

The Colonial Roots of Power in Shaping Housing Policies and Urbanization in Jakarta Today

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Abstract

This essay examines the enduring effects of colonialism on housing power dynamics and urbanization in Jakarta, formerly known as Batavia. This historical segregation has intensified since Indonesia's independence in 1945, as rapid urbanization and migration have overwhelmed urban infrastructure, leading to inadequate public services and environmental degradation. Utilizing a literature review methodology, the research highlights how colonial urban planning established a framework that favored European settlers, leading to significant social and spatial disparities within the city. Key findings reveal that Indigenous populations were systematically marginalized, forced into informal settlements, or *kampung* on the city's periphery, resulting in entrenched socio-economic inequalities. The study also emphasizes contemporary issues such as land subsidence and pollution, which are rooted in colonial governance practices and exacerbated by modern administrative failures. Finally, the research underscores the necessity of understanding Jakarta's colonial legacy to inform equitable housing policies and effectively address the city's current urban challenges, promoting social justice and sustainability for all residents.

Keywords: Colonialism, Urbanization, Housing Inequality

I. INTRODUCTION

Jakarta, once a colonial outpost known as Batavia, has experienced rapid urbanization in recent decades, transforming into a sprawling metropolis. This growth, fueled by economic opportunities and rural-to-urban migration, has created significant challenges, particularly in housing. Based on the *Statistical Yearbook of Indonesia 2024* published by the Central Statistics Agency (BPS), Jakarta now has a population of over 10 million. The city's population of over 10 million, with a greater metropolitan area exceeding 30 million, has strained public services and infrastructure, especially in low-income areas. Many residents, particularly those from rural areas, find themselves living in informal settlements or *kampung*, often lacking basic amenities like sanitation, clean water, and secure land ownership. This housing crisis is a direct result of uncontrolled urban growth, inadequate housing provision, and complex land ownership regulations. These informal settlements are largely a consequence of uncontrolled urban growth, immigration, and inadequate housing provision by both public and private institutions (Davis, 2008; Zhu, 2010).¹ While the government has attempted to address the issue through initiatives like the Rusunawa (low-cost rental flats), these efforts have been insufficient. Furthermore, forced evictions and relocations have displaced residents, often severing their social and economic ties. Understanding the historical context is crucial to grasping the roots of Jakarta's housing challenges.

During the colonial era, Dutch policies and infrastructure were designed to serve the colonial elite, creating stark spatial divisions between social classes. These colonial systems of land ownership, segregation, and unequal resource distribution continue to influence the city's urban structure and housing policies today. By examining this historical legacy, we can better understand the entrenched inequalities in Jakarta's housing and urban planning, which persist despite contemporary efforts at reform. This paper argues that Jakarta's contemporary housing policies and urbanization are deeply influenced by colonial power structures, which have created long-lasting socioeconomic disparities and spatial inequalities. With postcolonial studies theory, it critically examines the lingering effects of colonialism on former colonies, we see that urban planning and housing policies are not merely technical issues but are deeply intertwined with

¹ Andrea Emma Pravitasari. (2015). STUDY ON IMPACT OF URBANIZATION AND RAPID URBAN EXPANSION IN JAVA AND JABODETABEK MEGACITY, INDONESIA.

power dynamics rooted in colonialism. Postcolonial theory highlights how the imposition of colonial systems of governance, economics, and land management have shaped modern state structures, reinforcing hierarchical social divisions long after formal colonial rule ended. In Jakarta, these colonial legacies are visible in the way land is distributed, the prioritization of elite interests in urban development, and the marginalization of informal settlements. By analyzing Jakarta's urban development through a postcolonial lens, we can better understand how historical power imbalances continue to shape policies and perpetuate inequality, offering insights into how these settled systems might be dismantled to create a more inclusive and equitable city.

II. THE ENDURING LEGACY OF COLONIAL REGULATIONS

The persistence of colonial-era regulations in Jakarta has significantly influenced its urban development and housing policies. Despite Indonesia's independence in 1945, many laws and frameworks established during the Dutch colonial period remain in place, profoundly shaping the city's infrastructure, land ownership, and urban planning strategies. For example, Law no. 1 of 2011 concerning Housing and Settlement Areas. Even though it is a new law, many of the principles and regulations in it refer to previous regulations from the colonial era, especially in terms of providing adequate housing and regulating residential areas. These legacy laws not only reflect the historical context in which they were created but also perpetuate systemic inequalities that affect marginalized communities in contemporary Jakarta. Immediately following independence, Jakarta was thrust into a housing crisis exacerbated by a massive influx of migrants seeking economic opportunities. As people moved to the city in search of jobs, the existing infrastructure was ill-equipped to accommodate the burgeoning population. The government's focus on economic recovery, coupled with a lack of comprehensive urban planning, led to the proliferation of informal settlements, or *kampung*. In these areas, many residents endured substandard living conditions, characterized by inadequate sanitation, limited access to clean water, and overcrowding. Despite decentralization, the government struggled to address the urgent housing needs of the growing population, often hindered by insufficient resources and ineffective governance. As noted by the World Bank, decentralization may be ineffective if local governments lack adequate financial resources to deliver public services, if they suffer from inefficient administration, or if there is a lack of coordination between public

and private sectors..² The emphasis on rapid economic development led to a neglect of housing policies, as government priorities centered around industrial growth and infrastructure development, further marginalizing low-income communities.

The New Order regime under President Suharto, which lasted from 1967 until 1998, marked a significant turning point in Jakarta's urban development. During this period, the government implemented various housing initiatives aimed at providing affordable homes for lower-income groups. Among these was the low-cost housing initiative, which sought to address the pressing housing shortage. However, these initiatives were often marred by corruption, poor planning, and inadequate implementation. Many low-cost housing projects failed to materialize or were poorly constructed, leaving many intended beneficiaries without access to adequate housing. Additionally, the focus on urban development frequently led to the displacement of low-income communities, particularly those living in informal settlements. Gentrification processes, driven by private investments and development projects, further entrenched social inequality, pushing marginalized groups to the peripheries of the city where they faced greater challenges in accessing basic services. The fall of Suharto in 1998 ushered in a new era of political reform and decentralization, significantly altering the governance landscape in Jakarta. With local governments gaining more autonomy, the framework for urban planning and housing policy became more fragmented and varied across different regions of the city. While decentralization allowed for more localized decision-making, it also led to inconsistencies in housing policies and urban planning approaches. Some local governments adopted progressive housing initiatives, while others failed to address the needs of their constituents adequately. This disparity in policy implementation further entrenched social inequality, as communities in more proactive regions benefitted from better access to housing and services compared to those in less responsive areas. The lack of a cohesive urban development strategy meant that many marginalized populations continued to be sidelined in the planning process, perpetuating cycles of poverty and exclusion. The interplay of colonial-era regulations and the subsequent political dynamics post-independence have left a lasting impact on Jakarta's urban development and housing policies. We can see back to the colonial era, social and political changes in Indonesia

² See World Bank Decentralization Net located at <https://www1.worldbank.org/publicsector/decentralization/what.htm>. Quoted from Keith Green. (2005). Decentralization and Good Governance: The Case of Indonesia. SSRN Paper.

were very evident in cities, where urban life intensified conflicts and anxieties due to a large influx of people. Fighting between urban and rural areas led to many refugees moving in and out of cities, depending on which side they supported. This resulted in rapid population growth in cities, one of them is Batavia. While the urban population grew, the cities infrastructure fell into disrepair due to neglect and damage from World War II and the Indonesian revolution. Frequent changes in government made city management worse. Consequently, there was a significant housing shortage in Batavia. In 1948 Jakarta a shortfall of 80,000 houses was estimated (Abeyasekere 1989:157), for a population of 1.2 million.³ We can see that even in this era, Jakarta is experiencing a housing shortage, which demonstrates the 'snowball effect' of the colonial era in the present day. Despite efforts to address housing shortages and improve living conditions for lower-income groups, systemic challenges and inequalities persist. Addressing these issues requires a comprehensive approach that considers historical legacies, engages local communities, and prioritizes inclusive housing policies that ensure equitable access to safe and adequate living conditions for all residents of Jakarta.

III. ANALYZING ON HOUSING INEQUALITY IN JAKARTA

The urban landscape of Jakarta today reflects deep-seated disparities in housing, which can be traced back to policies instituted during the colonial era. These historical policies have perpetuated systemic inequalities that continue to shape the city's development, access to resources, and social dynamics. The colonial government, particularly during the Dutch colonial period, established land ownership systems that favored European settlers and colonial elites while systematically disenfranchising local populations. The implementation of the Agrarian Law of 1870 enabled the colonial state to control land use and allocation, leading to the appropriation of vast tracts of land for plantation agriculture and urban development. Consequently, indigenous communities were often displaced from their ancestral lands, leading to a fragmentation of social structures and community ties. This historical pattern of land appropriation laid the groundwork for the socio-spatial segregation that characterizes Jakarta today. The elite urban neighborhoods, often built for colonial administrators and expatriates, are starkly contrasted by informal settlements or slums that house the marginalized populations. The

³ Freek Colombijn. (2014). *Under Construction The Politics of Urban Space and Housing during the Decolonization of Indonesia, 1930-1960*. LEIDEN : BOSTON

legacy of these colonial land policies has created a city where economic opportunity and quality housing are heavily skewed in favor of the wealthy. If we see in today's era, people move to Jakarta because rural areas do not provide enough adequate jobs (Edelman and Gunawan 2020, 70). Addressing the issues of illegal slums in Jakarta will be challenging without better opportunities in rural areas. If current residents move to improved housing, new people will simply take their place in the slums.

Post-independence, Indonesia's housing policies have often mirrored colonial practices, prioritizing urban development that benefits the affluent while neglecting the needs of lower-income residents. The focus on creating modern urban centers and luxury housing projects has resulted in a significant shortage of affordable housing for the majority of the population. Government initiatives tend to favor large-scale developers who construct high-end residences rather than addressing the pressing needs of lower-income communities. The rapid urbanization of Jakarta, fueled by rural-to-urban migration, has exacerbated the housing crisis. With millions flocking to the city in search of better opportunities, the demand for housing has skyrocketed. However, the supply of affordable housing has not kept pace, leading to a proliferation of informal settlements. These neighborhoods, often lacking basic infrastructure and services, reflect the stark inequality that pervades the city. Housing inequality in Jakarta extends beyond the availability of physical structures; it also encompasses access to essential public services. Informal settlements are frequently situated on the peripheries of urban development, where residents face challenges in accessing quality education, healthcare, and transportation. The urban poor often live in areas with inadequate sanitation, limited public transport options, and poor environmental conditions, compounding their vulnerability. Conversely, wealthier neighborhoods benefit from well-planned infrastructure, including better roads, public transportation, schools, and healthcare facilities. This disparity creates a vicious cycle where the disadvantaged remain trapped in a state of poverty, unable to access the resources that would enable them to improve their living conditions. One of the critical issues exacerbating housing inequality is the lack of community involvement in policy-making. Historical patterns of governance have often excluded marginalized communities from the planning processes that directly affect their lives. Local governments tend to prioritize the interests of developers and affluent residents, sidelining the voices of low-income populations who are most impacted by housing policies. Efforts to address housing inequality require a fundamental shift towards

inclusive governance. Engaging community members in the decision-making process can lead to more equitable housing policies that reflect the needs of diverse populations. It is essential for policymakers to recognize the importance of participatory planning, ensuring that the voices of marginalized communities are heard and considered. Moreover, the environmental implications of housing inequality cannot be overlooked. The rapid and often unregulated urban expansion in Jakarta has led to significant environmental degradation. Poorly planned informal settlements are more vulnerable to flooding, pollution, and other environmental hazards, which disproportionately impact low-income residents. Addressing housing inequality necessitates not only improving access to affordable housing but also ensuring that these developments are sustainable and resilient to environmental challenges.

IV. CONCLUSION

The exploration of Jakarta's housing policies and urbanization reveals a complex interplay between colonial legacies and contemporary challenges. The historical context established during the Dutch colonial era has profoundly shaped the city's socio-spatial dynamics, leading to entrenched inequalities that persist in today's urban landscape. The systemic favoritism towards colonial elites in land ownership and urban planning has left a lasting impact, resulting in a stark divide between affluent neighborhoods and marginalized informal settlements. Despite Indonesia's independence in 1945, many colonial-era regulations and governance practices remain entrenched within modern urban policies. The housing crisis, exacerbated by rapid urbanization and migration, highlights the inadequacies of governmental responses to the needs of the burgeoning population. The fragmented approach to urban planning, particularly following the decentralization process post-Suharto, has further complicated efforts to address housing inequalities, leading to inconsistent policy implementation and a lack of cohesive strategies that prioritize the needs of marginalized communities. Moreover, the lack of community involvement in policy making perpetuates cycles of exclusion and inequality, as the voices of the urban poor are often sidelined. The persistence of informal settlements, characterized by inadequate infrastructure and services, underscores the urgent need for participatory governance that engages local communities in decision-making processes. Only by addressing the historical injustices rooted in colonialism and adopting inclusive housing policies can Jakarta move towards a more equitable urban future.

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