

An Interview with Dinny Jusuf, CEO and Founder of Toraja Melo

## 3 A Women's Activist Leads Social Entrepreneurship in Indonesia

Interviewer: Naoyuki Haraoka Writing: Chaobang Ai

### Portrait of Toraja Melo

**JS:** First, please could you briefly introduce your company?

**Dinny:** Our company is named Toraja Melo, which means “Beautiful Toraja”. My own background is in banking and women's activism, but when I went back to my husband's village in Toraja around 2007-8, I saw how the women were suffering, especially the weavers, whose craftwork nobody was buying. The problem they were facing was the feminization of poverty: they are very poor, and it has caused them intersectoral issues like domestic violence and lack of access to education or healthcare.

So I was thinking maybe we should do something about it. And from my experience as secretary general of the National Commission on Violence Against Women in Indonesia, I saw that there was a missing link between the community and the market, especially the global market. So in 2010, together with my sister who is also a women's activist but with a fashion design background, we established a social enterprise. Toraja Melo is a profit-making company, but its end goal is not profit itself but a better life for these women. And we wanted to focus on weaving, especially hand-woven textiles, because Indonesia is very rich in weaving. Marginalized women's traditional weaving is our entry point, and we take it to the end product of contemporary design clothing and a head-to-toe fashion line. For that we also have to work with the community, so we have established a foundation to do that as well.

**JS:** Do you think your company has made a distinguished contribution to increasing the welfare of women, such as improving their quality of life or providing job opportunities?

**Dinny:** I hope so! It is a slow process, because weaving is only the entry point. What we want to do is to transform these rural women



*Dinny Jusuf, CEO and Founder of Toraja Melo*

*Photo: Toraja Melo*

to become economically, socially and culturally independent. Because they still face a patriarchal class system: in many parts of Indonesia there are still class differences, like between royalty and people of lower class, which we do not talk about but which have a real presence in society. Many of these women are single mothers, and many go abroad as migrant workers, such as to Malaysia or Singapore. Many are also abused, either overseas while working as household helpers, or in their own villages. So weaving is just a tool to help them become independent; we also have training programs to teach them about financial literacy, or their rights as women. Just last week we established a cooperative of 120 women weavers in Toraja, and we help them get access to microfinancing from a state bank. So we are trying to take a more holistic approach.

It is hard, long-term work though. We are now also in partnership with PEKKA, which is a big women's organization with 20,000 members. They take care of the community, organizing programs on the ground, and Toraja Melo is aiming to work with around 5,000 weavers who are its members. We believe that if you teach and train one woman, she will also make a big impact on the family, so each woman affects at least four other people.

### Women in Indonesia — Past, Present & Future

**JS:** Economic independence is very important for democracy. Your country has just elected a new president, and according to the media in Japan, Indonesian democracy will be developed thanks to him, and maybe women's participation in politics will be further promoted. What is your view on this?

**Dinny:** I quite like our president, he is a simple man, but we are also facing a very big problem of corruption. Many people do not dare to



*A member of The Weavers Cooperative in Toraja, Sulawesi, Indonesia ([kitabisa.com/torajamelo](http://kitabisa.com/torajamelo))*

talk about it, but I have to talk about it, because it really affects people's lives in the villages and rural areas, especially the women. For example, maternal mortality rates and death rates of children under five are quite high, and that is because of corruption. The corruption goes from the top to the bottom, and it will be the biggest hindrance to democracy. I think our president is trying to face that, so I think he is good, but it is not easy.

**JS: What do you think about the social status of women in Indonesia? Do you think it will be able to achieve perfect equality of men and women soon?**

**Dinny:** I think on the surface it has been quite good: many women in the past have been fighting for their rights, and have brought us to where we are now. But still there is a long way to go, because in the rural areas or among the urban poor it may be very different: they lack access to healthcare, to the market or financial services, and so on, and giving them that access is what Toraja Melo is trying to do. Domestic violence also happens everywhere, from the cities to the villages. On the other hand, women are quite powerful in politics: there is affirmative action in the government in that 30% of the political members in the parties and the parliament have to be women. Many businesspeople are women — managers or directors in banking, or hotels, or the service industry, for example — and now with social media and e-commerce, more and more young women, and men too, are running their own micro-enterprises. In the younger generation now, most men are educated, many overseas, and I think equality will be achieved sooner rather than later. But again, that is mainly the urban part, the big cities like Jakarta and Surabaya, so we need to have more women leaders in the rural poor areas.

**JS: How about women's participation in the economy and labor force?**

**Dinny:** More work is becoming available for women. It is getting easier for women to get jobs in the factories, or as migrant workers,

or as executives. So I think this is becoming more and more important, but there are still problems, such as around legal or tax issues. Tax-wise, if a woman works, no matter if she is married or not, her tax is still considered as that of a single woman, which is considered higher. That is one. Another example is that a woman who does not have a husband or is divorced is not considered the head of a household. That has very serious implications, because when the government has programs to help heads of households, if the head is a woman she will not get support from the government. So there are still issues we have to improve.

**JS: In Japan, economic reforms are in progress to encourage women to join the labor force. One of the most difficult challenges to achieving this is that after marriage, in particular after childbirth, women find it difficult to continue their careers. Some people are saying that this is because Japan suffers from a lack of daycare facilities, for example. How is the situation in Indonesia?**

**Dinny:** More or less the same, but maybe the difference is that in Indonesia we have women household helpers and babysitters. My friends always say that for us upper-class women to get ahead in our careers, we stop the careers of these poorer women; that is the bad side of it. But the good side is that getting help to take care of your children is available and relatively cheap, although this has its pluses and minuses. And then, I think more companies are now offering daycare, though still not enough. But there is also daycare down to the village level, as a part of a government program combining daycare and playgroups, also established by many foundations. But yes, it is difficult; I went through it also when I was working and my children were growing up. But looking at the young couples now, those who have children, more Indonesian men are also sharing responsibility for their upbringing, which is very interesting.

**JS: Your own company has lots of working women, including board members. How do you handle this matter?**

**Dinny:** Yes, working mothers, and many single mothers. We do juggle, and it is difficult, but we believe we have to do it. In our headquarters we have 11 women: one is a breast cancer survivor; another one, her husband has just passed away; another one, her husband has just left; just yesterday one had to take care of a sick auntie; so sometimes we have children in our office, because nobody is taking care of them. We adjust to that, and to situations where somebody has to take a day or half a day off to take care of family members. That is the office part.

As for the community, the weavers work long hours. They work from before sunrise to sundown. They have to take care of the pigs, the rice fields, cooking, cleaning the house, taking care of the children; as many of the young women go abroad to work, many

grandmothers are taking care of their grandchildren. And then only at night can they start weaving. So when we have training programs with them, we try to adjust the time to when they are available. So the answer is a lot of juggling and adjusting and understanding — we do not have fixed hours because we have to do so many things.

## Importance of Women's Entrepreneurship

**JS: Women's entrepreneurship, like the case of your company, may be a very important stimulus to the economy. What do you think about the role of women's entrepreneurship in Indonesia?**

**Dinny:** I think it started a long time ago, because there are big women's enterprise organizations already in place with senior members. But it is growing even further now, again with education, the Internet and e-commerce. So I think it is going to grow more, and what I find interesting in talking to the younger generation now, women and men, is that many of them want to work and make money, but also to help society. Even after they go overseas to get education they come back, and many come to our office and want to discuss what they can do to help the community or poor people. So this gives hope for the future. I will give you another example: we are now being helped by a large advertising company to do re-branding for Toraja Melo, as we have started working beyond Toraja, such as Mamasa, West Sulawesi and East Flores. And they just came and asked us to let them help us through their CSR (corporate social responsibility).

**JS: There might be lots of business opportunities in the rural areas of Indonesia too, in particular agriculture. Could women's entrepreneurship perhaps be effective in stimulating agriculture in rural areas?**

**Dinny:** Indonesia has 17,000 beautiful islands, and every island is different. So you are right, agriculture has a very good future. That is why our Toraja Melo foundation aims to work with artisans, including weavers and farmers. Most or a lot of these farming areas are organic, because they are isolated and too high up, so they cannot afford to buy pesticides or agricultural chemicals. So it is a good opportunity. Community-based tourism is another, because I believe tourism has to give a benefit to the people, not just the investors. And also handicrafts, because each area's are different: carving, weaving, jewelry-making and things like that. For that I have been wanting to work closer with Japan, where I have been several times to promote our products, because Japan understands handicrafts, respects them, and has the expertise. I would like to work closer with the Japanese government, universities or researchers on this, because we are racing against time. Natural dyes, fibers like cotton or silk and natural colors are disappearing very fast in Indonesia. Japan has a very strong heritage of that; when I talk to Japanese they

understand right away, it is different from talking to an American or a European.

**JS: How about the financial side? Micro-financing is so important in the case of entrepreneurship, in particular in the rural areas. How do you get financing?**

**Dinny:** We now are in partnership with Bank Negara Indonesia, through their CSR, in the community development, for which they give grants and micro-finance. Again it has not been easy. Being a big bank they wanted to give \$100,000 right away, but I told them that if you give that amount of money to weavers then they will just spend it and you will have bad credit — things like that. But now we are working closely with them, and they will provide the micro-finance for the weavers. That is the community side.

On the business side, we are also facing difficulties because our company is not micro but not big. So there is a gap for us to find financing: again they may want to give us \$1 million, when we only need about \$300,000 — then for that you need to mortgage your house, and this and that. I find it harder to get financing for the business because of all that.

**JS: The information technology (IT) sector also seems very promising all over the world, and I know lots of women in Japan, Europe or the United States working very actively in that area. What do you think about the potential of women's entrepreneurship in IT?**

**Dinny:** It is growing, and we believe it is important, but one of the

Display of fashion and gifts products at TORAJAMELO store in Jakarta ([www.torajamelo.com](http://www.torajamelo.com))

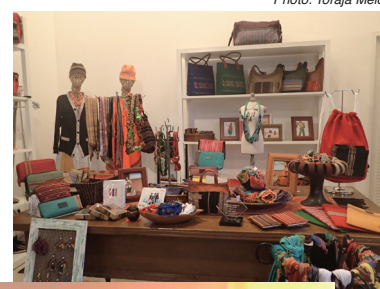


Photo: Toraja Melo



The Ardhanari dancers modeling TORAJAMELO's latest line "Blessing of the Free Spirit" at Indonesia Fashion Week 2015 (<http://torajamelo.com/story/torajamelo-blessing-of-the-free-spirit-at-ifw-2015/>)



challenges is the infrastructure. In Indonesia, electricity is not everywhere. Last week I was in the mountains, and I could not work because the electricity was off and on, and the Internet connection was very slow. So this is one of the challenges. Again, in Java it is more or less in place, but once you go outside Java, even outside Jakarta, it just drops. The other challenge is English speaking: not many Indonesians can speak English well.

The government says it has a big infrastructure plan for roads, electricity and so on, so I am hoping that it can improve. Having said that, many of the weavers have mobile phones, so we are basically connected through them and can talk to each other or make orders. Simple technology will be one of the issues now and in the near future, rather than sophisticated IT.

### Future Business Plan

**JS:** Your business seems to have lots of ambition. Can you tell me anything about your plans or future strategy?

**Dinny:** Community-wise, because that is the reason we are here. Are you familiar with Fabindia? It is a big company in India which buys textiles and handicrafts from thousands of people in India. Toraja Melo wants to become the Fabindia of Indonesia. Our current business plan is that we want to work with 5,000 weavers by 2020, and 10,000 weavers by 2025. Again it is not only about their weaving, but also transforming these women to become leaders in their communities, so that the government will listen to them, so they can access micro-finance and healthcare, and so they do not have to go overseas to become maids. It is scary, because many of them are abused, or come back pregnant or with babies; that is happening a lot in the rural areas.

Business-wise, because we have more and more communities we work with, we are in partnership with PEKKA who do the community organizing. So basically Toraja Melo gives training on the textiles side, so that their handwoven textiles are up to the standard of the world market. Our business also has to grow: we want to have a nice shop, and we are launching our e-commerce next month. We want our website to be in Japanese as well as in Indonesian and English. So that is the plan. But for this we do need help, and partners for marketing, financing, and technical aspects.

**JS:** Getting these connections with other companies and collaborators must be very important. What have been the main challenges in finding these partners?

**Dinny:** The main thing is that everything is happening in Jakarta. Outside Jakarta it is very difficult; you have to do business and get connections in the capital. I will give you an example. Our training program with the weavers in Toraja is twofold: it is both about their skill in weaving, and their financial literacy, attitudes and so on. You need funding for that. And it took me one year to talk to the CSR

department of Bank Negara Indonesia to tell them that we could be partners, because 5% of their profit has to be spent on CSR, and I felt we are good and honest and hard-working, so why not work with us? It was only in the second year that we could get through, and now that we have been working together for three years it has been getting better. But before that they were looking at it from the banking perspective, instead of the social perspective, so it takes some time for them to understand. So on the community development side it is difficult, but on the marketing side also it is another challenge to work with shops, department stores and buyers.

### Expectations of APEC & Other Fora

**JS:** Your company was selected by APEC as one of the 50 leading companies for women in the region. As globalization goes on, such international organizations are becoming very important in each country's economic activities. ERIA (Economic Research Institute for ASEAN and East Asia), for example, is headquartered in Jakarta. Might you expect such international organizations to be more engaged in promoting women's entrepreneurship in Asia?

**Dinny:** I think we all agree that it is important to promote women, their issues and social enterprises. We have to do it from two sides: from the top, which is law, regulation and so on, but also from the bottom, the grassroots. From my experience in banking and human rights, most of the time the people who make the laws and regulations do not really understand what is happening at the grassroots level, and the people at the grassroots level are just too busy surviving. So we need these organizations to be connectors, so that laws or regulations really affect the people at the bottom.

In Indonesia, we also have young people as 70% of our population. If we do not handle that well it is going to explode, because there will be a lot of unemployment, and our family planning program has been stopped for the past 10 years, so there are children everywhere. I think it is the opposite problem from Japan, where your population is getting older. So yes, it is important for organizations like APEC and the OECD to be involved in women's issues, and we have been working quite closely with the ASEAN economic community, for example in creating the weaving identities of ASEAN. Again the entry point is weaving, because all ASEAN countries have it. But I would like to be more involved, because I would like to hear stories and experiences from other women's enterprises, and it is important for us to work together. **JS**

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