. One of the most commonly noted motivations for philanthropic giving among the Chinese can be colloquially referred to as “buying face,” or more professionally known as “image building.” However, this notion should not be taken for its face value and regarded as a mere self-serving act for honor and prestige (as demonstrated in Yao Souchou’s paper in this volume). Although, “buying face” is an element in many cases of Chinese philanthropy, nuances such as the hope to cultivate relationships or *guanxi* and social capital, and to gain access into an exclusive social circle, show the complexity of this discourse. In the book, *Why the Wealthy Give: The Culture of Elite Philanthropy*, Francie Ostrower (1997: 6) argues that philanthropy is an integral and defining element of elite culture in the United States. Ostrower maintains that philanthropy becomes a marker of class status among the wealthy, and for them “philanthropy is not only a matter of personal choice, but it is an obligation” (*ibid.*: 13). The display of wealth through giving, according to Ostrower, indicates one’s success. However, the idea of giving is more than just “buying face” in showing off one’s wealth, and the act of giving extends beyond merely the monetary. More importantly, elite philanthropy becomes a calculated investment that opens doors for the wealthy to identify with and participate in prestigious nonprofit organizations and the elite networks with which these organizations are associated (*ibid.*: 36–37).

Ostrower’s argument is applicable to the understanding of elite

philanthropy of the ethnic Chinese in Indonesia. As discussed earlier, although mutual helping and giving are ingrained in many Asian cultural traditions, institutionalized philanthropy in the form of foundation is indeed American in heritage. Our profiles show that several founders of philanthropic foundations in Indonesia such as James Riady, Putera Sampoerna, and Cherie Nursalim were American-educated and are third- or more- generation of Chinese descent. Their link to the United States could be linked to the genesis of philanthropic foundations to Indonesia.

Geithner et al. (2004) conjecture that first-generation Chinese migrants are more likely to donate to their hometowns or provinces while second- and third-generation immigrants are less parochial in their giving and more inclined to respond to national needs in their country of residence. Similarly, Menkhoff (2009: 66) also noted “winds of change” in the philanthropic acts carried out by second- and third-generation Chinese migrants, which transcends ethnic and communal boundaries, distinct from the first generation who are particularistic and clannish in their giving. None of the philanthropists listed in the previous section is a first-generation migrant from China. However, there is a cultural difference between the Chinese-Indonesians who are Chinese educated and non-Chinese educated. Those who were Chinese educated belong to an older generation because Chinese schools were officially closed down after Suharto gained power in 1966. Subsequent generations of Chinese-Indonesians had received education in Bahasa Indonesia and were forced to assimilate. Chinese-Indonesians who were Chinese educated such as Mochtar Riady (eighty years old) and Sukanto Tanoto (sixty years old) tend to have more affinity with China and their philanthropy pattern largely resembles the first-generation migrants described above. For instance, Mochtar Riady has contributed generously to education philanthropy in China and was bestowed the status of Honorary Citizen by the Chinese cities of Xiamen, Nanjing, Putian, and Meizhou. Similar work has also been carried out by Sukanto Tanoto through Chen Jinrong Foundation in China.

The proliferation of philanthropic foundations in Indonesia seems to indicate that the wealthy Chinese are eager to escalate their social status beyond the image of just a successful capitalist (or the negative stereotypes associated with the “new rich” or the “economic animal”) to a moral and/or intellectual elite. Some Chinese-Indonesian magnates appear to prefer American-style philanthropy as a platform to enter into global elite networks. Regardless of their motive in altruism, establishing a foundation may bring prestige to these business people and elevate their image to the equivalent as renowned philanthropists such as Bill Gates and Li Ka Shing. This point can be illuminated in Cherie Nursalim’s work within elite forums with international profiles.

Nevertheless, the image building objective in philanthropy serves more than the purpose of individual self-promotion. In an age where corporate social responsibility (CSR) has become a global fad and an essential vocabulary in business textbooks, corporate philanthropy can also contribute positively to the image of a business. The emergence of corporate philanthropy in Indonesia can also be viewed sanguinely as part of a global trend toward increased pluralism and democratization; as successful globalization of “corporate citizenship”; and as

an element of the emergence of “civil society” in a formerly authoritarian state (Baron 1997: 232). Nonetheless, corporate philanthropy is no longer a matter of choice after the new edict that behest CSR for all companies in the natural resources sector. This decree will no doubt redefine the philanthropy landscape in Indonesia.

Another observation derived from the profiles above is the centrality of faith among a few of the Chinese philanthropists. Mochtar and James Riady and, to a lesser extent, Ciputra have shown particular commitment to the Christian faith in their philanthropic work.<sup>4</sup> The Pelita Harapan Foundation established by the Riady family is dedicated to promoting quality Christian education in Indonesia. In fact, the Pelita Harapan Schools and University are among the best private educational institutions in Indonesia in aspects ranging from academic performance to school facilities. The tuition fees are comparable to that of a private school in Australia, for instance. The schools emphasize a lot on “character building,” which is infused through strict Christian values and disciplines. The twin effects of high tuition fees and Christian education unwittingly shaped the population of the school to a limited niche of predominantly middle and upper class ethnic Chinese students.<sup>5</sup> *Pribumi* (indigenous) Indonesian students are few because they either could not afford the fees or are deterred by the schools’ focus on Christian values. Unfortunately, such exclusivism can cause an unintentional segregation between rich and poor, Chinese and non-Chinese, and Christian and non-Christian Indonesians. The irony of the fact is that a foundation that is supposed to be charitable is now generating handsome profits from providing lucrative education. This incongruity may have prompted Urip Hudiono to publish an article in *The Jakarta Post* with the punned title, “James Riady making quality education his business” (17 September 2007). However, it is not all about profit, according to James Riady, who claims that the elite schools are set up to support one hundred schools for the middle class and one thousand schools for the lower class across Indonesia.

Ciputra, on the other hand, carried out philanthropy through building a Jesus monument, and through training a congregation to be the “Lord’s entrepreneur.” Not unlike the Pelita Harapan Foundation, the Ciputra Foundation also has a focus on promoting education, except that it emphasizes mainly developing entrepreneurial skills. This is interesting not only because entrepreneurship has been widely attributed as an integral part of diasporic Chinese “culture” (see for example, Menkhoff and Gerke 2004), but it is also deemed as an important element of the Protestant ethics (see Weber 2001). This reflects the philanthropist’s double identity of being Chinese and Christian. In contrast to Riady’s education institutes, the schools established by Ciputra do not adopt a Christian curriculum, and, thus, are more accessible to the *pribumi*. The aim of schools is to train a new class of Indonesian entrepreneur, regardless of their race.

The fact that most philanthropists profiled above dedicated their work to education is by no means fortuitous. Giving to education is not an exclusive practice to Chinese-Indonesians. Attributing education philanthropy to the long Chinese tradition of respect for scholarship, Young (2004: 145–456) note that

such practice is common among diasporic Chinese. Furthermore, the custom of giving back to one's alma mater is also familiar in the American context whereby graduates contribute to higher education to express their indebtedness and loyalty (Ostrower 1997: 87). In Indonesia, education has always played a crucial role in the life story of Chinese philanthropists like Sukanto Tanoto and Ciputra, and to some extent, Mochtar Riady, and in their struggles "from rags to riches." This life experience gives a lot of urgency and realism in the educational work to which they contribute.

Also significant to note is the way in which the discourse of philanthropy in education relates to the notion of nation-building. Ethnic Chinese philanthropists believe that they can contribute to national development by building the human capital of Indonesia through education. Thus many of them set up foundations that focus mainly on supporting various education causes. However, some Chinese-Indonesian philanthropists also donated to universities outside Indonesia, such as the National University of Singapore, Nanyang Technological University, and INSEAD. It is unclear why they chose to contribute to education institutions overseas when local universities are in more dire financial need. One may speculate that this is a move to create a legacy for the donors beyond Indonesia, or perhaps the donors have a lack of trust in the governance of local institutions especially in their stewardship of the funds donated.

The identity of the ethnic Chinese in Indonesia has been ambivalent due to the historical construction of them as the "internal outsiders." Consequently, the Chinese have to put in more effort to prove their loyalty and patriotism to Indonesia than other ethnic groups. Their contribution to philanthropy highlights their desperate need to feel national belonging as Indonesians—an identity which they have been denied and a loyalty of which they have been suspected for a long period of time in the history of postcolonial Indonesia. Recent events of natural disasters in Indonesia have allowed the Chinese to contribute to a humanitarian cause outside the comfort zone of its own ethnicity and beyond the act of only giving money. Referring to the 2004 Tsunami in Aceh, Christine Tjhin notes that Chinese contribution to the humanitarian relief efforts "may well be the first time Chinese Indonesians engage in a real nation-building agenda that is inclusive as well as cross-cultural" (Tjhin 2005). She contends that in the past the Chinese are seen as only having an "ATM function" in their participation in disaster relief. But in this incident, NGOs established by Chinese-Indonesians post-1998 were now actively engaged in humanitarian efforts. This novel way of contributing highlights a new approach by which the Chinese engage in and feel belonging to the society.

Finally, we will briefly consider the notions of "forgiveness" and "moral pardoning" in Chinese philanthropy in Indonesia. As mentioned earlier, an informant, who himself is a businessman and philanthropist, expressed his skepticism on the rise of philanthropic activities contributed by Chinese business tycoons in Indonesia. He argued that "they [affluent Chinese] give [to philanthropy] in order to remove the guilty feeling that they have from their inappropriate business conducts." When asked what about the children of these

tycoons who engage in philanthropy, the informant answered, "the second generation contributes to philanthropy in order to help redeem the sins [*menebus dosa*] of their parents ..." (personal communication, 16 July 2009). We need to consider the response above by examining the business practices of philanthropists. An investigation into the profiles of some wealthy philanthropists might show that some of their business practices or personal conduct had been controversial. Infelicities such as corruption or tax embezzlement, however, should not be taken to dismiss all the philanthropic work contributed by businessmen implicated in such scandals and render them as merely a strategy of moral pardoning. The following questions should be raised: are altruism and corruption mutually exclusive? Do they nullify each other? Is a corrupt person incapable of doing good? In this regard, further research is required to explore the effects of philanthropy in relation to the religious, political, sociological, and psychological discourses on "forgiveness" and "pardoning."

### CONCLUSION

This paper has profiled some of the most prominent elite Chinese philanthropists in Indonesia and discussed some patterns and motives of their philanthropy. It has examined three fascinating contributing factors of Chinese philanthropy that an informant raised, namely "face," "faith," and "forgiveness" to understand the impetus that gives rise to philanthropic giving among the Chinese-Indonesians. It has also discussed how philanthropy has become an attempt for Chinese-Indonesians to claim national belonging, debunk the "economic animal" stereotype, build a more favorable image, elevate social status, enter into elite social network and express certain kinds of religious piety. The essay has not characterized the philanthropists using the "seven faces" proposed by Prince and File (1994) listed in the introduction. Nevertheless, through the profiling and discussions of elite Chinese philanthropists, several of these characteristics can be observed. It is important to note that these characteristics are not watertight and mutually exclusive, that is, an individual can embody more than one characteristic. For example, Chinese-educated philanthropists like Mochtar Riady and Sukanto Tanoto who donated to their ancestral village in China can be characterized as "the communitarian." At the same time, Mochtar Riady and Ciputra, can be characterized as "the devout," "the investor," "the repayer," and "the altruist" based on their Christian faith, which prompted them to build schools and so on. Third-generation Chinese-Indonesians like James Riady, Putera Sampoerna, and Cherie Nursalim can be seen as part of "the dynast" who continue the philanthropy tradition in their family. These hodgepodge characteristics that the Chinese philanthropists embody bear testament to the complexity and heterogeneity of their motives and agendas in contributing to philanthropy. With new regulations pertaining to CSR and nonprofit foundations, it will be interesting to observe the future development of Chinese philanthropy in Indonesia in light of continuity and change.

## NOTES

<sup>1</sup> This paper uses the terms “Chinese,” “ethnic Chinese,” and “Chinese-Indonesians” interchangeably to refer to Indonesians of Chinese descent.

<sup>2</sup> Nevertheless, the recent establishment of the Asia Pacific Philanthropy Consortium <<http://www.asiapacificphilanthropy.org/>> and the Association of Philanthropy Indonesia (Perhimpunan Filantropi Indonesia, <<http://www.filantropi.or.id/>>) have made information on philanthropy in Asia more accessible.

<sup>3</sup> To further discuss the relevance of philanthropy in Chinese culture, consider the following: Young (2004: 39) maintains that “traditional China had strong customs of respect and care for others”; and Yin and Lan (2004: 83–84) show that Chinese immigrants in the United States have carried with them a cultural heritage that advocates philanthropic giving as a vital part of spiritual life that they learned from religious teaching and philosophical and moral stories.

<sup>4</sup> This is not to suggest that only the Christians are committed to philanthropy, other religious foundations, such as the Buddhist Tzu Chi Foundation from Taiwan, are also active among the Chinese. But for the purpose of this paper, only examples from the Chinese-Indonesian Christians will be discussed.

<sup>5</sup> Social class is a major determinant of these elite Christian schools. Students need not be Christians but attending Christian religious classes and participating in activities related to the faith is compulsory. Hence, Muslim Indonesian students are reluctant to enter the schools.

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