

Putera Sampoerna – Saint or Sinner?



The Jakartass Profile

Introduction.

In 2012 I read an interview in the Jakarta Post which left me feeling aghast.

In short, describing his Sampoerna Academy, Putera Sampoerna said: "*I do not give scholarships for my students. They have to pay me back a total of US\$15,000 spent for the three years in the academy.*

"This is because I have invested in, let's say, you, a student from a poor village. I call it an equity investment. I will support you through school and find other people to support you through school. As soon as you get a job, I'm entitled to 20 percent of your income throughout your life."

I posted a mild rant on Jakartass.net and this was later picked up by an Indonesian forum which attracted 1,000+ comments, including one from the man himself.

A year later, the issue resurfaced and I felt compelled to write a series of posts in greater depth and placed them in the category 'Moral Corruption'.

In this Anthology I have removed **the links** which gave my writing veracity.

These are the URLs if you want to dig further:

1. Putera Sampoerna - Slave Trader?

<http://jakartass.net/2012/03/putera-sampoerna-slave-trader/>

2. Putera Sampoerna - Saint or Sinner?

http://jakartass.net/2013/07/putera-sampoerna-saint-or-sinner_1/

3. A Healthy Dose of Scepticism

<http://jakartass.net/2013/07/putera-sampoerna-saint-or-sinner-2/>

4. Putera Sampoerna - Sinner!

<http://jakartass.net/2013/07/putera-sampoerna-saint-or-sinner-3/>

5. Putera Sampoerna - Traitor?

<http://jakartass.net/2013/07/putera-sampoerna-saint-or-sinner-4/>



Are those books real?

Part 1

If I could, I'd place morally corrupt barstewards such as the Bakrie Brothers, Eka Tjipta Widjaja, oligarch-owner of [Sinar Mas](#), and all those politicians and religious nutters whose 'belief systems' include corruption, exploitation and [violence](#) in the [stocks](#).

Their medieval purpose was to expose offenders to ridicule and mockery; passers-by were encouraged to throw mud, rotten eggs, mouldy fruit and vegetables, smelly fish, offal, and excrement (both animal and human) at those being punished.

However, I can't, but I can pillory them, now used as a verb but with the same intent as the original physical punishment a public humiliation.



The pillory at Charing Cross in London, c.1808

The question I am pondering here is whether Putera Sampoerna should join them. [I've pilloried him before](#), and his Putera Sampoerna Foundation (PSF) is on the defensive once again, but this time from the main media and for basically the same reason: the debt cycle with which they entrap the erstwhile financially disadvantaged students in the many educational institutions which come under the PSF umbrella.

Saint?

I must point out that PSF has indeed established 'centres of educational excellence in Indonesia', and a read of [this page](#) gives some confirmation of that.

Akademi Siswa Bangsa Internasional (ASBI) offers a holistic curriculum based on the Indonesian National Curriculum and 21st century learning that is

supported by the Cambridge International Examination (International General Certificate of Secondary Education and International A Levels) and Advanced Placement (AP). All of our courses are in English. So when students graduate out of our school, they will be fluent in English and will qualify for any English-speaking university.

(It is to the government's shame that in spite of 20% of the annual budget being allocated to the public education sector, it is the private sector which attempts to offer the best facilities, though not necessarily the best education.)

ASBI emphasizes not only academic ability but also provides an educational experience at a world class standard that enables students to acquire and apply knowledge, concepts and skills. We equip our students with many different competencies including but not limited to: effective communication, collaboration and team work, decision making skills, problem solving and critical thinking abilities, creative thinking and the spirit of innovation information (eh?), media and technology literacy skills.

But, what is the ulterior motive of PSF?

Why is its mission "**Creating leaders with vision and integrity**"?

Education provides opportunity for children to reach their dreams. Unfortunately every four minutes, one kid has to dropout because of poverty. Putera Sampoerna Foundation's initiatives give students a chance to be Indonesia's future leaders.



Sampoerna Sponsored Students - "The Brightest of the Poorest"

I wanted to know more, so I watched this more than hour-long [video](#), a paean of praise and self aggrandisement. It starts with an introduction which praises Mr. Sampoerna as being "*a true friend of America*", which is sure to raise the hackles of many of you.

But then, the seminar was sponsored by the [Center for Strategic and International Studies](#) (CSIS) which "*since 1962, has been dedicated to*

finding ways to sustain American prominence and prosperity as a force for good in the world. After 50 years, CSIS has become one of the world's pre-eminent international policy institutions focused on defense and security; regional stability; and transnational challenges ranging from energy and climate to global development and economic integration."

This is a pdf file of Mr. Sampoerna's speech in which he states the following: *"Imagine the possibilities provided by thousands of American educated local scientists, scholars, public policy professionals, and business executives going back and contributing to the development of their home countries.*

Also consider what contribution the empathy of so many American-educated individuals towards their U.S. counterparts would bring towards our efforts to achieve peaceful co-existence. Peace and prosperity, you see, is actually less expensive than its alternative.

Isn't it about time the paradigm shifted in U.S. international strategies: Instead of "Gunboat Diplomacy", how about "Diploma Diplomacy" ... How about shifting from the World's Policeman to the world's Educator?

If I am not mistaken, the ratio between the annual costs of supporting university students to soldiers deployed overseas in non-combat areas is 1:3."

That might sound somewhat idealistic until you focus on what kind of "leaders" he'd like to breed: (local) *American educated scientists, scholars, public policy professionals, and business executives.*

Aren't these the very same folk who've got the planet in the mess it's in?



Later this year, Universitas Siswa Bangsa Internasional (USBI) and Lone Star College (LSC) will open the **first accredited U.S. Associate Degree program** offered in Indonesia.

The Sampoerna Foundation is building the university and the Associate Degree program based on the amalgamation of its two existing colleges – the Sampoerna School of Business and the Sampoerna School of Education.

The USBI's six hectare rented campus is located in Pancoran, South Jakarta, quite close to Jakartass Towers. The only problem appears to be **a distinct lack of transparency** from LSC, which does not auger well for future international relations.

Footnote

The book referred to in the introductory remarks to the video was **Higher Learning, Greater Good** - *the first book to systematically identify and develop the evidence necessary to measure comprehensively the benefits of higher education and to estimate their economic value.*

And that last bit would have been music to Putera Sampoerna's ears!

Part 2

A Healthy Dose of Scepticism

In 2001, PSF started out as a “philanthropic foundation” offering “scholarships” to bright high school students and undergraduates from financially impoverished families. By any definition, a scholarship is a gift and, as will be outlined below, the Sampoerna family could afford to fund them from petty cash. In November last year, Putera was [9th on the Forbes Indonesia Rich List](#) with \$2.3 billion.

However, in 2009 the Koperasi Siswa Bangsa (KSB) was established by alumni and the previous “scholarships” offered to bright students from poor families became student loans. In other words, a credit union was established.

(The [KSB website](#) is a one page JPEG weighing a massive 636kb, which in itself offers a negative perception of the IT component of the curriculum taught in PSF education institutes.)

The foundation continued to [refer to scholarships](#) last year, presumably because altruistic actions are generally applauded. To be fair, the term ‘loans’ only crops up this year and the word used from 2009 onwards in their history is ‘assistance’.

And it is this aspect of the PSF operations which became newsworthy in June. They are operating a charm offensive to counteract complaints from parents of students at the Sampoerna Academy in Malang that their [children were being coerced into signing](#) a three-year debt contract with the foundation.

The principal of SMA South Sumatra, the Sampoerna Academy in Palembang, Erma Retnowati confirmed this a week later when [she was quoted](#) as saying that *“students are required to be accountable for the costs which have been provided by donors by making achievements.”*

Naturally, CSF used their press room to [explain at some length](#) (in bhs. Indonesia) their student loan policy as well as exercising their [right of reply](#) by saying that *“the ‘chip-in’ fund was done by the State Student Cooperatives (Koperasi Siswa Bangsa) consisting of alumni of Sampoerna Academy.”* *Furthermore, the fund (Rp.150 million) could be paid in 30 years without interest.* (Note: this is not the three years that the Malang parents were complaining about.)

“This agreement (the educational contract) was bound to all Sampoerna Academy graduates first batch last year.”

Given that 55 is the retirement age in Indonesia, then a 30 year repayment period is a working lifetime. Furthermore, “bound” (and gagged?) suggests that there was no coercion: it was compulsion!

I await with interest the report from Parliament’s People’s Welfare Commission from the Parliament who inspected the Malang Sampoerna Academy on the 20th of June after receiving the parents’ complaints.

The following poorly proofread [press release](#) was issued by PSF in July last year.

Dana Siswa Bangsa is the first student assistance, in the form of non collateral loans, in Indonesia that provides financing solution for top-scoring students with leadership potentials wishing to continue to tertiary level without placing financial burden on their families. Their contributions will begin six months after graduating college/university and earn their own income. The college/university graduates are expected to contribute 20% of their salaries during their productive working age. The contributions will be distributed through Koperasi Siswa Bangsa to finance the next generation of students in pursuing higher education.

So [my original post](#) from a year ago is substantially correct and we should remain perturbed by the continued self interest of PSF.

The article about the Palembang Academy in the Post was written by their local stringer [Ansyor Idrus](#), who the next day followed it up with [another](#) which highlighted the undoubted scientific achievements of the Academy's students.

However, I feel justified in suggesting that due to the timing, so close to the bad news emanating from Malang, Mr. Idrus may have been 'conned' into writing his articles. After all, as this [wiki page](#) suggests, there are other "top schools" in Palembang!

Part 3 - Sinner!

Through four pillars of activities, Putera Sampoerna Foundation (PSF) is committed to create Indonesian future leaders and entrepreneurs of high caliber with strong moral fiber to meet global challenges.

– [Putera Sampoerna](#)

Given the major sources of the wealth of the Sampoerna conglomerate, I would question what right PSF has to instill "moral fiber" in its students.

On May 18th 2005, Philip Morris International (PMI) completed [the acquisition](#) of 97.95% of [PT Hanjaya Mandala Sampoerna Tbk.](#), the Sampoerna tobacco company. A block of approximately 40% of the outstanding stock was sold by the controlling Sampoerna family, especially by Putera Sampoerna and other insiders (i.e. family members [including](#) Sinta Dewi, Villia, Soenarni, Boedi and Sulistiani Sampoerna – the latter now deceased?) in a negotiated transaction. The series of transactions valued the company at approximately \$5.2 billion. Which meant that Putera and his "insiders" trousered c.\$2.08 billion.

At the time, the 58 year old [Putera Sampoerna said](#) that *the sale was the right thing to do because PMI was positioned to foster growth of Sampoerna in terms of sales of kreteks. Although Sampoerna for the past year had recorded*

the highest revenue in the past ten years, he stated, the cigarette business would get tougher in Indonesia. In order to sustain the growth, Sampoerna would have to venture overseas. The Sampoerna family, he said, was now looking for re-investments in other areas, possibly agriculture and infrastructure.

Sampoerna Agro is one of Indonesia’s largest plantation companies. You can download their 2012 Annual Report (.pdf) from [here](#).

A couple of years ago, PT. Union Sampoerna Triputra Persada (USTP) “*a rapidly growing company in the field of oil palm plantations*”, was one of several companies **castigated for relocating orangutans** to the Nyarumenteng Reintroduction Center, managed by the Borneo Orangutan Survival Foundation near Palangkaraya.

“Hardi Baktiantoro, the center’s habitat campaigner, said that rather than this program being a success, the relocation of orangutans from their original habitats exemplified the government’s failure to protect the species.”

I wouldn’t include gambling in the “infrastructure” sector but that is where Sampoerna has been highly visible. In 2003, an online gambling company **Mansion.com** was **established** and **registered in Gibraltar**.



From one addiction to another

In 2006, Manchester United had been set to sign a huge £70m deal with gaming company Mansion, but talks broke down after **the club raised concerns about being associated with a gambling operation**.

There were no such qualms for **Tottenham Hotspur** and Mansion remained their shirt sponsor until 2010. From 2011 until the end of last season, **Manchester City** were the recipient of Mansion’s largesse.

Offshore Accounts – Tax Evasion?

Between 2001 and 2010, Global Financial Integrity *estimated that* **US\$109 billion was illicitly transferred out of Indonesia**.

Country/Region	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Illicit Outflows
Indonesia	0.32	2.87	15.12	17.64	11.38	12.72	15.49	16.54	11.56	5.21	108.86

That is more than **Indonesia’s foreign currency reserves** at the end of June! Another comparison is that **fuel subsidies cost about \$20 billion** in 2012.

At least one offshore account is, or has been, controlled by a member of the Sampoerna family. On May 31 2005, two weeks after the sale of their tobacco company, [TrustNet](#) established an offshore trust called [Strong Castle Trust](#) in the Cook Islands. Sulistiani Sampoerna is listed in the TrustNet files as “trust settlor”, possibly indicating it was her money the trust was to hold. Her address was given as Jl. Ambengan No.19. RT/RW Ketabang, Surabaya.

[Download](#) **Secrecy For Sale: Inside the Global Offshore Money Maze**

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Ties to SBY

In June 2006, two years after Susilo Bambang Yudhoyono won the presidency, the Sampoerna family started [Jurnal Nasional](#), a daily newspaper in Jakarta. Political opponents of Yudhoyono – even journalists who work for the paper – say the publication’s content is controlled from the Merdeka Palace, Indonesia’s White House. Sunaryo Sampoerna, an art collector and a nephew of Putera, was chairman of PT Media Nusa Perdana, which publishes the newspaper.

In order “to encourage better, more accurate writing”, the Anugerah Adiwarta Sampoerna is an annual award for Indonesian print media journalists and photographers covering legal, arts, business and environmental matters. [To the best of JPSF's knowledge](#), this Award was initiated and organized by PT HM Sampoerna Tbk. The Award ceremonies are always filled with Sampoerna banners, logo and souvenirs. The juries have included Sampoerna executives.

Wahyu Dhyatmika, leader of Jakarta’s Alliance of Independent Journalists, said, *“On top of their advertising and sponsorship, the journalist award is a very effective method to reach out to the subconscious of journalists.”*

There is another thread in the Sampoerna - Yudhoyono connection: Putera Sampoerna hosts Yudhoyono’s youngest son, Edhie Baskoro, the Democratic Party secretary-general, in an office inside his Sampoerna Strategic Square tower, in Jakarta. The 27-year-old politician has a whole floor for himself.

Sources: [Andreas Harsono](#) and the [Center for Public Integrity](#)

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Putera Sampoerna – Traitor?

*We are controlled by tiny corporate entities that have **no loyalty to the nation** and indeed in **the language of traditional patriotism** are traitors. They strip us of our resources, keep us politically passive and enrich themselves at our expense.*

– Robert E. Gamer: [Developing Nations: A Comparative Perspective](#)

“No loyalty to the nation?”

Excerpt from a profile in [The Peak magazine](#) (Sept. 2011)

After a long career of success, in which he made his family’s company into one of the most successful in the country, Putera Sampoerna says his business days are totally behind him.

Putera says that since the day he was born, he has been surrounded by people who believe in the virtues of hard work and dedication. It's a value he has passed on to his children, and one he wants to pass on to the rest of Indonesia.

Despite having been born and educated abroad, Putera says he is dedicated to Indonesia and is proud to be a citizen of the country. "*Indonesia has shaped who my family is today,*" he said. "*And it's time to give back.*"

Putera now lives in Singapore with his wife Kathleen.

The language?

Language is but a tool, but it must be used with care. My Indonesian is not strong enough to grasp the many levels and subtleties of the language, but my English most certainly is. If Putera Sampoerna chooses to use English, and he has a distinct, albeit faint, American accent when he speaks, then I am justified in offering this criticism, and my opinions of the man based on what he has said and written, and what others say about him in his presence.

His 'Pearls of Wisdom'

There is a page on [his blog](#) – yes, he's copied my example – containing *bon mots* presumably intended for the students in his various educational institutions.

Glossing over Winston Churchill's alleged quote: "Keep Bugging On!!!", several references can be found to the fact that many students, being Indonesian, are Muslim.

I don't know what religion PS has on his KTP, the Indonesian ID card meant to be carried at all times, but I suspect that he is Christian. He should know that in the New Testament it says this: *Give not that which is holy unto the dogs, neither cast ye your pearls before swine.*

Matthew 7:6

Suggesting that some, many or any, of his students are 'swine' (pigs, hogs, etc.) is incredibly offensive.

Furthermore, as Michael Quinion, a lexicographer of some repute, [explains](#): **The idea goes back ... to one of the oldest books of the Bible:**

No mention shall be made of coral, or of pearls: for the price of wisdom is above rubies.

Job, chapter 28, verse 18

These days 'pearls of wisdom' has to be classed as a cliché, a hackneyed phrase whose shine has been worn off through constant repetition.

So, methinks it's time for PS to go back to (language) school.

Students in the PSF educational institutes profess five different religions. For whatever reason, practical, financial or spiritual, PS is to be congratulated for his ecumenical approach.

However, if he really does think of his students as 'swine', then he is subliminally alerting us to his true intentions which are ...

Messianic or Fascist Tendencies?

In entrapping students into a working life of servitude – the [30-year student loan repayment programme](#) run by PSF graduates – PS seems to be echoing Jesus who, in Matthew 4:19, "... *said unto them, follow me and I will make you fishers of men.*" (Or fishers of boys and girls?)

(Read this [evangelical sermon](#) but substitute 'Putera Sampoerna' for 'God' and 'PSF' for 'church', then try and spot the differences – if there are any.)

Intellectually immature yet academically gifted children of financially disadvantaged parents are easy targets. There are few parents who don't wish the best for their children and don't want them to fulfil their potential. Having PSF reach out and grab them, to feed, clothe and house them, and to put them through international schooling with other 'gifted' children, must be like winning a lottery or being struck by lightning. (The odds against either are very low, and both have potentially dangerous consequences.)

PS is by no means the first 'visionary' to 'take' children from their parents. [Robert Owen](#) (1771-1858), who owned a mill town, [New Lanark](#) (now a UNESCO World Heritage Site), was a philanthropist and social reformer and early co-operative pioneer. At that time, other factory owners paid their workers in part or totally with tokens, which were only redeemable in the company store, which often supplied shoddy goods at extortionate prices. Owen's, however, were discounted retail shops whose profits were passed on to his employees.



Two Philanthropists
Who does or did the greater good?

Through the practical application of his 'socialist' vision, which included model housing, Owen came to believe that man's character is made by circumstances over which he had no control, "*that he is not a proper subject either of praise or blame.*"

In 1813 Owen published two of the four essays in [A New View of Society](#); or, *Essays on the Principle of the Formation of the Human Character*, in which he expounded the principles on which his system of educational philanthropy was based. These principles lead him to the practical conclusion that the great secret in the right formation of man's character is to place him under the proper influences – physical, moral and social – from his earliest years. Hence, Owen became an early pioneer of elementary schooling, what the Indonesian government calls 'character building'.

Contrast that with the neo-capitalism of Putera Sampoerna (1947-?) whose foundation (PSF) *is committed to create Indonesian future leaders and entrepreneurs of high caliber with strong moral fiber.*

A PSF student, Anto commented on [The Usefulness of a University Education](#).

"After spending 7 years in the university, my conclusion is [that] higher education does not contribute much in changing a person's mindset. I found that one's character, mindset and intellectuality does not change. Is it possible that these characters / factors have been permanently shaped during elementary school and high school?"

Of course they are Anto, and surely that is why PS tells us that since 2005 PSF's [School Development Outreach](#) (SDO), which is aimed at improving the quality of schools, including the quality of educators and educational staff, *has served 118 schools and 9 madrasas involving 23,000 teachers. These programs are delivered through a comprehensive whole school development approach.*



As a qualified and professional educator through most of my working life, I have to ask the following:

- In saying that "true to the mandate of the Constitution (UUD), education is indeed the government's responsibility", what right does PSF have to run 'leadership' programmes?
- Who trains the teacher-trainers, and what is the educational philosophy and classroom methodology they are inculcating?

In *The Social System* (1826), Robert Owen wrote: “To train and educate the rising generation will at all times be the first object of society, to which every other will be subordinate.”

Yes, in spite of 20% of the country’s annual budget being allocated to the education sector, as mandated by the Constitution, and, yes, academically bright children do need education to enhance their talents as, indeed, do all children, I agree that Indonesia lags behind other countries in this sector. I’ve been saying this on Jakartass for over nine years.

However, in allowing the Putera Sampoerna Foundation to run its stated programmes, we are witnessing yet another delegation of responsibility, a capitulation to a non-accountable self-elected élite by the nation’s elected representatives who are, for better or seemingly worse, those chosen to be the country’s leaders.

Why CSIS and not the Indonesian Government?

“The structures of power that exist are working to their own ends to extend their own capability at the expense of the freedom of our publics.”

– [Edward Snowden](#)

The [Center for Strategic and International Studies](#) (CSIS) is not to be confused with the [Centre for Strategic and International Studies](#) (Indonesia), a think tank for the government on social, international, political and economic issues whose [mission](#) is to contribute to improved policy making through policy-oriented research, dialogue, and **public debate**.

Those two emboldened words encapsulate what the CSIS sponsoring Putera Sampoerna is not. A quick glance at its [Board of Trustees page](#) should make that patently clear. Start with Henry Kissinger, former director of Freeport, whose [hands were bloodied in Indonesia](#) before he became an architect of the Vietnam war.

The key questions I’ve been reaching for in this series are these:

- Why is “leadership potential” a priority in the PSF programs?
- Furthermore, why is PSF doing this in partnership with American neo-cons?

The answers are clearly articulated in this recorded [hour long CSIS Seminar](#) – skip to minute 41. I’ve cut an excerpt and converted it to [an .mp3 file](#) so you can listen along as PS says:

“I don’t have to educate everybody. I can educate the best.”

“We take in the top 5% academically from middle schools (SMP), and then put them through a very rigorous ‘culling’ process for those kids who show leadership potential.”

“The cooperative has clients – partnerships with corporations such as Exxon ... and Citibank who take the kids (i.e. post university graduation) on a ‘bonded’ basis.”

“I don’t have to solve the country’s education (sic); that’s for my Minister of

Education to solve.” (Eh? **His** Minister of Education?)

The following ‘anecdote’ can also be read in the closing paragraph of this [interview](#).

A lady journalist asked me at a press conference: “Putera, why are you doing all this?”

I sat there and said, “Have you seen my kids? They’re top notch, right?”

“Yes.”

“I’ve got 250 kids out there. Our Parliament is made up of 500 individuals. Now imagine if our parliament was made up of 250 of my kids.

“There’s nothing to say ... it’s obvious.”

Yes, it is.



However, I’ll leave it to conspiracy theorists to determine (and prove) whether Putera Sampoerna is planning a coup.

He is obviously furthering his “dream” in league with American neo-cons and multi-national corporations; this could well fit in with the [‘world government’](#) plans of Exxon, Citibank, the Rockefellers, the Rothschilds and the masons.

[So ... ?](#)

Browse the quarterly reports [here](#) to glean who the mostly upmarket partners are.

Mea culpa – ‘Er Indoors has reminded me that a dozen years or so ago, we hobnobbed with the Sampoerna clan on their island, one of the supposed 1000 in Jakarta Bay, and that their rather expensive yacht brought us back to shore.