

# Urbanization Process and Housing Policy for the Poor in Jakarta: Towards A New Paradigm

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## ABSTRACT

*Proses urbanisasi berlangsung pesat di kota-kota besar Asia Tenggara khususnya Jakarta. Seperti halnya kota lain di kawasan ini, Jakarta dapat dipandang sebagai "Kota Primata" yang berarti berkembang jauh melampaui kota nomor dua yang terdapat di masyarakat yang bersangkutan. Menarik untuk disimak, kota ini mempunyai ciri sosiologis yang tipikal. Secara anatomis Jakarta merupakan hamparan permukiman penduduk pendatang berpenghasilan rendah yang dikenal sebagai "Kampung" dan mempunyai pusat-pusat yang terbentuk secara historis. Struktur kota seperti ini menunjukkan bahwa mayoritas warga merupakan kalangan "miskin". Banyak diantara mereka pemukim liar atau menempati tanah dengan status tidak jelas, secara politik amat lemah, bekerja di sektor informal atau bahagian marginal sektor formal. Mereka secara geografis dan okupasional sangat mobile. Oleh karena itu warga tersebut merupakan "urban floating-mass". Melalui migrasi dalam kota, mereka membangun hubungan sosial baru dan perumahan secara mandiri ("self-housing project"). Pengadaan perumahan semacam ini menepiskan anggapan bahwa kalangan miskin perkotaan merupakan beban pemerintah kota. Pemerintah selama ini disibukkan dengan kebijakan perumahan seperti program perbaikan dan pembaharuan kampung yang ternyata tidak besar manfaatnya karena keliru dalam menafsirkan kebutuhan warga. Warga tidak memerlukan campur tangan pemerintah seperti pengadaan flat yang asing bagi mereka. Apa yang diperlukan mereka adalah tiga hal. Pertama, legalisasi pemilikan tanah. Kedua adalah diciptakan mekanisme agar mereka mempunyai saluran politik yang mampu mengontrol agenda politik kota. Ketiga, dilakukan upaya pemberdayaan sosio-ekonomis melalui langkah kebijakan pembangunan sosial yang tepat dan membuka ruang tumbuh suburnya organisasi akar rumput demokratis sebagai bibit civil society. Dalam kaitan ini peranan pemerintah lebih bersifat sebagai fasilitator pembangunan.*

## I

Many studies depict the fact that the scale and pace of urbanization are both dramatic and markedly uneven across the regions of the world. In this context, scholars have defined the urbanization level of a country as the percentage of a given population living in areas classified as urban (see Chase-Dunn, 1983). According to recent estimates, over 40 percent of world's population now live in urban areas, and this is expected to increase dramatically. There is tremendous global unevenness in the level of urbanization level. About seventy percent of the European and North

American population lives in urban areas. However, less than one-third of Africa's population is living in cities and towns. This percentage is even smaller in some Asian countries (Timberlake, 1993: 37; cf. United Nations, 1980, 1991, and 1998).

It is obvious that the level of urbanization in the less developed countries (LDC's) is comparatively small. However, it is sheer population volume, in terms the tempo of urbanization in the developing countries is much greater than was ever the case in the core. The average annual growth rate of urbanization in Europe among 1850 and 1880 (Europe's rapid period of urbanization) was

approximately 1.2 percent. This raised the level of urbanization from fifteen percent to twenty-two percent. This is different from the situation of today's developing countries. During their most dramatic period of urbanization (1950-1985), the level of urbanization in Third World countries increased from seventeen percent to thirty-two percent (Timberlake, 1993: 41; cf. Bairoch, 1975; McGee and Robison, 1995; United Nations, 1984 and 1998).

Furthermore, this analysis of the numbers masks the fact that the overall higher rate of natural increase in most of the developing societies contributes remarkably to the increasing population of large cities. This is so even if the urban proportion remained stable. Natural population growth, rural-urban migration and annexation of outlying areas not previously defined as urban have caused the population of many major cities in these regions to double or even triple over the last 30 years. Mexico City, for instance, increased from 3 million in 1950 to an estimated 15 million in 1980, during the same period Jakarta grew from 1.8 million to 7 million, Accra from 240,000 to 1.4 million, and Buenos Aires from 5.2 million to 10 million. In comparison, during New York City's twenty-five years of most rapid growth (1850-1875), its population increased by 1.2 million people (Chase-Dunn, 1985; Timberlake, 1993; see Giddens, 1982).

The growth rate of cities has not been the same in all parts of the developing world. There is a striking variation of urbanization rate between these regions. It ranges from Latin America, where nearly 70 percent of the population is classified as urban, to about 30 percent in Asia and Africa. The cities of several African and Latin American countries grew faster during the 1970s than the ones of South Asia and Southeast Asia (see Drakakis-Smith, 1987: 2-5; Smith and Feagin, 1993). In this context, Southeast Asian societies are not only among the least urbanized regions in the globe but also belong to the slowest 'urbanized'. In a list of 14 world regions, Southeast

Asia ranks number 11 on an index of urbanization, which measures the increase of the total urban population between 1950-1970. Thus, although recent data on world urbanization reveals comparable figures, the Southeast Asian urbanization level is still below that of the other 'less developed' regions (McGee, 1991; United Nations, 1989). The frame of reference adopted here is the Third World and the measure is the relative growth of the urban population rather than the absolute growth of individual urban centers.

## II

Some scholars do not view the urbanization process in Southeast Asia from the perspective of the urbanization level of one nation or of the region as a whole. They view the urbanization process as the absolute growth of the individual urban centers (see Evers, 1976; Evers and Korff, 2000). This suggests two crucial aspects of the condition of urbanization of Southeast Asia as a region. First, there is a trend that the Southeast Asian metropolis represents dominant cities in relation to their surrounding towns. Second, the experts are struck by the proportionately rapid growth of these Southeast Asian major cities. Discussing the former, the major cities of the region represent urban niches dominant over their surrounding towns as well as over their rural hinterlands. The Thai capital of Bangkok takes the first rank on a scale of urban primacy in the Third World (see Clark, 1985; Korff, 1986b; McGee, 1969; Smith, 1985; Walters, 1985). In 1975, Manila, the capital of the Philippines was twelve times larger than Cebu, the second largest city (see Chase-Dunn, 1985; Kelly, 1999). Jakarta, at the same time, was three times larger than Surabaya and six times larger than Bandung, the second and third largest cities in Indonesia (see Firman, 1995).

A look at the urban growth of each of the Southeast Asian metropolis reveals that the population of Bangkok, Kuala Lumpur, and

Saigon in 1947 was 800,000, 180,000, and 110,000, respectively. A comparison of these numbers with the 1969 figures indicates dramatic changes. Bangkok, in 1969, had three million inhabitants, Kuala Lumpur 600,000, and Saigon four million. The population of Manila in 1948 was 1.4 million, whereas Singapore had 700,000 inhabitants in 1947. In 1969, the population of Manila had increased to three million and that of Singapore to two million (see McGee, 1991; Rüländ, 1996). The data show that by the 1980s Bangkok, Manila, and Jakarta were included in the group of the largest metropolis of the developing world. In 2000, the population of Jakarta had reached an approximate figure of 8 million. The population of Jakarta today is about eight million. It seems, this dramatic urban growth has resulted from the integration of many Southeast Asian countries into the advanced capitalist world economy. These major cities of Southeast Asia have been massively involved in international investment, trade and production. They have assumed crucial economic and political positions and roles in their countries. These metropolises are the capital cities and thus are the loci of the 'modernization' process for their countries as whole (Somantri, 2000). This central role of Southeast Asia's major cities in their national and the global arenas leads to dramatic urban growth by means of rural-urban migration, natural population increase, low mortality rates, and territorial annexation (see Kelly, 1999).

### III

We direct our attention to Jakarta. This attention is based on the reason that Jakarta constitutes the largest city of Indonesia. Many observers have noted that Indonesia represents a major potential market of the world economy. In terms of population, nearly half of the total population of Southeast Asia belongs to Indonesia alone. "Still more striking", as Wertheim (1980: 8) observed, "is that nearly one third of the total population of the area

is found on one island of very moderate size: Java..." Jakarta is the largest city on Java. Seen in this context, this large section of Southeast Asia is being powerfully influenced by market expansion of the world economic production. It is obvious that Jakarta represents Indonesia's main window to the wider arenas of the global economy.

In fact, the rapid development of Jakarta is also characterized by the impression of urban dualism. Contemporary Jakarta is still characterized by modern building structures interspersed with inner-city slums and squatter settlements (see Evers, 1991a; Heintel and Spreitzhofer, 1998; Korff, 1996; McGee 1991). In this relation, Evers (1980) notes:

The major central road, Jalan Thamrin, lined by high-rise buildings of hotels, embassies, offices of multinational corporations, banks and ministries... But to suppose that this description would give an indication of the social structure of the Jakarta population would be highly misleading... Furthermore, there are between the landmarks described above the vast areas of urban *kampungs*, urban villages..... (Evers, 1980: 1).

The majority of Jakarta dwellers live in the *kampung* areas or urban low-income settlements (Cohen, 1975; Jellinek, 1991; Krausse, 1975; Millone, 1969; Nas, 1986). There is no legal definition of the urban *kampung*. High population density, size, and residents' occupation are important but not sufficient criteria (see Murray, 1991). Krausse (1975) defines *kampungs* as those residential areas where those inhabitants with low socioeconomic status and substandard housing constitute a clear majority. He distinguishes three types of *kampungs* in Jakarta: the inner city slum, the periphery squatter settlement, and the woodland *kampungs* (see Krausse, 1975). These *kampungs* were originally established through a system of ethnic segregation. During colonial times, we find many residential niches, in the outskirts of Jakarta segregated according to ethnic affiliation. Thus, in that time, we find many Balinese living in 'Kampung Bali', Javanese living in

'Kampung Jawa', etc. These *kampung*s were transformed over time and, today, ethnic segregation is not an important indicator defining the *kampung*. In modern Jakarta, it seems that the socioeconomic class of the residents is the main criterion defining *kampung* areas (see Evers, 1980; McGee, 1969; Evers and Korff, 2000).

In general, however, we can observe the presence of various ethnic groups in the *kampung*. Since independence, the population of *kampung* areas has been swelled by migrants coming mainly from West Java, Central Java, East Java and Sumatra. Thus, since that time the ethnic composition of Jakarta's *kampung* areas have been characterized by a multi-ethnic condition (see Castles, 1967). Many of the original Jakarta inhabitants, the so called *Orang Betawi*, have been pushed out to the fringe areas of the city. Some of the elements of Jakarta's lower class culture, such as the Jakarta dialect (*omong* Jakarta or *bahasa* Betawi) and street slang (*bahasa* Prokem) are derived from the native Betawi people (Murray, 1991: 17).

Most of the *kampung* people now belong to the low-income group of migrants. They live in small 'houses' (often huts or shacks) otherwise referred to as 'shanties', and occupy government-owned land without having legal rights to stay there (as 'squatters') (see Abeyasekere, 1989; Evers, 1982; Korff, 1996; Krause, 1975; Millone, 1969). The distinction between the physically aging *kampung*, reached by narrow unpaved alleyways off the main roads, and of the modern elite houses concealing them, with their towering brick walls topped with barbered wire and broken glass, is an inescapable feature of Jakarta. If there is an elite group in the area it will live on the main or paved street side and have little social intercourse with the *kampung* people (see Murray, 1991: 15).

A significant proportion of Jakarta residents living in the *kampung* area are engaged in low-productivity activities such as petty trade or petty commodity production. Through their work, they are hardly able to satisfy their own

subsistence and domestic reproduction needs and thus do not contribute to economic development through the expansion of productive enterprise (Evers, 1980 and 1991a; Geertz, 1963; McGee, 1991; Murray, 1991; see Portes et al., 1991; Roberts, 1994). Nevertheless, we can also find many *kampung* dwellers, who work in marginal formal sectors such as menial industrial workers and government employees. A "characteristic *kampung* way of life", as Murray (1991: 15) stated, "developed, associated with a complex integration of economic activities in the formal, informal, and subsistence sectors" (Murray, 1991: 15). This suggests the urban "floating-mass" concept developed by Evers (1981). This concept has been used to identify the migrant urban labor force, which is integrated into the urban economy through their carrying out of informal economic activities. The "floating-mass" of Jakarta is highly mobile, with regard to places of work and residence, and also concerning their different kinds of occupations. People employed in the informal sector tend to flock to places where many customers can be expected to gather. They also prefer to live in areas adjacent to their work location and thus show a high degree of geographical as well as occupational mobility (see Heintel and Spreitzhofer, 1998; Jelinek, 1978 and 1991).

The *kampung* dwellers have little or no power in the administration of the city and have to adapt their life-styles in order to survive and 'make out' in opposition to the metropolitan super culture and structures of power and policy (cf. Murray, 1991: 15). This leads us to the problem of interest representation among low-income groups in Jakarta and their influence on the decisions of urban elite such as the country's foremost statesmen, prominent officials of the city government, military groups, and members of the business community. None of the *kampung* dwellers can be classified as members of one of the urban 'strategic groups' which dominate the process of political decision-making in the city, thereby determining the direction of its future devel-

opment (see Evers and Schiel, 1987; Korff 1986a). This power imbalance becomes visible in the phenomenon of *kampung* demolition. Although housing in *kampung* areas is essential for the survival of many Jakarta's population, *kampungs* are vulnerable due to competition for space with modern business and the state. In consequence, a process of systematic *kampung* demolition has been going on in Jakarta for many years, particularly in the central part of the city.

#### IV

There is a common view that the private sectors and State sectors of the economy constitute the only two major actors of urban development processes. Following this view, private companies have turned the green Jakarta sunbelt into real-estate projects, old-established inner city Jakarta *kampungs* into middle-class housing compounds, office complexes and shopping precincts. And the State has constructed urban arterial roads, highways, government's offices, has improved deteriorated *kampung* areas, and conducted urban renewal (redevelopment) projects. In these plans the poor are often perceived as a hindrance and 'anti-development'. It is obvious, that this perception ignores a significant contribution of the poor to Jakarta's urban development. The findings of this study challenge the adequacy of this common view. Empirical evidence shows that the poor of Jakarta play crucial roles in the ongoing urban development of their city. The poor of Jakarta are responsible in part for developing the city. In a nutshell, through their moves and settlement inside Jakarta, and their related economic activities, the low-income residents of Jakarta are making the city to a large extent.

The phrase 'making the city' is understood in two senses. First, following their voluntary or involuntary moves, the poor often repair their new homes or build new small houses, shacks, or huts. Thus, the *kampung* dwellers contribute to the development of the city with

their self-initiative housing projects. This is one of the logical explanations of why the presence of vast *kampung* areas will always be embedded in the urban reality of contemporary Jakarta, although the State and private sectors devote their energies to "modernizing" the city. In other words, *kampung* structures can be seen as an integral part of urban development in Jakarta. The *kampung* is necessary for the process of 'modernization' itself. To a significant degree, Jakarta workers house themselves.

Closely connected to the first, the second understanding of the above mentioned phrase "people making the city" is associated with the development of networks of new social relations by intra-city migrants in their new communities of destination. Intra-city migration has as one consequence, the loss of the individual actors' systems of social relations in their former urban localities. Hence, intra-city migrants have to develop new networks of social relations and integrate themselves into the neighborhoods of their place of destination. In this sense, we agree with the view that urban reality consists not only of the physical structure, but is also the sum of the socio-economic activities and relations of the city's inhabitants. In this context, we found that the poor of Jakarta 'make their city' with the development of their new systems of social relations. This process is typically associated with the intra-city migrants' economic activities. Their social relations and networks are crucial for carrying out their informal business activities and for their survival in urban economic life. It is not surprising that the Jakarta urban realm is marked by the huge presence of the informal sectors of the economy. Jakarta's workers provide their own jobs. This mirrors both the fact that there are not enough formal sector productive capacity nor an adequate mechanism to generate a 'modern' economy.

## V

Until this point, we have discussed that the urban poor have their own typical solution in fulfilling their housing needs, i.e. self-housing project. This idea rejects the common perception that the urban poor represent as a burden for the city administration as well as the central government. In this connection, the state have been introduced urban renewal program, *kampung* improvement activities, RSS complexes, etc. for "helping" the poor in housing needs procurement. However, these programs are evaluated as ineffective activities. For instance, urban renewal project do usually not profit most the poor rather providing lower-middle class people with a new opportunity for gaining more socioeconomic asset. Similarly, the *kampung* improvement project, which physically transform the deteriorated low-income neighborhoods settlement compounds into more better structure, do not fully successful. In the reality, the project forces the people for moving into another deteriorated area after selling his improved house to the comparatively well to do urban dwellers. RSS project is also do not fit with the socioeconomic character of the "urban floating-mass". This project is more suitable for people who are working in the formal sector of the

economy. In many cases, it is found that the urban poor have the difficulties to pay monthly installment prior to the unique character of their income-earning situation.

In sum, it is clear that the poor are self-sustained in fulfilling their housing needs. What is lack for them is the "real" recognition from the state that they are factually city dwellers. This implies to the very basic issue of discussion, namely giving the poor their sociopolitical rights in residing. Many low-income people in Jakarta have no clear right of land (squatters). Politically they are very weak. They have no access to influence political agendas, which determines their faith. At the same time social basis like grassroots organization is destroyed by wrong intervention of the state program of housing. Thus, there are three crucial points to be discussed in dealing with this problem. Firstly, the state shall give the poor (squatters) a clear status of land-ownership by granting them the land they occupied for generations. Secondly, it is important to open political channel for this "silent majority" part of population in order to participate in urban decision making process. Thirdly, it is crucial to empower their community by means revitalizing their existing democratic grassroots as an embryo for developing the future established urban civil society. *M*

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