

**Indonesia: A Suharto daughter resurfaces**  
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A battle is brewing over an Indonesian television station that highlights not only the notorious pliability of the country's legal system but also marks the re-emergence into the public light of a prominent member of the family of the late strongman Suharto, who was driven from power in 1998 in the wake of the Asian Financial Crisis.

The rare and muddy tussle is between downmarket media mogul Hary Tanoesoedibjo and former President Suharto's eldest daughter, Siti "Tutut" Hardiyanti Rukmana, over the legal ownership of PT Televisi Pendidikan Indonesia, or TPI.

The Tanoesoedibjo family's parent company, Media Nusantara Citra (MNC), says it controls TPI, RCTI and Global TV among many other media properties that have made MNC one of the biggest players in the Indonesian media market.

Suharto's children were notorious during the last years of the strongman's reign for the depths of corruption that allowed them to steal literally billions of dollars from the public treasury and to lock up major sectors of the economy through monopolies that were nothing more than figurative cash registers to deliver money to the family.

Despite Suharto's downfall and subsequent death in January of 2008, the family has remained relatively powerful in Jakarta, although they have been more discreet compared to the way they flaunted their power during the father's lifetime. Tutut especially has emerged as a behind-the-scenes power broker.

#### Squabble between allies

The battle between Tanoesoedibjo and Tutut, whose family once owned the only three private TV channels in the country, may turn on arcane legal points, but the meaning is clear: Tutut wants back into a game she and her siblings once dominated.

Tanoesoedibjo and his family are now preoccupied with graft charges dealing with a Justice Ministry company registry website formerly run by another company owned by Tanoesoedibjo's brother Hartono. The attorney general's office alleges that the government lost at least Rp410 billion (RM146 million) from Hartono's company's fraudulent operation of the site from 2001 through 2008. Hartono and former Justice Minister Yusril Ihza Mahendra were charged Monday, an action that presumably emboldened Tutut to go after TPI. On Monday, she said she controlled the station and appointed a new CEO, Yapto Soeryosumarno, a longtime friend of the Suharto clan, to run it.

TPI broadcasts mostly dangdut music and low-brow soap operas.

It is a squabble between onetime allies. During the Suharto era, Tanoesoedibjo was known to be close to the family and in 2002, Tutut asked Tanoesoedibjo's company, PT Berkah Karya Bersama, to help her out with the station's debts. She alleges that the media tycoon misused her appointment letter to hold a shareholders' meeting on March 18, 2005, and take over. She is seeking Rp4.3 trillion (US\$465 million) in damages.

But it appears there are other ways to regain control than shareholders' meetings. Last Sunday, Tutut told local media said that a "procedural error" in the registration of a change of ownership of TPI with the ministry of justice of in 2005 meant that she still owned the

station.

Tanoesoedibjo's allies say Tutut's legal basis for her claim, a Ministry of Justice decree, was falsified. In return, Tutut's lawyer, Harry Ponto, urged Tanoesoedibjo to let the police sort out the matter. "We welcome their move to take the dispute to police," Ponto said. "In the past, [Tutut's] claim over TPI was denied through closed-door maneuvers."

A Justice Ministry official refused to comment on the case. "I have to study the issue first," said ministry spokesman Martua Batubara.

Test case

Tanoesoedibjo Monday took Ponto up on his word and reported the interim procedural director of the Ministry of Justice and Human Rights to the Jakarta Police for fraudulently issuing the new decree on June 8 that in effect gave control of TPI to Tutut by annulling the 2005 decree he used to take over legal ownership of the station.

In Indonesia's murky legal waters, it is unclear if that decree has any legal standing or is even enforceable. How the case proceeds from here on will be keenly watched by market players and investors alike. TPI's shares have already been sold down as investors are uncertain of the outcome of the battle. In many ways, observers say, this is a test case for Indonesia's maturing corporate and legal system, testing the ability of the system to weigh the evidence and rule impartially.

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