The Hegemony of Capitalism Through Philanthropy in South Sulawesi, Indonesia

1Dahlan Shirat Busman, 2Kamaruzaman Jusoff, 3Darmawan Salman and 4Meisanti

1Department of Sociology, Universitas Negeri Makassar, Makassar, South Sulawesi 90222, Indonesia
2Department of Forest Production, Faculty of Forestry, Universiti Putra Malaysia, 43400 UPM Serdang, Selangor, Malaysia
3Faculty of Agriculture, Hasanuddin University, Makassar, South Sulawesi 90245, Indonesia
4Department of Agriculture Economic, Faculty of Agriculture, Universitas Halu Oleo, Kendari, Southeast Sulawesi 93212, Indonesia

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Abstract: Themes philanthropy as something to be exploited in the capitalist tools to maintain their existence becomes a very contemporary study in the Indonesian sociology perspective. This paper departs from the writer’s assumption that one of the capitalist efforts to maintain trust among the middle class is by way of hegemony through philanthropic institutions that exist or that are deliberately set up by them. Sociologically, this phenomenon raises a number of critical questions about whether these symptoms occur naturally following its time or is it a symptom designed systematically, where the activity of philanthropy is not just a process of social exchange alone but can also be seen as an element of symbolic exchange that is being built by capitalism. This paper tries to reveal the theme of capitalism and philanthropy that occurred in two inter-agency proceeds diving realm of philanthropy in access and influence over funding sources and distribution. The results of this study will contribute to the development of socio-philanthropy with a focus on the formulation of propositions about the process behind the action of hegemony philanthropic investors and agents of civil society.

Key words: Philanthropy · Capitalism · Hegemony · Social exchange · Trust

INTRODUCTION

The topic of philanthropy has been receiving attention internationally for several decades. One of the efforts of capitalism to maintain trust among the middle class is a way of hegemony using philanthropic institutions that exist or are deliberately shaped by them. Philanthropy is considered as an extension of capitalism, which reveals the humanism as well as one of the tools to establish their dominance. This phenomenon’s exploit philanthropy as a tool of capitalism to maintain their existence and legitimize the ongoing economic system that gives a double advantage. The phenomenon of philanthropy exploitation by means of existence of capitalism through the exchange of economic, social and symbolic that occur during the process of hegemony-donor-beneficiary intermediary instead through the legitimacy of intermediary-donor-beneficiary. Knowing and describing to capital owners on ‘capital oriented’ and accumulation of capital of the building philanthropic acts seems to be of significant value.

Knowing and understanding the social exchange process occurs when owners of big capital in the context of philanthropic action hegemonic interests. Knowing and understanding the legitimacy of the process undertaken by the intermediary and beneficiary in terms of the interests of donors are important especially in the effort to achieve and maintain trusts consistency. Researchers and writers who have explored the sociological perspective of philanthropy were pretty much different in different countries. For example, the motivation partnership philanthropists and private companies related to poverty in sub-Saharan Africa has been studied successfully [1]. Previously, some factors that influence a person’s
motivation philanthropy such as religion, education, income, age, marital status, gender, participation and personal motivation were examined [2]. In the study, it was found that the Protestant religion in the United States, Canada and the Netherlands tend to give more than Catholics [3-6]. In the other study, they found a positive association between the levels of education philanthropy [7-10] and a person's income and the amount given in the United States, Britain and the Netherlands [11-13].

Furthermore, some other researchers found a link between a person's age and philanthropy motivation [14-22] interestingly, several studies revealed that people who have been married contributed more than those who are not married [23-26]. Future studies can even find single women tend to contribute more than single men. In addition, community involvement [27-28] also affects the motivation of philanthropy. The effect is less significant in the contribution of altruistic values espoused someone determine a person's decision to give donations [1].

As for the context of Indonesia, a study was conducted on to be more focused on philanthropic organizations waqf institutions (donation) and zakat (alms giving), the tradition of charity and development agencies working in the charitable sector, as well as how they use donations to social justice and poverty reduction [29-37]. In addition, there are two national surveys of philanthropic giving activities conducted by the Public Interest Research and Advocacy Centre for philanthropy and social justice, as well as a study of the correlation with the nominal amount of philanthropic giving Muslims in Indonesia [38]. The results of other studies revealed a large potential revenue fund developed by philanthropic institutions.

Therefore, the objective of the paper is to evaluate the phenomenon of philanthropy exploitation as means of existence of capitalism through the economic, social and symbolic exchanges that occur during the process of hegemony and donor-intermediary-beneficiary. On the other hand, the legitimacy and beneficiary-intermediary-donor was looked upon the pattern of economic, social and symbolic exchanges that occur at two institutions of civil society, namely the Dompet Dhuafa and KOPEL (Komite Pemantau Legislatif—Legislative Monitoring Committee).

**Definition of Philanthropy:** Different scholars approach the definition of philanthropy in different ways and disagree about the significant defining features of philanthropy. It seems to be clear, but in many theories there are a lot of disparities. These disparities appear not only in theories, but in people’s understanding and thinking as well. Independently of these various meanings, we often use philanthropy as a synonym for giving, but it covers not only traditional types of charitable giving, but also a range of ways in which people may show their general goodwill to society. Nowadays, the definition of philanthropy forms one of the hottest academics debate in various parts of the world.

Philanthropy evolved and changed in different way from time to time in different contexts as well. ‘Philanthropy’ is a term that is used interchangeably with other terms such as ‘charity’, ‘benevolence’, ‘giving’, ‘donating’, ‘voluntary sector’, ‘non-profit organisation’ and ‘NGO’ often without adequate regard to the need to be clear about what is meant by each of these terms [39-43].

Epistemological dilemma greatly affected how everyone in articulating the concept and application in the field of philanthropy [44-45], even specifically emphasized the epistemological dilemma is found in various regions in South America, North, Latin America and Asia [46-48]. Philanthropy has always been an essentially contested concept [40, 49]. Although Payton did not discuss the specific criteria, he argued that the idea that philanthropy is a phenomenon distorted by the diversity of the various parties that reject the generalization and categorization. Payton emphasized the definition of philanthropy in the context of organizational or collective activity, where philanthropy is not interpreted as an individual activity but a collective activity undertaken by or through an organization or institution. These activities include fundraising, management and utilization of the social fund for the common good of society.

The concept of philanthropy in Indonesia has not been given the academic nature of the restrictions until discussed and highlighted at a National Workshop in Jakarta in 2001. The concept of philanthropy as a voluntary transfer of resources for charitable purposes, social and civic, consists of two main forms of social grants and grant utilization development [50]. Philanthropy is the widest viewing angle, snapshot of non-profit diverse. Terminology and definitions adapted to the Indonesian context, where philanthropy fight for a variety of purposes, ranging from the purely social or philanthropic (charity), like a caricature of advancing religion, social (poverty reduction, economic improvement skills and health), human (e.g. legal aid), to political grazed areas like defence of human rights.
Hegemony of Capitalism Through Philanthropy in Indonesia: Hegemonic discourse of philanthropy by capitalism became a very interesting theme for the last few years in Indonesia. Philanthropy is considered as an extension of capitalism, which reveals humanist as well as equipment to build discourse acted by the capitalists (both organizations and individuals) to preserve its position. Figure 1 below describes the theoretical framework of the scheme associated process flow symbiotic mutualism hegemony and legitimacy.

A yearly achievement of the Indonesian economic progress has been a remarkable progress where the yearly poverty rate has reduced. The current poverty rate in Indonesia, according to BPS socioeconomic data as of March 2010, now reaching 31.1 million or 13.3% and continued to decline to 30.2 million in 2011 and to 29.13 million in 2012 [59]. On the other hand, the social and economic gaps between people and communities are also getting bigger, the gaps between the rich and the poor, deepening and widening. Too many people are living far away from their actual dignity, their lack of food, health, education, security and continue to be dragged into the abyss of misery. These figures were relatively high for a country that has the potential of natural resources and huge social capital where poverty should not be in place and still going on till today. The Government has increased the budget for poverty alleviation from Rp23 trillion in 2005 to Rp70 trillion in 2010, but the 300% increase is only able to reduce the poverty rate of less than 1%. It means that the existing poverty reduction programs have not been so effective [60].

On the other hand, it was revealed that the level of generosity of the local community was nearly 99.6% [61]. The high society charity can also be seen from the increasing number of people who set aside funds for the donation and the amount of funds set aside. The survey results also showed that the pattern of public accounts still tends to be direct and to the short-term programs, such as through a charity box or a direct visits from home to home. Compared to other countries, Indonesian philanthropy seemed to be more accustomed to kind giving as measured by the level of provision (rate of giving). The respondents indicated that 98% Indonesians (class A, B and A/B) like to donate and indicated a higher charity services as compared to the other countries such as Thailand (91%), Philippines (78%), India (73%), US (73%), Germany (44%) and France (43%). These data suggest that the Indonesian are more generous, concerned and sympathetic when comes to charity and donation due to being more strictly Islamic obedience as the more a person donates, the more provisions one will get from God’s blessings [62].
Fig. 1: The Framework Scheme Theory

However, within this pretext, Americans and Europeans have a higher charity or donations per capita per year. In 1999 alone, for example the total public charity donated in the Land of Uncle Sam reached 190 billion U.S. dollars or 760 dollars or Rp6.9 million per capita per year. The Indonesian annual per capita contribution was only Rp371, 000 donated to individuals, Rp255, 000 to religious organizations and Rp233, 000 to non-religious organizations.

The high level of generosity as evidenced by the companies in a variety of institutions and social activities Indonesian society in recent years is perhaps due to the prolonged economic crisis and natural disasters that hit the country continuously. Crisis situation does not seem to deter people to donate and care to colleagues who suffer. The disaster and panic situation has actually improved the public awareness and sensitivity to donate. The crisis does not affect the public's willingness to donate. About 61% of the respondents surveyed said that the economic crisis did not affect such good habits while 21% of them even claimed to donate more frequently than before the crisis. Only 27% of respondents who claimed to reduce the quantity and quality of contributions due to the crisis [62].

A high level of social generosity has provided momentum for NGOs and other social organizations to develop social fund-raising and distribution. Charity fundraising efforts (fundraising) were conducted at various places by various organizations, especially at times when natural disasters hit Indonesia. Most of the fundraising efforts were also carried by the mass media through a variety of programs and care such as Caring Coins Prita. Such programs are proven very effective to raise funds in large quantities and in relatively quick period of time. Research estimated that funds collected through these programs were more than Rp50 billion per year [62]. This number is quite realistic looking at the amount of donations of between Rp350 million to Rp12 billion per year have been collected. Meanwhile, there were about 50 groups of media organizations initiated a fundraising campaign program [63]. At the same time, several companies operating in Indonesia also seemed excited to donate or organize social events. Preliminary studies conducted by PIRAC in early 2002 discovered that a total amount of Rp115.3 billion from over 180 companies in a variety of institutions and social activities was collected in 2001. This phenomenon is certainly encouraging with more financial contributions and donations coming from the companies in helping the poor. Charitable funding is a source of funding for NGOs and other social organizations. Credibility and accountability are the most essential capital for a philanthropic institution. Once a philanthropic institutions lost trust and believe from the general public, the company’s prestige and integrity will also be lost. Research conducted by the Centre for the Study of Religion and Culture Jakarta State Islamic University (UIN Jakarta CSRC) in 2004, reported that the philanthropic funds donated by the Indonesia's Muslim population reached Rp19.3 trillion per year. However, the fund was not able to be used to reduce poverty; instead it created dependency and perpetuated the rate of n poverty in Indonesia. Apparently, only 80% of the waqf assets worth Rp590 trillion was used for the building of mosques and cemeteries in Indonesia. Such a scenario would certainly create an awareness of no confidence in waqf funds secured by the Indonesian government to be given to the poor [60]. Despite the huge amount of charitable funds obtained through philanthropy, the progress of charitable development activities in Indonesia is still slow. Similarly, such experiences were also faced by charitable agencies in
Asia, such as Japan, Taiwan, Korea, the Philippines and Thailand. For instance, the Muang Thai charity development activities in Indonesia are relatively slow due to the lack of knowledge, information and quick references to other philanthropy organizations elsewhere. Attention of various parties, such as universities, donor agencies and NGOs are relatively new to the sector is also still lacking. Thus, the resources available for the development and strengthening of social generosity were apparently still at the infancy stage.

Thus, it can be implied that the philanthropic situation in Indonesia is facing a transformational era from traditional philanthropy to a more modernized one. In a more modern sense, philanthropy is more involving charities, larger in size which is more institutional rather than individually managed. Management was carried out systemically through institutions designed specifically for it. Thus, charitable activity into something that is almost limitless, both in size (the amount of money that may be managed) and time and the scope of its activities. As a good example, non-profit organizations such as Dhafa Dhuafa (DD) through Synergos Institute successfully managed to raise Rp43 billion of zakat, infaq, sadakah (ZIS), endowments and other humanitarian solidarity fund in 2007. Of course, this is a spectacular amount that has not been able to achieve by other non-profit organizations engaged in non-religious associations. For comparison purposes, the revenue collected from 25 civil society resource organizations in Indonesia (eg. Satunama, LP3ES, YAPPiKA, Governmental and Community Development) in a year was around Rp126 billion which comprised of domestic revenue of only Rp44 billion and the balance from the international funding. Prominent programs including Health Services Charity (LKC) with her 24-hour clinic services available in DD website (www.dompetduafa.org) is no less different from the government hospital. DD also has her Insani Development Institute (LPI) with special networks addressing the educational field in three main programs: Makmal (teacher training program), SMART Ekselensia Indonesia (secondary school free of charge) and Beasxstiti Etos (scholarships for students). SMART is a model of excellent schools with free boarding and tuition fees for all students in Indonesia.

Lately, more and more large companies are entrusting most of its Corporate Social Responsibility (CSR) funds on DD, among others are the giant oil company, Exxon. The success of DD has been widespread to the extent that UN food agencies are proposing DD to become her partner in Indonesia. Harvard University had already established communication via e-mail to do a case study due to many successful DD programs in Indonesia. Besides DD, the other credible institutions is the research locus KOPEL (Komite Pemantau Legislatif) or the Legislative Monitoring Committee. KOPEL is a NGO which was established on 10th March 2000 focusing on issues of democratic development and fulfillment of the rights of citizens through monitoring and evaluation of the performance of Representatives. KOPEL monitors strategy in Parliament, facilitate and reinforce CSO group of parliament’s birth 'trust' for donors. As a NGO promoting transparency and accountability of public services and the financial backing of various international donors like the European Union (EU), KOPEL become one of the institutions (intermediaries) which are very exciting to be the locus of this paper. This paper focussed on two of this institution where KOPEL represents the institutions funded by the EU donor’s intermediary which supervise and monitor the performance of the legislature. On the other hand, DD represents the professional fund management and modern philanthropy, especially those stemming from corporate donations from national corporations. The phenomenon of philanthropy fund management of both organizations indicates significant new philanthropic relationships with capitalism towards forming a modern philanthropic organization.

CONCLUSION

It can be concluded that the economic exchange and the terms of money (in-cash/in-kind) will reward financial profit. In terms of philanthropy, someone is willing to give money to another person for the purpose of developing business and generate financial returns. In the social contact, it is the exchange of cost, service, attention or money (in-cash/in-kind), directly or indirectly, in the form of reward status, honour and respect. In the vertically downward exchange process, hegemony occurs while legitimacy happens when it is vertically upward. Corporate donors providing funds to the intermediary (Dompet Dhuafa and KOPEL) will indirectly resulted in the power of hegemony. The process of hegemony was true for the intermediary to the beneficiary. Instead, the beneficiary of legitimacy to the process and the legitimacy of the intermediary to the donor is one typical form of hegemonic power and symbiotic mutualism exchange.
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