

# **Change and Continuity in the Development of Jakarta Metropolitan Area (Jabodetabek): Towards a Post-Suburbanisation**

**Tommy Firman**

**School of Architecture, Planning, and Policy Development  
Institute of Technology, Bandung**

This study will discuss the extent to which the recent development of Jabodetabek Extended Metropolitan Region is characterized by a 'Post-Suburbia' phenomenon, broadly defined as a change in the structures of the urban periphery, in which some new areas are much more independent than the former suburbs, but they are not as multifunctional as the traditional city centers (Borsdorf, 2004, p.13). There are several factors which might have contributed to the post-suburban development in the Jabodetabek, including, new-town and industrial-estate development in the outskirts.

## **Introduction**

Urban development in many Asian countries is characterized by an extensive growth of built-up areas which radiates from city centers in all directions, and extends beyond city and metropolitan boundary. This process is referred to as the phenomenon of Extended Metropolitan Region (EMR) (McGee & Robinson, 1995; Leaf, 2002; Firman, 2003; Jones, 2006; Wong, 2006). The development is also characterized by mixing of many different land uses and economic activities, including large-scale housing projects, industrial estates, and agricultural activities. The EMR phenomenon has occurred not only in primate cities and the fringe areas in the Southeast Asian countries, such as Bangkok, Ho-Chi-Min City, Manila, Kuala Lumpur, and Jakarta, but also in their middle cities, including Surabaya, Medan and Bandung in Indonesia, Cebu City in the Philippines, and Chiang Mai in Thailand. The trend shows that the future of Pacific Asia EMR will see a shift from mono-centric to multi-centric EMR with decentered spatial flows (Douglass and Jones, 2008, p. 37).

The phenomenon of EMR in Asian countries is reflected in the development of communication and transportation, increasing flows of direct foreign investments, and the growing diversification and commercialization of agricultural activities (Lin, 1994; Dharmapatni and Firman, 1995; Nas and Houweling, 2000; Firman, 2003 and 2009 forthcoming). According to McGee (2005) the globalization of economy has spurred the flows of commodities, people, capital and information, resulting in in both the detachment of city core, in which it is sourcing the resources from a wider global market, and integration with its adjacent EMR in terms of using needed resources, such as foods and water (pp.42-43). As Douglass (2000) argues EMR development in Pacific Asia has resulted in urban spatial restructuring, including: (1) the polarization of few urban centers; (2) formation of large mega-urban around the centers; and (3) slowed down the

urbanization rate in inland regions (p.237) (see also Lo and Yeung, 1996 and 1998; Lo and Marcotullio, 2000).

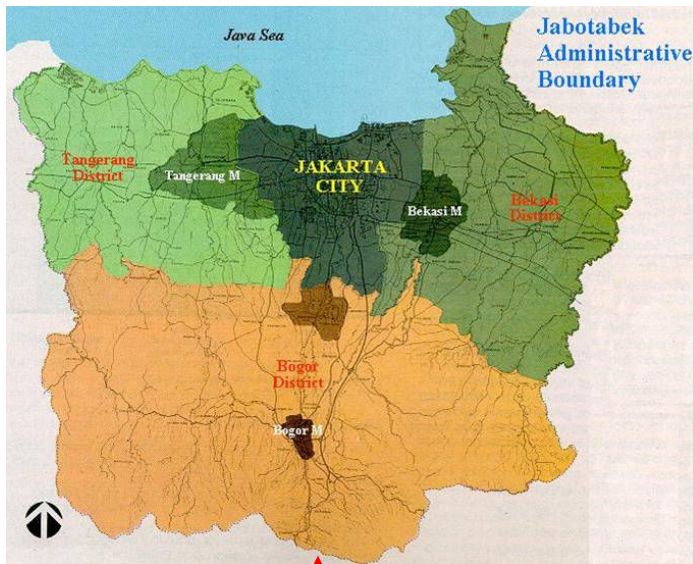
For Dick and Rimmer (1998) the phenomenon of EMR is not unique to Asia's urbanization, as many big cities in both developed and developing countries world have experienced a similar process, albeit the development of Asian cities has occurred at an unprecedented rate. In fact, the development of Los Angeles in the US essentially indicates the generality of the process of urbanization in the world (Soja, 2000, p. xvii, see also Webster, 1995).

In contrast to the EMR development in Asia, the recent metropolitan development in western countries is often associated with the phenomenon of 'Post-Suburbia' characterized by chaotic polycentric structures, and population decline in former city districts (Soja, 2000; Borsdorf, 2004). In the US context, 'Post-Suburbia' has also been elaborated in terms 'Edgeless City' (Lang, 2003; Lang and Knox, 2007), and 'Technoburb', that is, favored location for the technologically advanced industries which have made the new city possible (Fishman, 2002). As Fishman argues that the 'technoburb' has lost its dependence on older urban core and now exists in a multi-core region formed by the growth corridors which could extend more than hundred miles, while the suburb became part of a complex 'outer city', included jobs as well as residences (p.29 and 30). Nevertheless, studies on transformation of Chinese large cities shows that the recent urban development in China to some extent reflects an early stage of the phenomenon of 'Post-Suburban' in western countries (Wu and Phelps, 2008; and Wu and Lu, 2008).

Against the above background, this paper is aimed at discussing the extent to which the 'Post-Suburban' phenomenon characterizes the recent development of Jabodetabek Extended Metropolitan Region. Apart of the introduction, the paper will be divided into four parts. Part one will discuss the phenomenon of Post-Suburban to provide a theoretical context to this study. Part two will describe the development of Jabodetabek EMR, including in the time of Asian economic crisis and in the era of Indonesia's decentralization reform. Part three will examine the extent to which the elements of the Post-Suburban phenomenon appear in the recent development of Jabodetabek EMR. Part four will conclude the discussion.

Jakarta Metropolitan Area (JMA) which is also called Jabodetabek, an acronym which stands for Jakarta-Bogor-Depok-Tangerang-Bekasi, is located in the northern area of West Java (Figure). This region comprises of several administrative units at different level: First, the Jakarta Special Region (DKI Jakarta) having provincial government status; second, seven municipalities (kota) and Districts (Kabupaten), namely the Municipalities of Bogor, Depok, Tangerang and Bekasi, and the Districts of Bogor, Tangerang, and Bekasi. Although Jabodetabek comprises of only 0.33 per cent of the national land area, this region produces about one-fourth of Indonesia's Gross Domestic Products (GDP), and accommodates as much as 12 per cent of Indonesia's total population in the mid 2000s (Rustiadi, 2007).

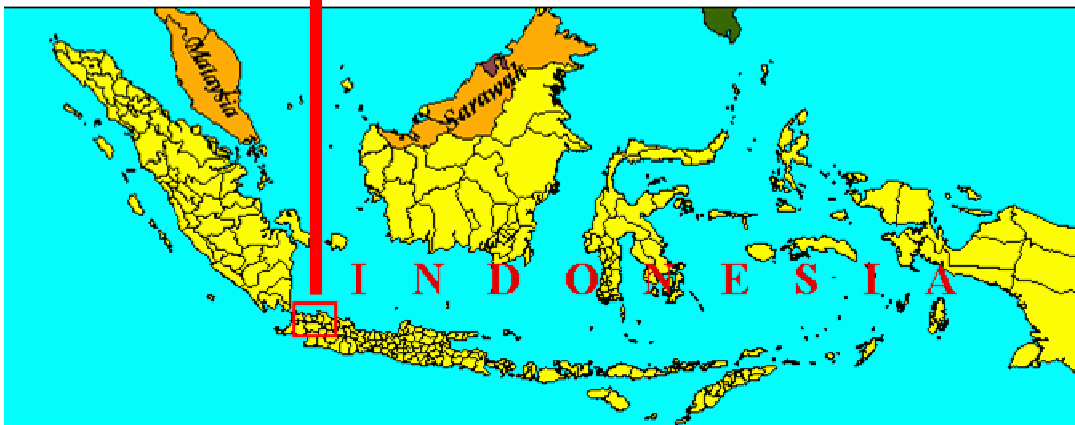
Figure



## Jabodetabek Region

Provinces:

1. DKI Jakarta Province
2. Banten Province:
  - (i) Tangerang District
  - (ii) Tangerang Municipality
3. West Java Province:
  - (i) Bogor District
  - (ii) Bogor Municipality
  - (iii) Bekasi District
  - (iv) Bekasi Municipality



Source : Rustiadi, 2007

The GRDP (Gross Domestic Product) of the Jakarta City reached Rp. 236,541 billion and Rp. 275,937 billion in 2001 and 2004 respectively, whereas the GRDP of Surabaya City, the second largest city in Indonesia, only reached Rp. 48,947 billion and Rp. 56,020 billion in the same years, which is roughly about two-fifths of Jakarta's GRDP (see Salim and Kombaitan, 2009). This suggests that Indonesia's urban economic activities are greatly concentrated in the Jakarta City. As Douglass and Jones (2008) argue that Jabodetabek shows a discernable multi-center pattern of expansion and daily flows, as a result of urban development around the growth centers in the area, including Tangerang, Bekasi, Bogor, and Depok (p. 37).

Urban development in the Jabodetabek region is characterized by several features: First, development of economic activities at a global scale; Second, division of function between the core and the outskirts of the city; Third, changing from a single-core to multi-core urban region; Fourth, land use in the city center and farmland conversion in the fringe; Fifth, large-scale urban infrastructure development; Sixth, great increase in space production; and Seventh, considerable growth of commuters and increase in commuting time (Firman, 1998 and 2009, forthcoming; see also Firman, Kombaitan, and Pradono, 2008).

### **Post Suburbanization: a General Phenomenon of Urban Development**

Suburbanization in the western countries was characterized by residential development in the outskirts and population redistribution from the urban center to the peripheral areas. In the 1980s, this process was intensified by decentralization of several economic activities, including commerce, retail especially large shopping centers, manufacturing, and offices, as the peripheral locations became attractive, while the central cities increasingly became unattractive for industry (see Champion, 2001). As Feng, Zhou and Wu (2008) maintain that the exodus of shopping, offices and manufacturing has resulted in a multi-centered pattern of suburban, which in turn has made the distinction between urban and suburban areas become blurred. The government has played a very important role in this process, both directly, like the UK's new town programs since the 1940s, and indirectly, such as the US public sector highway development (p.85).

As Kraemer (2005, cf Wu and Phelps, 2008, p. 465-466) argues that the 'post-suburbia' phenomenon refers to 'a process that deals with a change in the current 'suburbanization' phase away from the concentric radial patterns of earlier decades towards new spatial patterns, which are sometimes labeled a 'patchwork structure' (p.4). Moreover, According to Wu and Phelps (2008) the post-suburbia might be distinguished from traditional suburban phenomenon in several ways. First, 'Post-Suburbia' is socio-economically characterized by suburbs population losing, declining in suburbs resident income relative to regional income, and greater employment-residential balance, and decentralization of service employment from the urban centers; Second, Post-suburbia is characterized by mixing of land uses and polycentric development, Third, the development of post-suburbia phenomenon has been induced by government and business interests which play important 'entrepreneurial' role in it (pp.465-467).

The post-suburbia in the US, for instance, is characterized by 'what was once central is becoming peripheral and what was periphery is becoming central' (Soja, 2000, p. 152; see also Phelps et al, 2006, p.10). According to Borsdorf (2004), the post-suburbia in the western countries is clearly reflected in the reality that 'some new areas are much more independent than the former suburbs, but they are not as multifunctional as the traditional center, resulted in an emerging fragmented structure of specialized outskirts (p.13). As Fishman (2002) maintains that:

...the suburbs now becomes the heartland of the most rapidly expanding elements of the late 20<sup>th</sup> century economy, [and therefore] the basic concept of the suburb as privileged zone between city and country no longer fits the realities of a post-urban era...Both core and periphery are swallowed up in seemingly endless multi-centered regions... (p.29).

While the phenomenon of post-suburbia is often associated with metropolitan development in western countries, Wu and Phelps (2008) argue that the term post-suburbia may capture important elements of new trends of suburbanization in Beijing and Shanghai Global City Regions (p. 467). The recent urban development in those city-regions are characterized by: First, residential suburbanization, as the private developers began to promote housing development in the 1990s, especially the construction of affordable subsidized housing in the peripheral of the cities; Second, industrial suburbanization, due to the moving and renovation of polluting industrial enterprises, establishment of land leasing system, and obtaining more space for industrial enterprises; Third, retail suburbanization, as many big shopping centers have been growing in the suburbs, due to cheaper prices and much more variety of goods offered, cheaper and more sizeable land, and development of residential areas in the suburbs (Feng, Zhou, and Wu, 2008, p.92-94; see also Webster, 2001).

The process of suburbanization in Beijing has resulted in a changing population density and the dispersal of population in the metropolitan area, and more commuters in the city, and extended commuting distance, creating more pressure on traffics, as enterprises move out from the city center to the outskirts, but most of the employees remain to live in the city center. The suburbanization in Beijing and other large cities in China have now been more market oriented due to the growing role of market forces in the economy (Wu, 2008, pp. 91-97; see also Wu, 2001; Lin, 2002; and Wu and Phelps, 2008).

In general, the Chinese suburban economy and polycentric metropolitan development have been driven by strategic investment and infrastructures in the development zones (Wu and Lu, 2008, p. 390). As Wu and Phelps (2008) notes that 'very rapid economic growth and urbanization in China has in turn produced the coexistence of different types of suburbs and developments that correspond more closely to post-suburbia closely defined...' (p.477). There are some similarities between Beijing's suburbanization and North American suburbanization, but those are not an identical process (Feng, Zhou, and Wu, 2008). In fact, Beijing's urban development is still at an early stage of urbanization, and the government is still play a dominant role in the process

In summary, the phenomenon of post-suburbanization have occurred in both western and developing countries. There are some similarities in the process, but those are not identical process, as the socioeconomic context is largely different.

## **Development of Jabodetabek Extended Metropolitan Region:**

### **(1) Population:**

The Jabodetabek's share of the national urban population reached 22.5 per cent in 1980, 23.6 per cent in 1990, and 21.2 per cent in 2000. The population of Jakarta City, the core of Jabodetabek, was about 8.5 million, which was 26.5 per cent of the Jabodetabek population.

While population plays a very important role in development of Jabodetabek, commuting is also evident. Millions people commute daily between Jakarta City and the surrounding areas, including the Cities and Districts of Bekasi, Tangerang and Bogor. The JICA (Japan International Cooperation Agency) estimated that there were more than three million commuters between Jakarta and the adjacent areas by 2002 alone (Hidayat, 2007).

It can be noted that rate of urban population growth in Jakarta City, substantially declined from 3.1 per cent over the period of 1980-1990 to only 0.16 per cent over the period 1990-2000 (see Central Bureau of Statistics, 1991 and 2001). This might reflect the rapid spillover of the Jakarta City to the surrounding areas. A study shows that many former residents in neighborhood within the Jakarta City moved to the peripheral areas of Jabodetabek, which indicates a spatial and functional integration of areas into the metropolitan economy (Bowder, Bohlan, and Scarpaci, 1995). The Central Bureau of Statistics (2001) estimates that during the years from 1995 to 2000 about 190 thousands and 192 thousands of Jakarta City residents moved to the District and City of Bekasi and District and the City of Tangerang in the peripheral areas of the Jabodetabek respectively. Meanwhile, another 160 thousands of Jakarta residents moved to the District and City of Bogor and the City of Depok over the same period of time. This situation resulted in the decline of Jakarta City's share of the total Jabodetabek from about 55 per cent in 1971 to nearly 40 per cent in 2000, whereas the share of the Districts and Cities of Tangerang and Bekasi in the fringe of Jabodetabek increased from about 13 percent to nearly 20 percent, and from 10 per cent to about 15 per cent respectively (Hata, 2003, p.36).

The cities having highest population growth rate in the Jabodetabek over the period 2000-2005 were Depok (3.82%); Bekasi (3.72%), and Tangerang (2.03%). This might suggest that while the Jakarta City experienced low population growth, the Jabodetabek, as an extended metropolitan area is growing rapidly (Salim and Kombaitan, 2009).

Jabodetabek has been a destination of recent migrants, defined as those who had moved to any cities and districts in this metropolitan area during the last five years (1995-2000) from many Provinces in Indonesia. In total, there were more than 1.35 million recent migrants in Jabodetabek as recorded by the Population Census of 2000 (Central Bureau

of Statistics, 2001), about 30 per cent and 33 per cent of them came from West Java and Central Java respectively. This indicates the attractiveness of this metropolitan region to migrants who search for jobs.

The urban transformation in Jabodetabek is also indicated in the change of number and percentage of urban localities in the region, which increased by more than 28 per cent, that is, from 730 to 1035 over the period of 1999-2005, whereas the proportion of urban localities over the total localities increased from about two-fifths to almost three-fifths over the same period of time. The new urban localities are mostly located in the fringes of the Jabodetabek, reflecting a transformation of the fringes to become an urban area (Gardiner and Gardiner, 2006).

## **(2) Land Conversion**

Over the past thirty years, the development of economic activities in Jabodetabek has resulted in the extensive conversion of prime farmland into non-agricultural land (Dharmapatni and Firman, 1995; Firman, 2000), especially by industrial estates, subdivision and new town in the fringe areas. Meanwhile, in the urban centers many former residential areas have been converted into business spaces, offices, entertainment, and condominium. (see also Tempo, 2006).

Land use data in the Bogor area of south Jakarta shows that the area of primary and secondary forests, garden, estates and paddy field are declined substantially over the period of 1994-2001. In contrast, the land area for settlements and agricultural activities increased significantly (see Firman, 2009 forthcoming). Apparently, this conversion has brought significant environmental and socio-economic impacts to the areas. Ironically, the land conversion also takes place in the area of South Bogor (Bogor-Puncak-Cianjur) which has been designated as a conservation area, because of its function as a water recharge zone, so that land conversion in the area might result in negative environmental impacts in the down stream areas, that is, Jakarta City.

The land conversion in Jabodetabek has also resulted from several violations of land-use plans by the local government and private sectors in the area, motivated by political pressures and interests in placing what are perceived to be profitable economic activities. Many development decisions have been made on the basis of proposals submitted by the developers and private sectors who have formal and informal access to authorities, as if the land use plans are negotiable (Firman, 2009 forthcoming). In fact, the enforcement has been so weak that land use plans are ineffective in controlling physical development in the Jabodetabek. Another problem is while pressure from investors are strong, the local government capacity to cope with land conversion is inadequate.

## **(3) The Asian Economic Crisis**

There are several factors that might have affected the recent urban development in Indonesia, including in the Jabodetabek, notably the Asian economic crisis at the end

1990s (see Chatterjee, 1998), followed by the new policy of regional autonomy and fiscal decentralization in Indonesia which has been started since 2001.

The southeast Asian countries was seriously hit by the Asian economic crises, which started in Thailand in July 1997, and quickly spread to Asian countries, including Indonesia, the Philippines, Malaysia and Korea. In Indonesia, Jabodetabek was the hit hardest and had a significant contraction of its economic growth rate, from 6.0 per cent to 8.3 per cent during the period 1987-1997 to minus 2.74 percent in 1998-1999 (see World Bank, 1998 and Firman, 1999).

Before the Asian economic crises many property companies and developers in Indonesia, most notably in Jakarta City had over-invested using unhedged and prevailing market interest short-term loans, including off-shore one for both acquisition and long-term projects of building construction. The foreign loans for property project had amounted US \$3.4 billion by 1988, so that when the exchange rate of Indonesian currency against US Dollar dropped significantly, many property firms and developers had a big problem, as they were not able to pay the debts (see Firman, 2000). Due to this problem, a number of large-scale housing development and new town projects in the Jakarta outskirts were slowed down and many even completely stopped, which resulted in greatly abandoned land added to unutilized land that had been acquired by the developers (Dijkgraaf, 2000). Likewise, a number of office and condominium construction projects had been stopped and delayed, because of the sky-rocketing and unreasonable costs of construction. Meanwhile, the industrial estates in the Jakarta outskirts decreased almost by one-third during the period 1997-1998, due to the decline in demand for industrial land, which resulted in nearly 47 000 hectares of idle industrial estate land in 1998.

In summary, the economic crises from the late 1990s to early 2000s saw a decline in economic and physical development in Jabodetabek, which was apparently reflected in slowing down large-scale residential areas, new towns and industrial estate development, because of significant drop in demand for luxury housing and industrial land.

#### **4. The New Decentralization Policy**

Under the pressures of democratization and justice, Indonesia's National Parliament passed Law 22/1999 and 25/1999 regarding the regional autonomy and fiscal decentralization in May 1999. The primary objectives of these two pieces of legislation are to avoid a break up Indonesia into several small tiny countries and to curb separatist sentiment in the outlying province of Indonesia. The other objectives are to improve the quality of public service provisions and to make use of public funds in a more efficient and effective manner according to the local needs; to bring the government closer to the people; and to empower the local governments and the local communities. These legislation were then amended in 2004 became Law 34/2004 and 35/2004 but did not change the primary objectives. The only matter added in the law was about the direct election (Pilkada Langsung) for governor, head of Districts (Bupati) and Mayors (Walikota).



By the late 2000s the progress of decentralization has been uneven and slow, in which some local governments have performed well in fulfilling the management of local and regional development, especially in public service delivery, whereas many others done it even worse, since the officials are involved in bribery and corruption. In fact, not many local governments, including in the Jabodetabek region, are really prepared to implement decentralized local and regional development, as for the time being most of the local government do not possess sufficient technical, financial and institutional capacity.

The local government receive their total amount of grants from the central government on the basis of the 'fiscal gap', i.e. the difference between revenue capacity and estimated expenditure, which is called General Allocation Funds (DAU) to help reduce central-local financial imbalances. The General Allocation Funds are basically unconditional block grant provided to the local government to be used according to the local needs at the discretion of local government's authority. The local governments in Jabodetabek have received an increasing amount of the DAU since 2001. In fact, the local governments in this metropolitan region at present have much more financial resources to spend at their own discretion than in the past.

The Jabodetabek EMR is a compact urban region that should be managed in an integrated way to ensure sustainable development of the region which consists of some provinces, districts and municipalities which have their own authority. In the era of the new Decentralization Policy, this seems to be a much more complicated matter to do (Firman, 2008).

### **Post Sub-Urban elements in the recent development of Jabodetabek EMR:**

The recent development of the Jabodetabek Extended Metropolitan Region (EMR) clearly shows a transformation from a single-core to multiple-core urban region, and the existence of some post-suburban elements in it. First, while the Jakarta City, as the core of the region, experienced low population growth, the Jabodetabek as a whole is growing rapidly. In fact, many former residents in neighborhoods within the Jakarta City have moved to the fringes of Jabodetabek. This metropolitan-region also experiences an urban transformation, which is reflected in the great increase of number and percentage of urban localities in the outskirts. The recent development of Jabodetabek EMR has been greatly characterized by increasingly blurring distinction between urban and suburban areas. In overall, this reflects the attractiveness of the fringe areas for socioeconomic activities, and the rapid spillover of the Jakarta City to the surrounding areas.

Second, Jabodetabek experienced a great land conversion of prime farmland into non farm land use in the peripheral areas, most notably new towns and large-scale housing projects, industrial estates, golf courses, and recreational areas, while in the urban centers many former residential areas have been converted into condominium, offices, and business spaces. Some new towns in the peripheral areas grow from merely a traditional dormitory towns, which are largely dependent on Jakarta City as the core of Jabodetabek,

become a more independent and strong economic-base towns, such as Lippo City (see Hogan and Houston, 2001) and Jababeka City, which is one of the largest manufacturing concentration in Indonesia with area of 5,600 hectares and population of about one million. There are 1,570 companies, including Movie land film industry and Medical City Health Care and 24.300 houses in the city (Kartajaya and Taufik, 2009). The Bogor City, an old satellite town with population of about a quarter million, in the south of Jakarta City now becomes a center of agricultural research center and higher education, in which Bogor Agricultural University, one of the largest state universities in Indonesia, is located, and a national and international convention and congress venue. Likewise, the Depok City in the south of Jakarta, the main home of the University of Indonesia, is growing rapidly.

The government and private sectors play a very important role in the development of Jabodetabek EMR. Government sponsored low-cost housing projects in the peripheral areas have been one of the driving forces for development in the region. As a result, many low-income and low-middle income groups in Jakarta City moved to the periphery to live in large-scale low cost housing areas built by private developers. Later, from late 1970s the government with pro-growth economic policy allows private developers to build new towns with luxury houses in the fringes. During the 1970s until late 1990s, the developers were even largely facilitated by the National Land Agency (BPN) in land acquisition by granting them location permits (*ijin lokasi*), that is, exclusive right to acquire a sizeable land for new town development projects, by which the land owners were only allowed to sell the land to the granted land acquisition developers, not to others. Nevertheless, a number of developers keep the land idle for a long period of time for speculation in order to make high profits from rapidly increasing land prices. In fact, about one-third to one-half of the total area under land development permits in the mid-1990s in Jabodetabek was being held off the market by developers, not actively under development (Leaf, 1994 and 1996). There were too many land development permits granted in the past, while the developers and permit holders were not able to develop fully the sizeable land area that they acquired.

Modern new town development is not a new phenomenon in Jabodetabek. It dates back to the early 19th century when the Dutch colonial government built new town in Batavia (now the Jakarta City) which were distinct from congested setting of the old town, using a new pattern with airy large estates. There followed by development of Kebayoran Baru new town, in south of Jakarta City, planned for a dormitory town, in the 1950. Later, in the early 1970s a developer successfully develop 'Pondok Indah', a new residential areas southern Jakarta (Firman, 2004). At present, those two new towns have become a middle and upper-income group residential areas in Jakarta City.

The recent large-scale residential areas and new town development in the outskirts of Jabodetabek are characterized by low density, single-family houses, and exclusive residential for middle and upper income groups (Leaf, 1994). It has greatly reinforced spatial segregation in the area in three respects (Firman, 2004; see also Leisch, 2000); (1) it has polarized upper and middle income groups of Jabodetabek inhabitants, resulting in several pockets of exclusive residential areas in which the residents enjoyed an exclusive

lifestyle, with better infrastructures, security, amenities and facilities; (2) it has created social segregation within the new town itself, in which the lower high class and middle class live a part of the area, that is exclusively planned for the highest security possible. In fact, it becomes gated communities (see Leisch, 2000; Hogan and Houston, 2002; Leichenko and Solecki, 2008); (3) management of city development in several new towns is implemented by the private sector exclusively, instead of by the city government, not allowing residents from outside the new town to use the facilities and amenities. The developers and the companies are greatly concerned with how to maintain the good quality of life in the new town, because it is one of the most attractive factors for the residents.

Industrial estates are also developed in Jabodetabek, including Lippo Cikarang Industrial Estate and City, and Jababeka Town and Industrial Estate. Those locations become centers of urban economic activities in the Jabodetabek. The Industrial estates in the region occupied a total land area of about 11 thousand hectares by 2005, approximately 25 per cent of it are located in the District of Bekasi, one of the largest concentration of manufacturing activities in Indonesia (Collier International, 2005). These industrial estates have a strong market demand due to their easy access and proximity to Jakarta City.

The demand for industrial land in Jabodetabek has greatly increased due to development of both domestic and foreign direct investment in the region. The cumulative approved direct foreign investment in Indonesia over the period 2000-2004 had reached US \$ 64 803.5 million, nearly three-fifth (US \$ 37 112.8 million) was invested in Jabodetabek (Central Board of Statistics, 2006). Meanwhile, the cumulative approved domestic investment in Indonesia had reached Rp. 265 176.1 million over the same period, about one-third (approximately Rp. 82 342 million) of which was located in the Jabodetabek (Central Board of Statistics, 2006). In addition to industrial estate, large shopping centers are developed not only in Jakarta City, but also in the outskirts of Jabodetabek, like Bekasi Square in Bekasi, and Teraskota in Tangerang. In short, the development of Jabodetabek has been due to market forces, especially large-scale residential areas, new towns, and industrial estates.

Third, commuting is also evident in Jabodetabek. Million people commute between the Jakarta City and the fringe areas daily by trains, buses and personal cars. Likewise, a number of the Jakarta City inhabitants also commute between the city and small and new towns in the outskirts, including Bogor, Tangerang, Bekasi, Depok and Jababeka, as they work there but live in Jakarta.

The development of large-scale residential areas, new towns and industrial estates, shopping centers and retails in the Jabodetabek has been greatly induced by infrastructure development, especially toll road development, built by private companies and coordinated by Toll-Road State-owned Company (PT Jasamarga), including the toll roads connecting Jakarta City with Tangerang and beyond in the west, Bogor in the south, and Bekasi and beyond in the west (see also Mamas and Komalasari, 2008, p. 123). Moreover, the government has also developed the integrated Transportation Master Plan

for Jabodetabek (SITRAMP) which is expected to build a comprehensive rail and road transport system with the substantial assistance of the Japanese government (Hatta, 2003). Another toll road connecting Jakarta International Seaport (Tanjung Priok) with Cakarang, one of the largest industrial city in the east of Jakarta, approximately 34 kilometers long, is now being planned with Rp. 2.4 trillion investment.

In short, the recent Jabodetabek development shows some post-suburban elements in it, although it might be still in early stage of 'Post Suburbia' as has occurred in western countries. The Jabodetabek development is characterized by a mix of traditional 'dormitory towns' in the peripheral areas, and development of some increasingly independent towns and cities with various economic base, most notably manufacturing (Jababeka City), and education and convention (Bogor and Depok). The government's pro-growth economic development policy has played significant role in the recent development of the Jabodetabek region, whereas the private sectors play important role as developers in this development.

The management of Jabotabek development at present is coordinated by the Cooperating Agency for Jakarta Metropolitan Development (Badan Kerjasama Pembangunan Jabotabek – BKSP) which was jointly established by the Provincial Government of West Java and the Special Capital Government of Jakarta in 1975. The membership of this body consists of all heads of provincial, municipalities and districts government in this metropolitan region, which includes Provincial Government of Jakarta, Banten, and West Java; all district governments and municipal governments. This body is jointly headed by the Governors of the Provinces of Banten, West Java, and Jakarta, while the day-to-day operation is coordinated by an executive secretary appointed by the Ministry of Home Affairs on the proposal of all the Provincial Governments, rotating in five years. The Law 29/2007, regarding the status of the Provincial Government of Jakarta as the Capital of Republic of Indonesia clearly recognizes the need of a cooperation between the Provincial Government of Jakarta with all local governments and provincial governments bordering with Jakarta City. Nevertheless, the BKSP do not possess the authority on the implementation of development in the Jabodetabek region, as under the Indonesia's new decentralization policy each local governments has its own authority.

The Jabodetabek region is facing a problem of regional development resulting from the local government fragmentation in the area. There is a need to establish a governance institution to integrate development in the region, which consists of several local governments with their own autonomy and authority granted by the new law of decentralization (see also Friedmann, 1999; Laquian, 2005; Firman, 2008). Within the context of the Indonesia's new decentralization policy, the most suitable governance model for the Jabodetabek is a mixed model, in which central, provincial and local governments play an important role in the governance of this metropolitan area. BKSP has a potential to become a mixed model for Jabodetabek metropolitan governance, but it needs to be given a proper legal basis in itself to make it works in effective ways (Firman, 2008). This proposed governance institution should be given the authority to plan and develop major structure of physical infrastructures, including in spatial development plans, watershed management, solid waste management, and transportation system.

Under this institution, the local and provincial governments may have to give up their authority on those functions, but still retain their authority on the local government administration.

### **Concluding Remarks:**

The development of metropolitan area in Asian countries is characterized by mixing of many different land uses and socioeconomic activities, including new towns, industrial estates and agricultural activities. The physical growth extends beyond the city boundary, radiating from city centers in all direction. This process is referred to as the phenomenon of Extended Metropolitan Region (EMR). In contrast, in western countries, a similar phenomenon is referred to 'Post-Suburbia', that is, the process in which urban development phase away from the concentric radial pattern towards polycentric structure. The 'Post-Suburbia' was marked by residential development in the peripheral areas and population redistribution from the urban centers to the fringes, followed by decentralization of various economic activities, including retail, commerce, manufacturing, and offices. In turn, this has made the distinction between 'urban' and 'suburban' become blurred.

The term 'Post-Suburbia' may capture important dimensions of new trend urban development in Asia, such as in China's large city-region, although it is not an identical process as in western countries. The suburbanization in China is physically characterized by a mixed of pattern of both traditional and new suburban residential development, but it unlikely reaches the extent of western cities (Feng, Zhou, and Wu, 2008).

'Suburbanization' of Jabodetabek dates back to the early 1950s, when the early Indonesian government planned and built Kebayoran Baru, dormitory town in the southern Jakarta, followed by development of Pondok Indah town, a new residential area in the southern Jakarta in the 1970s. These new towns have now become a middle and upper income residential areas in the city. The development new towns in this region was slow down during the economic crises, but it has been growing again since early 2000s. Nevertheless, the recent development of Jabodetabek EMR clearly show some Post-Suburbia elements in it.

First, while the Jakarta City, the core of the region, has experienced low population growth, the population of the fringes grow rapidly. The region also experiences a rapid urban transformation, which is reflected in the great increase of number and percentage of urban localities in the peripheral areas. It also suggests a rapid spillover of the Jakarta City to the adjacent areas.

Second, the Jabodetabek experienced a great land conversion of prime agricultural land into non agricultural land use in the peripheral areas, especially new towns and large-scale residential areas, industrial estates, golf courses, recreational areas, and shopping centers, whereas in the urban centers many residential areas have been converted into several kinds of business spaces, condominium, and offices.

Third, some old and new towns in the peripheral areas have developed from merely dormitory towns become an independent and strong economic-base towns and small cities, including Jababeka, one of the largest manufacturing concentration in Indonesia, and Bogor City and Depok City, among the largest higher education centers in the country. The new town development in Jabodetabek has reinforced spatial segregation, resulting in several pockets of exclusive residential areas in which the residents enjoyed an exclusive lifestyle with better infrastructure, amenities, facilities, and security, similar to the 'gated communities' in western countries.

Fourth, as a result of development of foreign and domestic capital in Indonesia, and proximity and easy access to Jakarta City, industrial estates are growing rapidly in the outskirts of Jabodetabek. Nearly 60 percent of direct foreign investment and 30 percent of domestic investment in Indonesia's manufacturing sectors are located in this region. Because of overcrowding and rising land prices in the core, manufacturing industry and housing development have moved to the cheaper site in the outskirts.

Fifth, million people commute between the Jakarta City and the peripheral areas, by several means of transportation, such as public buses, trains, and personal cars, while a number of the Jakarta residents also commute between Jakarta and small towns in the outskirts. The commuting distance is also increasing this region.

Sixth, development of Jabodetabek has been greatly induced by infrastructure, most notably toll-road development.

Seventh, the government and private sectors play an important role in the Jabodetabek fringe development. Government policy on sponsored low-cost housing development and granting exclusive location permits for private developers have been drivers for development of large-scale residential areas and new towns in the Jabodetabek peripheral areas since the 1980s. Moreover, government pro-growth economic policy has encouraged private sectors to develop industrial estate development in the fringes of Jabodetabek. The recent Jabodetabek development shows a transformation from a single to multi-core urban region. The development is now more market oriented, because of the growing role of market forces in the economy. There are some similarities between suburbanization in western countries with Jabodetabek, but they are not an identical process.

Under the Indonesia's new decentralization policy, there is a need to establish a governance institution to integrate urban development in the Jabodetabek. The most suitable model is a mixed model, in which central, provincial and local governments play an important in the governance of this region.

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