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Ciputra Tjipoetra [Indonesia, Chairman of Ciputra Business Group]

Ciputra Tjipoetra

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Interviewee: **CIPUTRA**
Interviewer: Nancy Chng
Date: 25 March 2015
Location: Jakarta, Indonesia

0:00:30

Nancy

Pak Ciputra, thank you very much for agreeing to do this interview with us for the Institute of Societal Leadership, Singapore Management University. Can we just start off having you tell us briefly about your background, your childhood? You had a very difficult childhood. You lost your father when you were twelve years old, and how did that inspire you, or affect you to become who you are today?

0:00:56

Ciputra

First of all, my heartfelt condolences for the passing away of Mr. Lee Kuan Yew. I really admired him. I learnt a lot from him. I learnt a lot from Singapore because of him. It's really... I really admire, I really respect. He was really a very good leader, maybe the biggest leader in Asia, or in the world. We Indonesians, not only me, have to thank because we have a great leader next to us, that not only can we learn from our leader, we also learnt from him. Mr. Lee Kuan Yew had not only influenced Singapore, but he had also influenced his neighbour, and the whole world. He was a man of integrity, a man who was very professional and entrepreneurial. I call it government entrepreneurship.

0:01:59

Nancy

Government entrepreneurship, I see. So, Mr. Lee Kuan Yew was like a mentor to you?

0:02:04

Ciputra

Yes, a mentor. I met him... maybe three times I met him, but two times, I had a small meeting with him. We were about ten Indonesian businessmen, and we were meeting with him and we discussed a lot of things. The way he put the questions was really amazing... different from the others. He always had something new. Mr Lee Kuan Yew had something new, something useful and something wonderful.

To start with your question about my childhood until I entered the University. That was the first question. I was born in central of Sulawesi. A small... we call it small kampong. My father owned a shop, but when I was ten years old with my brother, he liked us to study in Gorontalo, in North Sulawesi, about 500 kilometres away. Thus, he sent me and my brother to study there. "Go to the Dutch school." That was the start of my story.

We went to the Dutch school. For the first year, I can go to the second year. It was until the second year, I cannot go to the third year, because the studies were in Dutch. I really hate to learn Dutch because we don't use Dutch anymore. At home, what will I do with Dutch? And my memory also... is weak. I don't like to memorise what I really don't need. I only like to memorise what I really need. So, and I am also naughty. I'm very active... so I have a hard education from my aunty. I stayed with my aunty. They're very hard (on me). If I made a mistake, they hit me, they tie me, they put me in the store and I really hated the whole family. But that's life. But I thank for the hardship I have to endure when I was young. And then the Japanese came, so I have... they brought me back to my father and mother.

0:04:46

When I was twelve years old, my father was suddenly caught by the Japanese. They... by the Japanese they said the "Mata mata"... What is "Mata mata"? Spies. Dutch spies. They just took him from our house. They took him, put him in a small ship, and from that small ship, they put him in a bigger ship and then brought him to Manado. After nine months, all they caught from our area... maybe ten people, and from the whole of Gorontalo, maybe seventy people. After nine months, they released them, but my father was one of the prisoners who had already passed away.

Now I said, "I have no father, what shall I do now to be successful?" At that time, I decided. I must become an architect. I must become an architect because I know from my father, my experience with my father; I have the talent to become an architect. But I know in mathematics I am very strong. In art, my father was very talented in art. He was my mentor, my father. My mother was working very hard. Both had very high integrity, and so I decided now I have to stand alone. I must be independent. I must become an architect. So, I went, I told my mother, "I will study again, but in an Indonesian school, because I don't need to learn Dutch, I don't need to learn Chinese." So, I went to the school, I registered myself and they accepted me.

0:06:46

Since then, I always become the best in the class. Also, in middle school, in high school, I always top. I always, even in university, I also topped the class. So, I went to the school, to the elementary school for four years. Seven kilometres... I had to go... seven kilometres in the morning and go back in the afternoon at seven... add seven kilometres is about fourteen kilometres.

0:07:19

Nancy

Walking?

0:07:20

[Ciputra](#)

Walking. Running. Walking, running... What I did in the... I became a farmer. Through the weeks I went to school, I became a farmer, but on Sundays, I became a hunter. I hunted, we hunted... deer, wild boars, anoa, and babirusa. So, a lot of wild boars and wild animals there. Sometimes, most of the times we get, sometimes we don't get it. My mother... I lived alone with my mother. My brother and sister lived in another city. My mother is very happy if I got a wild boar, or a deer, or anoa so... that's maybe the entrepreneurship. Sometimes you... many times you succeed or sometimes you succeed, sometimes you fail. That time when I ran like a Tarzan, I ran like a Tarzan. When I went to the middle school in Gorontalo, I have capable of running to the school, and also to hunt wild animals.

I went to the university. My wife followed, and we married there. With my wife, she worked, half way I also worked. At school, not only worked, I formed already a company, I formed already a company, the name is Daya Cipta, a consultant company. I learned architecture. Why I will not become consultant? So, I formed a consultancy with my two good friends, Mr Sofyan and Mr (Budi) Brasali.

0:09:21

I'm happy, I get some earning. But before I finished my school... experience and consultant, (I realized that) I don't like to become a consultant. I don't like to become an architect. Because, why? Architects have to beg the Government, have to beg the businessmen who own houses, (so that there is something) for me to design. I don't like it. I like to create my own projects. So, I told my two partners, if we finish, we have to work as real estate developer. So, when I finished, and this was new life, I said like this, "We have to move to Jakarta. We have to form a joint venture with the municipality, because the politician owns the project. But we will ask them to make a developer company." For three months, I tried to see the Governor.

0:10:24

[Nancy](#)

Was it Soemarno?

0:10:25

[Ciputra](#)

I must. Soemarno. Doctor Soemarno. For three months. I said, "I go just to see him like that, no response. No, I have to see him personally." So, I have to look for my friend, my uncle, who knew him, and I found one who knew about him. Introduced to him, and I met Soemarno. He looked at me, "What'd you like to do?" I said, "I'm an architect now." At that time, architects were still very rare. "I have two friends. We'd like to help you to develop the city of Jakarta, because I

read in the newspaper, in the Star Weekly, the magazine, that you're going to develop Jakarta." He said, "Okay, so what do you want?"

0:11:20

I said, "I need a project. I need to create a project." In principle, he agreed. But he tested me first. He said, "Okay, I'd like to renovate a project in the Senen area."

0:11:37

Nancy

Pasar Senen? The Pasar Senen...

0:11:39

Ciputra

Yes, about seventeen hectares to renovate, rebuild... "So, please make me a proposal." "Okay." It was a challenge to me. I said, "Give me time - one month. I will need to make a project study, to study, to make project... design, and model." Because I owned a company in Bandung with my friend, so we made a proposal with the model, design and we let him see it. The project was about three times, three metre, the model. He was so surprised. "Ha! It's like this. You're going to remodel... totally new." Because before that, most were shophouse, and now it's modern shopping mall. Wah, he's surprised, "Wah!" he's so happy. He said, "Okay, I will make an appointment with the President, Soekarno." So, he made an appointment, he brought us to see President Soekarno. Soekarno also, was very happy, was surprised. "Wah! It's really modern. No more shophouse." I, of course, I was very happy, so when I proposed to... and of course, he asked me, "How you are going to build this?" We need to build a subsidiary company between you and us, and with several businessmen in Jakarta. We created the Pembangunan Jaya Group.

0:13:18

I am very happy that Pembangunan Jaya Group now is very strong. There are three of the subsidiary companies that have become public companies. With market share now maybe about... market capital is maybe around 3 billion US. So, without capital is very small. Again, to me, capital is very important. But what's more important is your capability as an entrepreneur. After ten years there, I think that I need to have a private company. So, with their permission, I formed a private company, but I'm not in the board of executives, I'm only the chairman. I became the chairman, and is born another... now they have Metropolitan group owns three subsidiary companies in public.

0:14:19

Nancy

Listed, publicly listed.

0:14:21

Ciputra

Yes, and the Metropolitan Group also has investments in Singapore. I formed the Metropolitan group, because I know that with the municipality, I am only a minority.

0:14:33

[Nancy](#)

You cannot... control.

0:25:19

Ciputra

I will not... maybe one day they can fire me. It looked that with the Government, there would be a lot of bureaucracy. So, I needed more free hand to handle my project. Without leaving Metropolitan group, I formed the Ciputra Group. This was when my children have already passed university. I said, "I need my own company, our family company."

0:15:08

Nancy

So that's 1981.

0:15:10

Ciputra

19... Yes 1981. I was thirty-two years old.

0:15:17

Nancy

You worked very closely with Pak Ali Sadikin, the Governor and a lot of people say they admire his leadership qualities.

0:15:28

Ciputra

Yes.

0:15:28

Nancy

Did you find him somebody special?

0:15:30

Ciputra

Oh, he's very special. He's a man of... He's very honest, high integrity. What he promised you, he would support you. I tell you a story like this. One day, we were going to renovate the projects then. There came a consultant, like a broker. He came there, he talked to the people, he asked them to gather. "Don't sell this to the Government. We have the right to protect ourselves." Maybe he was right, they can protect it, if they don't like, they may not sell. So, everybody boycotted us, they will not sell it. I had to report this to Mr Ali Sadikin, to the Governor. "I cannot buy any land because they have already boycotted us." "Why like that?" "They have a consultant, a broker said, don't sell it, don't agree with the renovation." "Oh, like this!" So he asked me, "Ciputra, go with my assistant... No, with my driver. Fetch him." So, I went to the broker, and I said, "The Governor

would like to see you." "Okay, he'd like to see me? Okay." I brought him to Ali Sadikin, at the front of his room, we sat there together. Ali Sadikin was not in this room. He just came... he went outside, and then he came to his office. He saw me, he saw that broker. "Oh, you are the broker, yeah? Come here! Go with me, in the room!" [Stretch out a hand as if to grab somebody firmly, then slap in both direction in the air.]

0:17:20

Nancy

Really?

0:17:21

Ciputra

"Don't ask any questions. You'd like to go against the Government for the renovation, yeah? You'd like to continue?" "No, no excuse me." "No, yes, no, yes, yes, no, yes, yes." And he said, "Ciputra, bring him back." He was very big. I sat in one car with him. He was so afraid. That man was...

0:17:46

Nancy

Shaking.

0:17:47

Ciputra

...shocked already.

0:17:48

Nancy

Oh right, yes.

0:17:49

Ciputra

And then, at four o'clock, Ali Sadikin came back. "Ciputra, where is that person?" "I don't know, maybe in his office." "Let me go there!" He went there. "You are still here! Go out from here!" You see Ali Sadikin.

0:18:05

Nancy

Wow, very strong.

0:18:06

Ciputra

Wah, very strong character. He was in the army. He was a marine.

0:18:11

Nancy

Marine, yes... yes.

0:18:13

Ciputra

He was a man of consequence. I remember when we built the Ancol project... I thought this must be a beautiful project. So, I asked from Ali Sadikin, "Mr Governor, let's give to Jaya, to continue this project." "Do you have money? I will arrange the money, I will make a joint venture with you." "How you make joint venture?" "Pembangunan Jaya belongs to the Government. Government owns forty percent. Let me joint venture. You get eighty percent, I get twenty percent, because the land belongs to you. But the project was neglected, and they have a lot of debts; debts in Rupiah, debts in Dollar. I will pay back the debts." "Are you sure?" "Yes." "How you are going to do it?" I said, "I'm going to borrow money from the Government with your recommendation, and I will give my personal guarantee." "Okay, you try." And then I tried. I got a loan from the Government bank. I gave my personal guarantee.

0:19:22

So, the project Ancol was given to me, and we developed it. One day, he came back from United States, he brought a brochure of the San Diego Sea World. "I'd like it to be like this, in your Ancol, in our Ancol project. I'd call it Dreamland Ancol." "Okay, give me time. I'll study." "Okay, Mr Governor. That is social, no profit. If you'd like it to be like this, let me build it together with water park, with art market and with housing project. We combine, we get money, we build this one." "Okay, whatever you need, I'll support you." So, he always supported me. What he said is consequent. "I support you!" Yes, he supported me. That is the beauty of him. Thus, I really respect him. Not only me, the whole of Jakarta people, even Jusuf Kalla just said to Ahok, "If you'd like to have legacy like Ali Sadikin and Lee Kuan Yew, you must have wisdom. [Laugh] Not temperamental."

0:20:39

Nancy

That's right. You are a big pusher for entrepreneurship in Indonesia. You keep encouraging the young people to learn from entrepreneurs. How do you define entrepreneurship, and is it something that can be taught?

0:20:55

Ciputra

Ah, this is an interesting story in my book. I said entrepreneur... A man who can change garbage into gold, who can really have new ideas, can develop new ideas.

If you can change garbage into gold, you are an entrepreneur. Like Mr. Lee Kuan Yew. I said, "Entrepreneurship consists of three things." I call it "GABS." Government Entrepreneur, Academic Entrepreneur, Business Entrepreneur and Social Entrepreneur. Mr Lee Kuan Yew was a government entrepreneur, but he knew also about academic, he knew about business, he knew about social. The Government must be all-rounded. That's why I really admired Mr. Lee Kuan Yew.

0:21:41

[Nancy](#)

And what category are you, for the entrepreneur? You don't consider yourself a government entrepreneur, but you are an art entrepreneur and you are a business entrepreneur, and you are a social entrepreneur? You're just missing the 'G'.

0:21:56

[Ciputra](#)

When I retired, when I was seventy-five years old, about eight years ago, I was looking, and I asked from God, "What shall I do to help my country? I got inspiration, the best (way) is to help Indonesia become entrepreneurial. And then I proved – is entrepreneurship good for the country or not? I taught thirty people from Gadjah Mada University in Yogyakarta. I taught them for three months, and then about fifty percent became entrepreneurs. They were so happy. One, without money, he can become a developer. Without money, he become an e-commerce in fashion. Without money, he opened a small restaurant, and so on and so on. So, they were so happy. I made a decision, I must help entrepreneurs for Indonesia. So, we formed the Ciputra University in Surabaya. The only university, which declared it is really a university for entrepreneurship. We have six days, six days for education. Monday until Saturday. No, until Friday. On Sundays, all departments come together and form teams of ten people and start to practise entrepreneurship. We have our 3,000 students. Our university is just (established for) five years. 5,000 students. You see how enthusiastic they are to learn about entrepreneurship. When they finish... When we already finished, maybe there are already 1,000 (have finished), we have 3,000 at school.

00:24:11

[Nancy](#)

1,000 graduated?

00:24:13

[Ciputra](#)

Already graduated. Around sixty percent already built their own business. Everybody has already employed one or two employees. So average two, already 2,000 employees, with themselves, 3,000. The other universities, they have

thousands of people looking for jobs. Thousands of people. But for me, already employed 3,000.

00:24:41

Nancy

So, it's job creation.

00:24:43

Ciputra

Job creation. Because Indonesia has a lot of unemployment. Different. Singapore has very low unemployment because of your entrepreneurship. You bring people from outside to employ there. Because you create entrepreneurs. In Singapore, maybe between seven and ten percent of the people are entrepreneurs. Indonesia maybe only half a percent. That's a total difference.

0:25:10

Nancy

So does this go back to the importance of education, because you also emphasized that people have to be of a certain level?

0:25:18

Ciputra

Of course, they must. That's why integrity, professionalism and entrepreneurship. You need these three. If you don't have integrity, no honesty, no commitment, nobody will believe in you. Yes? Even your staff do not believe in you. If you don't know how to make a master plan, you don't know how to make a plan... how? And you don't know how to execute them, you don't know how to market them, and you need this, you need three. Once again, integrity is not enough, this is now not here, this is not... you must have all three together.

0:26:07

Nancy

Pak Ciputra, can we move on to the topic about leadership, because you keep saying how you admire people like Lee Kuan Yew, strong, charismatic, visionary... people like Pak Ali Sadikin. Is leadership something that can be taught to young people or is it inherent?

0:26:27

Ciputra

You must have it. You must have talent. Then you teach them, you train them. But what do you mean by talent? Talent consists of only three things. You have the patience to be successful, you have ambitions to be successful. This is the first. That I call, one of the talents. Second, you have to work hard. Third, dare to take

measures and risks, that's the talent. Everybody must have talent, but what is talent? Only this one... like Mr. Lee Kuan Yew, he took risks, yes.

0:27:15

Nancy

What do you think of Soekarno as a leader?

0:27:17

Ciputra

Oh, he is for independence, very good. He is very nationalistic. But... he doesn't know about economy. While he is good for independence, he is no good to run for economy. That's the problem.

0:27:38

Nancy

You have a picture of Pak Suharto on the wall, and various other leaders. How do you rate the leaders?

0:27:49

Ciputra

Suharto also is very good. He is very strong, but his weakness only is his family.

0:27:59

Nancy

Indulging the children with businesses.

0:28:00

Ciputra

Yes... and too long there, too long there.

0:28:05

Nancy

That's the problem I think, a lot of leaders when they become on top of their game, it's hard for them to step down.

0:28:11

Ciputra

Oh yes, you are right. When I stepped down when I was seventy-five years, I gave to my children. Actually, from Jaya I stepped down when I was sixty-five. But I needed more time for my children. Seventy-five, enough. Give to them. I just mentor. But I am lucky that my children who are... Three of them working in our

company, they are very qualified. They started from the bottom to follow the procedures.

0:28:47

Nancy

To learn the ropes. Yes. I think we can end on that note, Pak. Thank you, thank you very much for your time.

0:28:56

Ciputra

Thank you. Thank you, Nancy, thank you, thank you.