

**Kyoto University CSEAS (Center for Southeast Asian Studies) – NIOD
(Netherlands Institute for War Documentation) International Workshop:**

New Perspectives on Chinese Business, Family, and Changing Regimes in Indonesia

Summary

1) Abidin Kusno (University of British Columbia)

Visualizing 'Ethnic Chinese': Towards an agenda for Research

While research on the social, political and cultural histories of ethnic Chinese in Indonesia has becoming more important and urgent, very little research has been done on visual representations and their roles in shaping identities and politics of ethnic Chinese in Indonesia. This talk aims at opening up a more fertile and equally complex ground of understanding ethnic Chinese under colonial conditions by looking at the self-representations of the family life, indoor and outdoor as these were depicted in photo albums and home videos of a particular elite family in Java.

2) Peter Post, Netherlands Institute for War Documentation

Paradise Lost: The Fates and Fortunes of the Oei Tiong Ham Concern, 1930s-1960s

Second generation ethnic Chinese businesses are generally managed by (half)-brothers and outside experts that have married into the core-family. To the outside world the Chinese conglomerate appears to be a smoothly run enterprise whose fates and fortunes rest largely upon its exclusive ties with the existing political regime. Little comes out however, that very often inside the conglomerate factionalism is rampant and internal power-struggles over management competencies and financial rewards greatly affect business strategies and economic performance.

When political power changes the Chinese family enterprise as a whole faces the huge task of establishing trust within the new regime in an effort to sustain the family business. The Oei Tiong Ham Concern (OTHC) is a famous example of an ethnic Chinese conglomerate that ultimately was unable to adjust itself to the institutional changes of the 1930s-1960s. It succeeded relatively well under the Japanese military administration but once the Sukarno regime took over its assets were soon being appropriated by the Indonesian government and its share-holders forced to leave the country.

By using hitherto unknown private memoirs, building upon extensive interview materials with the main actors involved, this paper will explicate the intricacies and complexities that surrounded the fall of OTHC in Indonesia. It will argue that the fall of the conglomerate was caused by a complicated inter-play of family factionalism and a fast changing international economic order, both of which prevented the conglomerate as a whole to be accepted as a trustworthy and loyal partner of the Sukarno regime.

3) Nobuhiro Aizawa, National Graduate Institute for Policy Studies

Disentangling the Chinese: The Chinese in the Making of the New Order 1965-68

In establishing the New Order, President Suharto had two big agendas: one was to secure political stability and the other to promote economic development. Political stability was first achieved through the annihilation of the communists and economic development was spurred through foreign aid and investments. One of the major political conditions of this period for creating a new regime was the worsening relationship between China and Indonesia. Therefore, the new regime needed to control the influence of China which was held to be one of the main sources of Indonesia's domestic political instability. However, on the other hand, the new regime needed to make the best of the capital and business skills of the Chinese for its other core agenda, the economic development. How to block China's influence on the one hand and to mobilize Chinese business on the other hand was the big question that the new regime faced.

One of the first major steps the Suharto regime took was to ban remittances. Another was the selective inclusion of the "Chinese" as "Indonesian Chinese." These led to measures such as banning the "racially exclusive" (meaning ethnic Chinese) organizations and appropriating their assets. Abandoning the channels of Beijing influence, the new regime's main target was to re-integrate the Chinese into Indonesia not politically or culturally but rather economically.

4) Marleen Dieleman, Leiden University School of Management

Co-evolution of Generational and Regime Changes with Strategy in Ethnic Chinese Conglomerates: The Case of the Salim Group of Indonesia

Drawing on co-evolution theory, theories of ethnic Chinese business, as well as on institutional approaches to organization strategy; this paper presents a study on the mutual influence between generational transitions and regime changes in ethnic Chinese businesses, grounded in a rich longitudinal case study of the Salim Group. The strategy of the Salim Group is influenced by internal changes, particularly generational change, as well as by external institutional changes, such as regime change, both gradual and sudden. Large business groups such as the Salim Group also shape the institutional environment by structurally influencing key agents of institution-building.