

# Urbanization & Globalization and the Challenge for Housing Provision

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# Strategic Questions on Existing Urban Challenges

- **The first strategic question** is how to develop our cities to be able to provide increasing of urban population, worldwide included Indonesia, with appropriate living environment.
- **The second strategic question** is how to make our cities able to anticipate the unstoppable process of globalization.
- **The third and specific question** is now more focus on “do we have the abilities to guide the urban development process in a sustainable way?”

# Introduction

- Anticipating the Urbanization (especially for developing countries) in the era of Globalization
- The Structural Change of Spatial Order
  - > firstly on level between cities in the same country,
  - > secondly on the relation of the city to its hinterland,
  - > and thirdly on the internal structure of a city.

## Questions:

How these transformations are influencing the process of Urbanization

The impacts on our capability to anticipate the urbanization ie. to develop the appropriate urban area.

# Increasing of Urban-Land Coverage Area

<b>Year</b>	<b>2000</b>	<b>2010</b>	<b>2025</b>	<b>2050</b>
• Urban Population	87,7 jt	120jt	170jt	227,7jt
• INCOME/GNP	100%	210%	441%	809%
• Urban Land coverage(sqkm)				
• Increasing based on Pop. (sqkm)		6800	13.550	23.800
• Increasing bas GNP		6800	15.300	24.480
• Total Urban Land Coverery (sqkm)	17.000	30.600	<b>45.850</b>	<b>65.280</b>

**In the next 35 years the urban land coverage in Indonesia will increase around 30.000sqkm or 3,0 Mio. Hectars, around 1,20 to 1,25 Mio. from them are housing area.**

## Second Strategic Question: How to anticipate “the Spatial Fix”

- Standardization the technical and legal system
- Integration to the worldwide operation system of capital accumulation.
- The organization of Production and Reproduction system

The impact:

A total restructuring of existing city is divided the urban population in two groups, the first is successful integrated to the global system and the second is marginalized or vulnerable to be marginalized.

# Urbanisasi & Globalisasi In Jakarta: create a new spatial order



An aerial photograph of a city, likely Jakarta, Indonesia, showing a river winding through a dense urban area. The foreground is dominated by a vast, tightly packed residential area with numerous small buildings and red-tiled roofs. In the middle ground, there are several large, modern commercial buildings and a prominent yellow-roofed structure. The background features a skyline of tall skyscrapers, some under construction, against a hazy sky. The overall scene illustrates the contrast between traditional urban density and modern high-rise development.

## The Direction of the Urban Development process: A Dominant Role of the global-oriented Economy

## Strategic Questions

# Anticipating Urbanization

- A south-african scholar Mark Swilling underlines that “in the new developed countries and in what we call as global south in the next 30 years the urban area will increase from 200.000 to 600.000 Sqkm”.
- Even if the countries have the technology, they will have problems to get the amount of materials needed, to construct the 400.000 Sqkm within 30 years, because the same materials are needed to execute the process of globalization.
- The other challenge is surely how to organize and to distribute the resources to those peoples, who want to build their houses, exactly to those places where there are needed. For the time being the global south has not the organizational capabilities to meet those challenges.

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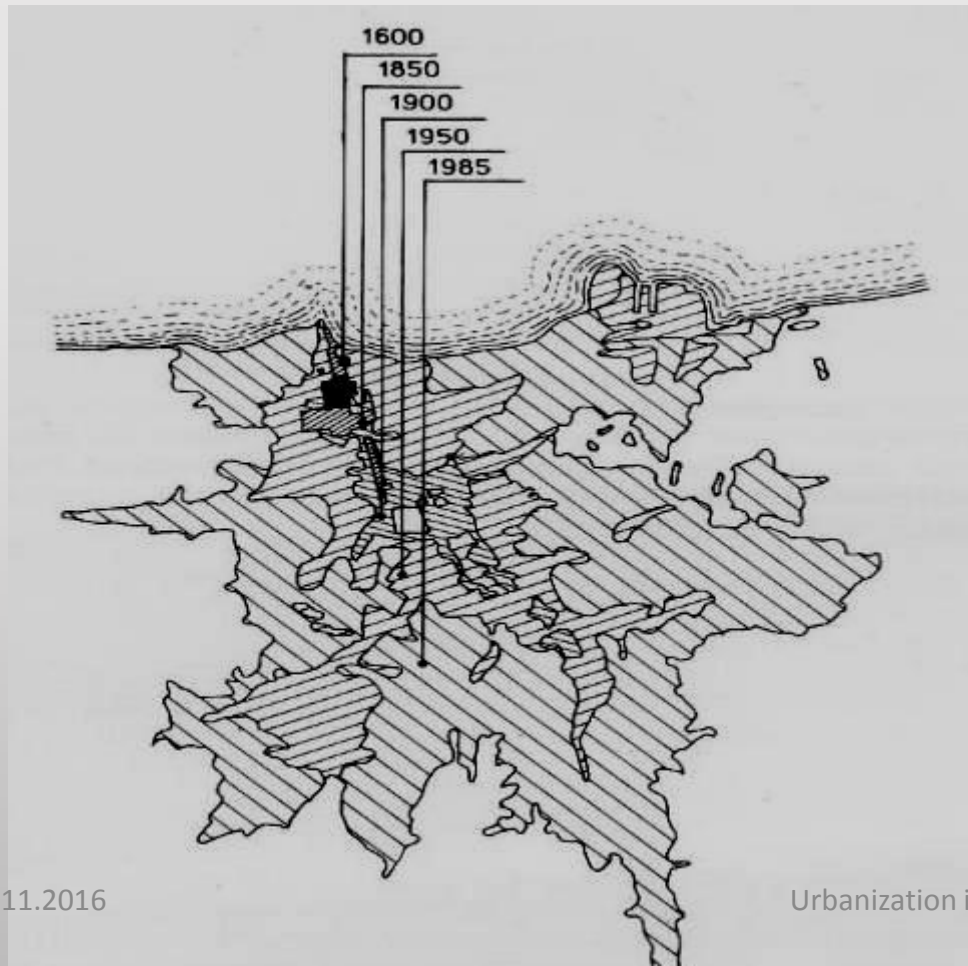
# City as Human Habitat

- If our cities in Indonesian in the next 35 years are not able to provide the additional 1,20 Mio.hectars housing area, then the rest has to look for another alternative, and significant part of them will living in poor housing areas, included in illegal squatters and extrem dense living areas.
- If we are not able to provide housing for the big majority of these peoples, is that mean that we are facing **the end of the function of the city as a human settlement**? And this will be in the same time **the end of the function of the city as a social institution**.

# The big problem: How to provide Housing Land?

- The pressure of Globalization will drive the price urban land high.
- If the only criteria who can have the land in the city is who can pay the highest price, and the price of land is increasing much faster than the average income,
- For the percentage of urban Inhabitans without affordability to have a house will continuiery increase.

The dominating private sector control more than 30.000 ha housingland but between 1985 to 2010 these new towns are able to provide housing only for 800.000 person. In the same time the population of Greater Jakarta was increasing from 12 to 25 Mio.



## New Towns in Greater Jakarta



Project	Area (ha)	Launched (year)
<b>North Jakarta</b>		
Jakarta Waterfront City	2700	NA
<b>West Jakarta (Tangerang)</b>		
Teluk Naga	8000	NA
Bumi Serpong Damai	6000	1989
Kota Baru Tigaraksa	3000	1987
Citra Raya (Citra Grand City)	3000	1994
Lippo Karawaci	2630	1992
Bintaro Jaya	1700	1979
Gading Serpong	1000	1993
Kota Modern	770	1989
Alam Sutera	770	1994
<b>East Jakarta (Bekasi)</b>		
Lippo Cikarang	5500	1991
Kota Baru Cikarang	5400	NA
Kota Legenda	2000	1994
Bukit Indah City	1200	1996
<b>South Jakarta (Bogor)</b>		
Bukit Jonggol Asri	30 000	1996
Bukit Sentul	2000-2400	NA
Citra Indah	1200	1996-97
Kota Wisata	1000	1997
Telaga Kahuripan	750	NA
Taman Metropolitan	600	NA

# Can we solve the housing problems by improving the housing market?

- Can we upgrade the efficiency of existing housing production through increasing its competitiveness?
- Can we overcome the distortions on housing market, i.e. reducing land speculation?
- Can we improve the housing management system and extend the life cycle of housing?
- Or should we develop alternatif housing delivery system which is not depending from housing market system?

# Alternative Housing Delivery Systems

1. Development Planning Unit as basis to provide mixed-use housing projects.
2. City as community has to provide housing land and built rental housing units.
3. Developing Housing as integrated part of industrial estate.
4. Set up non-profit housing development corporation
5. Establish independent housing finance institutions with different scheme for different kind of delivery system.
6. etc, etc.

- Thank you

- Terima Kasih.