The Cinema Policy in Political Economy Study: Historical Study on the Battle of Indonesian Film Producers in facing Global Capitalism

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Abstract
Global capitalism is real. It has entered this nation ever since the Independence Day had just been declared. From so many global capitalisms that took place, the existence of Hollywood in this country has been a proof that Indonesian film industry has grown under the shade of global capitalism. The phenomenon is not only caused by market expansion that have been done by Hollywood producers, but also caused by Indonesian government in new order era who issued broken cinema policy. 11 years after reformation, to fight against global capitalism, Indonesian government had actually issued the law of film number 33 in 2009 regarding the policy of cinema which says that cinemas should show at least 60% of Indonesian movie in their screens. However, the low market share of Indonesian movie has led the cinema business owner to disobey the policy. This step was taken to avoid the loss of not only the cinema business owner but also the government and Indonesian film industry. This article aims to explain the inability of the new cinema policy to solve the problem and the battle of Indonesia film producers in facing the massive expansion of Hollywood movies. This is a macro-qualitative research which adapted critical theory paradigm and the political economy approach.

Keywords: Cinema policy, Indonesian film industry, Global capitalism, Hollywood, Political economy

Introduction
Capitalist economic system has principle that demands the company to get higher profit (Suyanto, 2013: 85). At the same time, domestic market which is limited is not a solution to gain the achievement. Therefore, market expansion to overseas through globalization is a must (Nugroho: 2006). This tactic has been run by a country that holds capitalist economy system, The United States of America. For years, by expanding
market, USA had been successfully created giant industry in many economic sectors which one of the subsectors is film Industry named Hollywood.

The organization called Motion Picture of America (MPA) who has duty to distribute Hollywood movie to overseas, has targeted Indonesia as a promising market to sell the American movies. It started in old order government when President Soekarno gave permission to MPA (previously named Motion Picture Exporters Association) to manage the distribution of Hollywood movie in Indonesia (Armanto, 2016: 119). But it only took a few years for MPEAA to end their business in Indonesia when Lembaga Kebudayaan Rakjat (Lekra) affiliated to Indonesia Communist Party/PKI (who had a strong influence in politic) boycotted American movies.

This action seemed to save the economy of Indonesia from USA imperialism. Unfortunately, on the other side, the boycott led Indonesia to loss their own Industry Film. Cinema businessmen in Indonesia who showed American Movie had to close their cinemas because of the lack of Hollywood movie. Moreover, at the time, a lot of audiences didn’t want to go to cinema because of the fear of Lekra’s action (Ardan, 1992). Therefore, the numbers of cinemas significantly go down from 800 cinemas to 350 cinemas in 1964 (Armanto, 2016: 120).

Situation shifted in new order era under President Soeharto’s rule. Hollywood movies had been showed back in cinema screens in Indonesia. President Soeharto used this chance to build Indonesia industry film by issueing the policy that obligated the film importer to set aside the profit of importing film to produce local film. Moreover, the government also required all the cinema businessmen to show at least two national movies in one month with minimum two days of show in cinema. In 1977, the policy had increased the growth of national film which 135 titles movies in one year (Armanto, 2016: 121).

Unfortunately, this situation changed when President Soeharto gave permission to his relative, Sudwikatmono to monopoly all importing film. Three consortiuums importing film, Mandarin, European-American, and non-Mandarin had been controlled by Sudwikatmono. Together with Benny Suherman, this monopoly also led them to conquer cinemas in Indonesia. In other words, cinema businessmen who didn’t want to take shelter under Cinema 21 group owned by Sudwikatmono and Suherman would be bankrupt slowly because of the lack of importing movies. Moreover, the duet of Sudiwaktmono and Suherman who put forward importing movies especially Hollywood movies has resulted Indonesian film industry to the valley of adversity which still felt to this day.

Reformation started in 1998 has not immediately brought solution to Indonesia film Industry. The Hollywood movies were still dominating cinema screens in Indonesia which the market share in 2017 is 63%. Furthermore, after reformation, there was no new cinema policy which means the practioners of Indonesia film industry still had been used the film regulation number 8 in 1992 for 8 years. Then, in 2009, under government
President Susilo Bambang Yudoyono, the new of film regulation number 33 especially cinema policy was issued.

Specifically, in paragraph 32, the regulation says that businessmen cinemas should show at least 60% of Indonesian movie in their screens. This policy seems to help the national film industry. Unfortunately, the policy has been difficult to be implemented by the businessmen cinemas in Indonesia and it also doesn’t work to fight the domination of Hollywood movie in this country. For instance, based on data that we have conducted from cinema 21 in 2016, Indonesian movie only took control for 1.194 screens in cinema. Although we get no number for Hollywood movies, but surely the USA film still dominate the screen by looking at the market share number 67% in 2016.

Based on the phenomenon, this article aims to answer these two questions:
1. Why the film regulation number 33 in 2009 especially in paragraph 32, says that businessmen cinemas should show at least 60% of Indonesian movie in their screens has been difficult to be implemented by the businessmen cinemas in Indonesia?
2. How is the battle of Indonesia film producers to fight over the cinema screen in Indonesia under the massive expansion of Hollywood movies?

To answer the questions, we have interviewed director of cinema 21 group, Indonesian producer film, observer of national film and we also have collected data from thesis, journal, article, website and reports that related to this topic.

Literature Review

To explain the phenomenon, we use critical theory, structural imperialism concept and political economy approach concepts.

Critical theory was created by the left intellectuals from Frankfurt School in Germany. This theory roots from the thinking of Karl Marx who was quite critical in understanding the social life particularly the power relation. Marx always saw the economy as a base that determines human’s life (Suseno: 2005). Therefore, the Bourgeoisies, those who empower the economy, are able to empower the social order.

Unlike nowadays, media was not a huge business in the 19th century. Although Marx did not discuss much about media in his works, we can assure that he would have placed the media owners with big capital as the potentate to determinate the social order in the society. At the same time, in this case state will abide to these capital owners. This theory differs Marx from the other left thinkers emerged after.

Some left thinkers from the Frankfurt School such as Theodor W. Adorno, Horkheimer, Herbert Marcuse and Walter Benjamin did not see the material basis as the root cause of this problem. Adorno and Horkheimer did not explain the history of power and social order merely from the production side, but several other things can become the determinants, namely ideology, religion, technology and the market.

One of the famous theories from this Frankfurt School is the cultural industry theory by Adorno. Cultural Industry is the study of what happens when culture is mass-produced
and distributed in direct competition with locally based culture (Baran & Davis, 2010: 347). Mass media, like film, television, radio, music, magazine and others are technologies which contribute to the development of cultural industry. Cultural industry has created a cultural co-modification which leads to cultural standardization. In this matter, culture is produced and re-produced by capitalists as well as spread through mass media for their economy benefits instead of leaving culture to emerge from its society.

Moreover, the values that are embedded by mass media only concern the values relate to the benefits of the mass media owners. As a consequence, instead of enlightening the society, this embedment has caused enlightenment manipulation. The mass media owners control the society awareness. Self control is no longer determined by each person, but lies on the capitalist who control the “awareness” of people. They put human as if they are subject, however they use them as object.

Related to this research, as one of media, we view that movies are used by Hollywood to form the taste of Indonesian audience. Therefore the market that is formed in Indonesia support this American product.

Another important concept that writers use in this research is the Structural Imperialism. Structural Imperialism is the impact of media globalization. According to Croteau (1997: 289) mass media in globalization become a significant component due to its ideas, representation, voices of different culture and is acceptable by other cultures.

Fakih (2002: 198) sees globalization that formed by the rapid development of capitalism as open and the broad role of market, investment and production process of transnational companies which is strengthened by the ideology and the new trade under one regulation determined by the free trade organization globally.

If there are cultural differences between the country with market expansion and the target country, this economy activity will not expedite. As a result, cultural penetration is required, as mentioned by Johan Galtung (1971) as a structural imperialism. Cultural penetration creates culture resemblance between the expansion/centre country (center) and invaded/margin country (periphery). One way to implement the penetration is by forming a bridgehead to connect the center and the periphery. These bridgeheads are the middle and high class societies that live in the city who share the same lifestyle and taste as the society in the center country. Therefore, these bridgeheads will always be secured by the capitalist who form their life in order to gain benefit.

Vincent Mosco, one of the experts of political economy, views this approach as (Mosco, 2009: 24) political economy is the study of the social relations, particularly the power relations, that mutually constitute the production, distribution, and consumption of resources, including communication resources.

According to the aforementioned definition, we can conclude that the political economy approach focuses capital, class, contradiction, conflict and oppositional fight in their studies. Hence, media is put aside because this study concentrates on the interest
of the capitalist, rulers and other groups with interest in influencing the media structure, media behavior and media appearances compared to what are taking place in the mass media industry.

There are two concept of political economy that we use in this article. The first one is spatialization. This term introduced by Henri Lefebvre (1979) to denote the process of overcoming the constraints of space and time in social life (Mosco, 2009: 157).

This process takes places in two forms, first is the media integration horizontally where company controls the same production units. For instance, the television media owners who also owns printed media, magazine and online media. The second integration is vertical integration where company controls units at different level such as owning cinema and movie-import Company. This specification concept becomes one important point which explains the phenomenon that is taking place in the Indonesian movie industry, particularly related to the cinema policy.

The second concept of political economy is structuration. Structuration theory is developed by Anthony Giddens as a middle way to see the structure domination or social power with agency. In this matter, Giddens sees a reciprocal between the two (duality), not perceive one side causing the other side. Giddens defines structure as a path that can be used by agency to act. However, we must understand that structuration theory developed by Giddens has different view base as Karl Marx (the basis of critical paradigm). For Giddens, rules and sources in the structure can be used to create social order. While Marx sees rules and sources as capitalist tools to preserve their powers.

In the movie industry, political economy at least describes three important chains; they are production, distribution and exhibition (Effendy, 2008: 1-2). Production covers all the works, starting from selecting of story idea up to finishing and ready for distribution. Those who involve in the production are movie crew, investors, production house, actors and tools Rental Company. Distribution chain is movie distribution to be enjoyed by the audiences in cinemas. This role is usually played by movie Distribution Company which distribute movies to cinemas, television and VCD or DVD. Lastly, in the exhibition chain, the movie show is done by the movie exhibition companies. They are the last spear in the movie industry chain that directly connects with the audience. Writers explain this research by using these three industry chains.

Lastly, to describe the Hollywood expansion phenomenon in Indonesia, writers use several points of political economy which cover liberation, privatization and commercialization. These points cause the weak role of a country as an impact of worldwide capitalist economy. When the government released a policy that places media in that position, it is possible that the government’s control over the foreign invasion is weakened and the foreign party could easily dominate the market in that country.
Research Methodology

Paradigm used in this research is critical paradigm. According to Denzin and Lincoln (1994: 110), ontological paradigm put forward historic realism aspect which means reality is formed by the power of economy, politics, social and culture. In other words, writers regard the cinematic condition in Indonesia which impacts that current flagging movie industry, does not happen naturally, but the aforementioned reasons have contributed to cause it.

In terms of the epistemology aspect, critical paradigm sees the relation between researchers with the researched reality which is subjective and transactional. The relation is reciprocal due to the attached values between them. In this matter, researchers are not value free and we have side in seeing a reality.

Lastly, for the axiological, critical paradigm receives values, morals, etiquettes to unload a phenomenon. Moral values here mean freeing human beings from a system that fetter them for the interest of other parties.

This research uses qualitative approach with inductive paradigm which tries to understand a phenomenon by referring to the existing theory, not to test a theory and measure the researched sample. By referring to the critical paradigm and qualitative approach, writers analyze data by using perspective from the concepts of the critical political economy.

Data gathering technique and this research is conducted with two ways, namely interview and document studies. Deep interview to the informants is conducted with open questions by referring to the guidelines. For the document study, researcher conduct study on the documents of the prior related research, news, regulations and other documents.

The interviewed informants in this research are those with broad knowledge related to the Indonesian movie industry, namely:
- Chand Parwez Servia (Head of Indonesian Movie Agency; Owner of Production House Star Vision and Director)
- Hikmat Hidayat (Movie Observer and Book Writer Menjegal Film Indonesia: 2011)

Apart from the two interviews, researchers also use the interview result conducted by one researcher from the Saiful Mujani Researcht Center (SMRC) to the chairman director of Cinema 21. The other information we use is the information gathered from thesis, books, journals, articles, news, movie website and reports related to this research.

The validity of this research is emphasized on the informant’s credibility as the movie industry actors who have been at least 10 years in the movie industry. Therefore, they have sufficient experiences and are able to explain problems that they have been facing in the Indonesian movie industry.
Result

The Indonesian government in the post-reform era has tried to keep Indonesia's own film by making a cinema policy, the Film regulation number 33 of 2009. The rules in paragraph 32 require the entrepreneur of the film exhibition to show at least 60% of Indonesian films from all hours of the film show that it has for six months in a row. Unfortunately the policy can not be fully implemented due to the high demand of foreign films in Indonesia, especially the Hollywood movies. While private cinemas which are not funded by the government require the benefits of the movie for a fairly high operational cost, which is about 100 million rupiah per month for a cinema that has approximately four screens. So it is not surprising that the cinema has a tendency to put forward films that more saleable in the market.

Currently, the share of revenue given by the Hollywood movies is still much larger than the share of revenue provided by the Indonesian films. For example, CGV Cinema, one of the well-known cinemas in Indonesia, recognizes that the imported films especially from the US provide much more revenue share than the Indonesian films. Even in 2015, US film revenue share reached approximately 90% while Indonesian films only 8%. Indeed the number of Indonesian film revenue share continues to increase in 2016 up to 26% and also continues to rise in 2017 (swa.co.id). But still the amount is less than the share of revenue given Hollywood movies to CGV which reached approximately 70%.

The small share of the Indonesian film revenue is due to the fact that Indonesia's film industry is not yet fully stable, although in the last two years it has shown a good improvement. This can be seen in the Indonesian market share graph of the last 10 years or from 2008 to 2017 below.

![Market Share and screen mastery by Indonesian film started from 2018 to 2017 (data from Cinema 21 group)](image)

The year 2008 was the euphoria of Indonesian films with the highest market share of 56%. Despite falling 12% in 2009, yet the 44% figure remained high. Unfortunately, this growth did not last until 2015. Film observer and producer claimed the cause of this
tragedy was the fact that many producers film produced the same genre movies that caused the audience boredom.

In addition, the appearance of the digital technology in 2012 allowed the process of making film becomes cheaper. It does not require the process of blow-ups to celluloid which is quite expensive. By using digital technology, the cost of distribution in the form of hard discs ranges from 30 million rupiah to 150 million rupiah. This cost is much cheaper than the cost of blow-ups to celluloid ranging from 300-350 million rupiah. That was not added to the cost of printing celluloid coffee whose unit price reached 10 million rupiah. Small movies usually require 50 prints which means 500 million rupiah, while a big movie requires about 100 prints which means one billion rupiah. These costs have not been added to the other production costs along with promotional costs. While in the digital era, with relatively cheaper production costs, the film producers do not need to target the movie would be watched as many as 500 thousand people. With a range of 50-70 thousand, film producers have turned back and get a profit. Moreover, they start producing back-to-back movies - horror, sex, comedy and violence - that have an instant attraction. Thus, from 2012 to 2015, Indonesia's film market share continues to decline and does not increase.

However, the Indonesian film market share is increasing slowly in 2016. This is allegedly by some parties because Cinema 21 formed a selection committee of films that select the films that can be showed on the cinema screen. Although according to some parties the formation of this committee seemed like to tackle national films, but at least the formation of this committee contributed in maintaining the quality of Indonesian film. Although increased, but basically in the last 10 years the market share of Indonesian film has not been able to flow the market share of Hollywood movies in this country.

If the cinema businessmen are forced to enforce the regulation – paragraph 32 of Film Constitution number 33 of 2009, they could layoff some of their employees to reduce the operational cost of cinema. In other words the number of the unemployed will increase, the cinema's own income will decrease and the taxes that are paid to the state are getting less. Moreover, if Hollywood movies become scarce, it can reduce audience to watch movie in cinema which will impact the Indonesia film industry. Thus, not only the cinema will lose, but both national film producers and the government will also be affected.

**The battle of the Indonesia film producers to fight over the cinema screen in Indonesia under the massive expansion of the Hollywood movies**

In the midst of strikes of the foreign films, Indonesian film producers are still trying to show their existence. One way to do this is by making movies with interesting genres. The interesting genres are usually drama; comedy horror and packed with stories that are easily understood by the Indonesian audiences. These genres are considered capable of reaching a large number of audiences in Indonesian cinemas. Although the genre of
drama movies usually get a lot of audience, but the drama genre which is wrapped with unusual stories or also called a breakthrough movie can be said to be quite risky, which usually only able to reach a few viewers. For example, the drama and thriller movie of *Marlina Si Pembunuh dalam Empat Babak* (2017) directed by Mously Surya and originated from the idea of Garin Nugroho's story. The movie that showed in the Directors Fortnight session at the Cannes Film Festival in 2017 ago and received various awards, was not able to get a large number of audiences in this country. After a month since its first screening on November 16, 2017, Marlina was only able to reach 132,838 spectators at cinema 21 (theatersatu.com).

This phenomenon shows that there is still a sense of distance between filmmakers and Indonesian audiences who in fact are not interested in films that raise social issues. Even if the filmmakers still insist on making "idealist" films but still expect a large audience then the solution is at least by packing the story in the form of drama that is more easily digested by the Indonesian audience. One example is the movie *Laskar Pelangi* (2008) made by Miles Films which did not only manage to make quality films by raising social issues but also successful to reach 4,719,453 spectators (filmindonesia.or.id).

By producing films that are not risky, the Indonesian film producers are more confident to fight with Hollywood movies over the screen. This can be seen from the table below which shows that the best-selling movies from 2008 to 2018 are movies that are packed with interesting stories but still have good quality.

<table>
<thead>
<tr>
<th>#</th>
<th>Judul</th>
<th>Tahun</th>
<th>Penonton</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Warkop DKI Reborn: Jangkrik Bossi part 1</td>
<td>2016</td>
<td>6.858.616</td>
</tr>
<tr>
<td>2</td>
<td>Dilan 1990</td>
<td>2018</td>
<td>6.315.096</td>
</tr>
<tr>
<td>3</td>
<td>Laskar Pelangi</td>
<td>2008</td>
<td>4.719.453</td>
</tr>
<tr>
<td>4</td>
<td>Habibie &amp; Ainun</td>
<td>2012</td>
<td>4.583.641</td>
</tr>
<tr>
<td>5</td>
<td>Pengabdi Setan</td>
<td>2017</td>
<td>4.206.103</td>
</tr>
<tr>
<td>6</td>
<td>Warkop DKI Reborn: Jangkrik Bossi Part 2</td>
<td>2017</td>
<td>4.083.190</td>
</tr>
<tr>
<td>7</td>
<td>Ayat-ayat Cinta</td>
<td>2008</td>
<td>3.676.135</td>
</tr>
<tr>
<td>8</td>
<td>Ada Apa Dengan Cinta 2</td>
<td>2016</td>
<td>3.665.509</td>
</tr>
<tr>
<td>9</td>
<td>My Stupid Boss</td>
<td>2016</td>
<td>3.052.657</td>
</tr>
<tr>
<td>10</td>
<td>Ayat Ayat Cinta 2</td>
<td>2017</td>
<td>2.840.159</td>
</tr>
</tbody>
</table>

The best-selling movies (2007-mid 2018, filmindonesia.or.id)

In any production, a drama film also becomes the film with the most themes in production every year. Nevertheless, from 50-70s of drama movies per year, only a few drama movies can reach the number of audiences above 1 million. Even if a drama movie has been made with a good storyline or in other words qualified, but it does not guarantee it will attract a large audience. This is because a movie still requires a good
promotional strategy. Of course, the average film that gets an audience above 1 million is a movie that can finance a high promotion. For example, the film Laskar Pelangi and Warkop DKI Reborn spend billions of rupiah for promotional costs. In other words, the cost of this promotion could be half the cost of production. Unfortunately, not all production houses are able to provide such high promotional funds.

After the production is completed, the Indonesian filmmakers will deal with distributor. But, the distribution party in Indonesia does not exist in the sense that the exhibitor act as well as a distributor. In this situation, the cinema businessmen have information on the film market in this country. Plus, it also makes filmmakers in a difficult position because they generally have no bargaining power in the presence of the exhibitors. The deal between an exhibitor and a film producer is usually more determined by the exhibitor.

Exhibitor is important because the cinema is still the first place to show new movies. In Indonesia there are at least six cinema group companies, Cinema 21 (PT Nusantara Sejahtera Raya), CGV Cinemas group (originally Blitmegaplex and CGV-Blitz and CGV Cinemas / PT Graha Layar Prima Tbk), Cinemaxx belongs to the Lippo Group giant company, then three smaller networks, New Star Cineplex, Platinum Cineplex and Movimax. In addition to these six networks, there are 25 independent cinemas that are starting to grow again.

From the data collected by the researchers, the total number of cinemas in Indonesia has reached 399 units by mid 2018 and cinema mastery by group 21 of 66% or 262 units. While the number of screens in Indonesia only reached 1,625 screens. This amount is still very little considering the population in Indonesia amounts to over 250 million which means the ideal number of screens is 20-25 screens for 1 million residents. But the condition of the cinema business in Indonesia was only able to provide 4.1 screen for 1 million inhabitants. Plus, there is an uneven distribution of cinemas because they are concentrated in big cities and more on the island of Java. Even until 2018 there are still some provinces in Indonesia that do not have a cinema like Aceh, West Papua, North Kalimantan, West Sulawesi and North Maluku. Data on the number of cinemas, screens and their distribution in Indonesia can be seen in two tables and one graph below.
Number of Cinemas and Screens in Indonesia

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Company</th>
<th>Cinema</th>
<th>Screen</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Grup 21</td>
<td>262</td>
<td>1003</td>
</tr>
<tr>
<td>2</td>
<td>CGV Cinemas</td>
<td>46</td>
<td>294</td>
</tr>
<tr>
<td>3</td>
<td>Cinemaxx</td>
<td>42</td>
<td>203</td>
</tr>
<tr>
<td>4</td>
<td>New Star Cineplex</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>5</td>
<td>Platinum Cineplex</td>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td>6</td>
<td>Movimax</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>7</td>
<td>Independen</td>
<td>25</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>399</td>
<td>1,625</td>
</tr>
</tbody>
</table>

Number of Cinemas in Java Island

![Number of Cinemas in Java Island](image)
Based on the data, there are some important things that should be noted. The first one is about oligopolistic cinema which means cinema companies are owned by only a few business actors. This phenomenon occurs because of the historical record of group 21 which monopolized the import and exhibition of films supported by President Soeharto in the New Order era.

The second note is that with the small number of players in the cinema business, the Indonesian film producers will inevitably have difficulty to market their films domestically. For example, if the film from producer A is rejected by cinema 21, then producer A only has the opportunity to market his film to some other network of theaters, which are quite a few. However, compared to the 90s to the early 2000s when Group 21 controlled almost 100% of cinemas in Indonesia, at least currently film producers still have a chance in five cinema group companies and 25 independent other
companies. Surely, there would be notes that the other cinema companies have much less number of screens than the group 21 does.

The third thing to note on the table is about screen mastery by Indonesian film. Although the market share of Indonesian films is improving, it doesn’t mean that national film has succeeded in mastering cinema screens in this country. In the table, we can see that the number of screens that the Indonesian films get each year is increasing. But the increase of the screen received by the Indonesian films is also due to the increase of cinema screens in Indonesia. Until 2016, the local filmmaker’s films control 1,194 screens in all Indonesian cinemas. But the estimated number of screens for this Hollywood movie can be much higher than the screen obtained by the Indonesian films. For example, in the year 2015 ago, the movie Star Wars: The Force Awakens controlled approximately 705 screens in Indonesia (muvilla.com). Imagine this number of screens is even close to the number of screens that the Indonesian films get in a year. While the other imported movies that are not even classmate to Star Wars can easily be given as much as 300 screens. In reverse, the Indonesian films with a small budget usually get 30-50 screens and films with standard production costs that seem "ordinary" will get 60-70 screens. While the Indonesian films that seem peculiar will get screen 100-500 screen and this is quite rare like Warkop DKI Reborn: Boss Cricket! part 1 (beritatagar.id).

When criticized, the chairman director of the Cinema 21 group defended and argued about the occupancy rate of a movie that being showed. One studio has 150 seats, which means that if there are four shows, then the total is 600 seats. If the demand for the tickets to watch around 400-450-500 seats, it means that the occupancy rate is too high. If the chair in the studio is full, then the position of the audience who seat in front will be very uncomfortable. Therefore, screen for film with high demand should be multiplied. In other words, the cinema company will give a lot of screen to a movie if in fact the film does have a lot of enthusiasts or high occupancy rate.

The last point to note on the data is about the distribution of cinema in Indonesia. Currently, the distribution of cinemas in this state is located in major cities of Indonesia and the majority is centered on Java Island. From the data that the researchers collected, until mid-2018, the number of cities in Indonesia that have access to the cinema is 62%, or 61 cities from 99 cities in Indonesia. Meanwhile, in regency level, there are 20 districts that have access to cinema which means only 5% of the total 419 districts in Indonesia. The rest, 95% of regencies in Indonesia do not have access to watch movies in cinema.

If the distribution of cinemas is spread evenly, especially in the areas of second cities and regency, there would be a great chance that the market share of the Indonesian cinema will increase. The argument is considered by the local culture which foreign films are not necessarily suitable for local audience whose culture is different compared to the movie. Especially if the case is a Star Wars movie which is usually targetted to upper middle class people who are more scattered in big cities.
The lack of cinema in the regency of Indonesia is also caused by the program of Cinema Company which establishes the theater by following the development of malls in the area. Moreover, until now Indonesian government does not have a clear blueprint related to cinema development in this country. The Film Development Center of the Ministry of Education and Culture itself has yet to show any movement to build a movie show in various parts of the country.

Discussion

Referring to the Adorno’s theory, cultural industry, movie as a mass media is not just seen as a mere entertainer tool. It is a medium containing information and metaphors that can influence the way of life, thinking or forming the culture desired by the capitalists. The target of film is not one person but to many people, therefore the influence is quite massive. Thus, the capitalists are well aware of this and use the film as a tool for shaping people's tastes that ultimately benefit them. It is like the words of MPAA (Motion Picture Association of America) figure Jack Valenti, we sell America through American films.

Sadly, the capitalists do not want the films to be used as a shaping of the human mind, to stop in the country alone. Because if they only run business in one room, then the benefits they get will be stagnant. Whereas in the logic of capitalist economy, the company is required to gain more profit. Hence, the solution is expanding the market abroad and globalization simplifies the process of expansion.

Basically, the cultural industry theory does not apply to the case if the government gives no room for the media commercialization. In other words, if the Indonesian government views the film as a culture, education or entertainment without prioritizing economic logic, then the culture industry theory is not applicable. Although in the Film Constitution Number 33 of 2009, the paragraph 1 and 4 are written in sequence that the film is a cultural art that serves as an education, but in reality the Indonesian government uses more economic logic in viewing the film industry. Surely, the proof is that the government freely handed out to and let the private companies run all exhibition activities in Indonesia.

In our belief, the Indonesian government in new era actually had considerable power to withstand the onslaught of Hollywood movies. In other words, the power of cinema screens in Indonesia is not entirely on the hands of cinema company owners. This argument based on historical record that the government ever made quotas for Hollywood movies and ensured the number of Indonesian movie shows on the domestic cinema screen. Unfortunately, the President Soeharto’s decision to allow Sudwikatmono to do a monopoly has been wracking the Indonesian cinema industry itself.

Reflecting on the concept of political economy, the policies of the Indonesian government that have liberalized, privatized and commercialized without strict controls can deprive the government’s role of its own state. This has been proven when paragrap
32 of the Film constitution is unworkable. Even if the cinema companies are forced to implement the law, it not only will lead to the loss of the cinema companies but also the government and Indonesia film industry.

Currently, although the screen is in the hands of the cinema, but the decision to watch the movie is in the hands of the audiences. Unfortunately, cinema in Indonesia spread over urban areas inhabited by mostly upper middle class. The tastes of the upper middle-class audience has also been formed into a western taste after decades of being permeated by the Hollywood movies. Just like what Johan Galtung says about structural imperialism, the colonization of a country will succeed if the invader involves all sectors of life which means not only the economic sector alone. In other words, there is a need for cultural penetration that creates a cultural similarity between the cultures of the colonial state / center and the periphery. One way to penetrate this is by forming a bridgehead that connects between the center and periphery. Of course, in the case of films, middle-aged, upper-middle-income urban and high-education urbanites are easy targets for the central state to penetrate their influence and make them as bridgeheads. The central state becomes the party that determines the taste of the film, what is worthy and unfit to watch. So who is the real cinema master? The answer is surely the Hollywood who successfully penetrate the western culture to Indonesian people for years.

Researchers strongly agree with the opinion of Mosco regarding to the concept of Giddens agency. In the case of this screen issue, there are producers and film directors who managed to hit the existing system. The system that has been running the Hollywood films as the bestseller and the less-selling Indonesian films is not always true. In other words, the new generation of the Indonesian filmmakers like Mira Lesmana, Riri Riza, Rizal Mantovani, Joko Anwar and others are successful agencies who had produces films which were watched by millions of people in Indonesia. Moreover, the movies are not only able to seize the screen in Indonesia, but also managed to perform in overseas markets. But it becomes a problem if the government allows these agencies to fight alone in the face of domestic screen competition. Similar to Mosco's opinion, the concept of the Gidden agency is too positively thinking about the agent's power to form a structure by ignoring power that actually occupies an important position in the political economy approach. In other words, the role of the political stakeholders is still needed to assist agencies in the Indonesian film industry. In this case, the government should follow the countries that successfully stem the onslaught of Hollywood movies because of the intervention of local governments such as South Korea. The intervention could be done by getting involved in extracting film production funds, supporting film promotion, supporting local cinema development, arranging domestic film distribution, reducing value added tax, fighting hijacking, and solving film censorship issues.
Conclusion

One form of global capitalism is the domination of US films on cinema screens in Indonesia. This phenomenon occurs because Hollywood has been expanding market to overseas and at the same time the policy of the Indonesian government in the past has also provided space for the presence of foreign parties.

The Indonesian government in the post-reform era has been trying to keep the Indonesian film industry. One of them is to issue cinema policy number 33 of 2009 paragraph 32 which requires the businessmen of movie exhibition to show at least 60% of Indonesian films from all hours of the movie performances held for 6 (six) months in a row. But unfortunately cannot be implemented because of the high demand for foreign films, especially in Hollywood movies in Indonesia. If cinema entrepreneurs are forced to enforce these rules, not only will the cinema will lose, but both national film producers and the government will also be affected.

In the eyes of political economy, Indonesia’s dependence on Hollywood films is also due to the government policy which allows spatialization, liberalization, commercialization, privatization in the Indonesia film industry. Thus the onslaught of Hollywood movies in Indonesia increasingly difficult to control and the government loses its role by itself.

The success of Hollywood films in Indonesia can be ascertained because of their success for decades to shape the tastes of spectators of the country, especially the upper middle class who have access to the cinema. This is in line with what Johan Galtung has to say about cultural imperialism when the main state penetrates the culture of the periphery in particular by creating bridgeheads by shaping the commonality of their way of thinking, lifestyle and tastes with the main state. Given this similarity, the main country will be easier to market its products. If this market expansion is successful, without coercion, people in the periphery country will ask for their own products from the main country. This is called by Theodor Adorno about the culture industry formed by the capitalist in order to reap the gold coffers.

When this phenomenon continues to occur, film business actors react to fight. This can be seen with the efforts of those who continue to produce films in the midst of strikes of foreign films. The genre of film produced is usually drama, comedy and horror packed with stories that are easily understood by Indonesian audiences. Film production with the genre is considered capable of reaching a large number of viewers in Indonesian cinemas. Although the genre of drama movies usually get a lot of audience, but the drama genre is wrapped with unusual stories or also called a breakthrough movie can be said to be quite risky, which usually only able to reach a few audiences. By producing films that are not risky, Indonesian film producers are more confident to battle with Hollywood movies in fight over the screen.

After the production affairs are completed, then the Indonesian film industry will deal with distributor and exhibitor. But unfortunately the distributor in this country does
not exist in the sense that the exhibitor act as well as a distributor. With the situation, the cinema owner has information on the film market in this country. Moreover, it makes film producer in a difficult position because they generally have no bargaining power in the presence of the exhibitor.

The deal between an exhibitor and a film producer is usually more determined by the cinema. Therefore, in order to solve the domestic screen problems especially and the Indonesian film industry in general, the Indonesian filmmakers should not be allowed to fight alone. The government still needs to intervene to solve this problem.

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