

**WHERE THERE IS SUGAR, THERE ARE ANTS:
PLANNING FOR PEOPLE IN THE DEVELOPMENT OF BATAM, INDONESIA**

by

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ABSTRACT

The Singapore-Johor-Riau Growth Triangle (SIJORI GT), a cooperative cross-border arrangement to link the economies of Singapore, Johor in Malaysia, and Riau in Indonesia, has been praised for its ability to promote investment and accelerate production in the sub-region while side-stepping problems inherent in state-level political and economic agreements. Based on initial successes, the GT arrangement quickly acquired a legitimacy of its own as an economic development model. However, after nearly a decade of accelerated change, the shortcomings inherent in this model are becoming apparent, most dramatically, in its implications for local level development.

This study focuses on a particularly visible indicator that all is not well in the Indonesian corner of the SIJORI GT. It focuses on the squatter housing problem on Batam, the first island in the Riau Archipelago to be developed. By examining the squatter housing issue and investigating why policies and regulatory measures to control this sector have failed, this study questions the validity of Batam's development model—one based more on visions of modernity and planning control than on the urbanization experience of the Third World.

Tiban Kampung and Tanah Longsor, two illegal settlements with different development trajectories, were the focus of field research. This comparative work demonstrates that current policies focused on settlement clearance, resettlement to temporary sites, and formal housing delivery are not effectively addressing the squatter problem. In fact, these policies have aggravated the situation by disregarding the needs, limitations, and demonstrated commitment of squatter residents.

In addition, this research demonstrates that control over human settlements on Batam will continue to elude planners unless an alternative planning perspective is adopted that includes the informal housing and economic sectors as legitimate components of the Third World city. Basic services and shelter must be reconceptualized as essential prerequisites to stable and sustainable development. By reorienting the 'fast track' development focus of planning, the local reality –that experienced by migrants, workers, and other residents– and true development indicators such as quality of life, access to basic services, and employment opportunity, will be improved significantly.

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GLOSSARY OF TERMS

<i>Ada gula ada semut</i>	Where there is sugar there are ants
ASEAN	Association of Southeast Asian Nations
BARELANG	Batam-Rempang-Galang –the term used to refer to the chain of islands under BIDA's jurisdiction
BIDA	Batam Industrial Development Authority
<i>Gotong Royong</i>	Traditional mutual-aid system of exchange
GT	Growth Triangle
<i>Kampung</i>	Popular settlement
KTP- <i>Kartu Tanda Penduduk</i>	Local residency cards
RS- <i>Ruman Sederhana</i>	Core unit house ranging in size from 21m ² to 100m ² (literally means basic house)
RSS- <i>Rumah Sangat Sederhana</i>	Unfinished core unit house of either 21m ² or 36m ² (literally means very basic house)
RT- <i>Rukun Tetangga</i>	Neighbour group representing approximately 30 households
<i>Ruli- Rumah Liar</i>	Squatter settlement (literally means 'wild house')
Rusun- <i>Rumah Susun</i>	Multiple level apartment block
RW- <i>Rukun Warga</i>	Neighbourhood unit or association representing approximately five neighbourhood groups (<i>rukun tetangga</i>). This level of administration falls under the last tier of official government-- the village (<i>kelurahan/desa</i>).
SIJORI GT	Singapore-Johor-Riau Growth Triangle
TP3- <i>Tim Penertiban Permukiman Penduduk</i>	Population and Settlement Control Team
TPS - <i>Tempat Penampungan Sementara</i>	Temporary resettlement site
<i>Warung</i>	Food stall or small vending business

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DEDICATION

To Lynne Catherine Peachey

CHAPTER ONE:

FROM GROWTH TRIANGLES TO SQUATTER HOUSING - TOWARD MORE EQUITABLE DEVELOPMENT THROUGH SETTLEMENT POLICY

1.0 Background to the Study

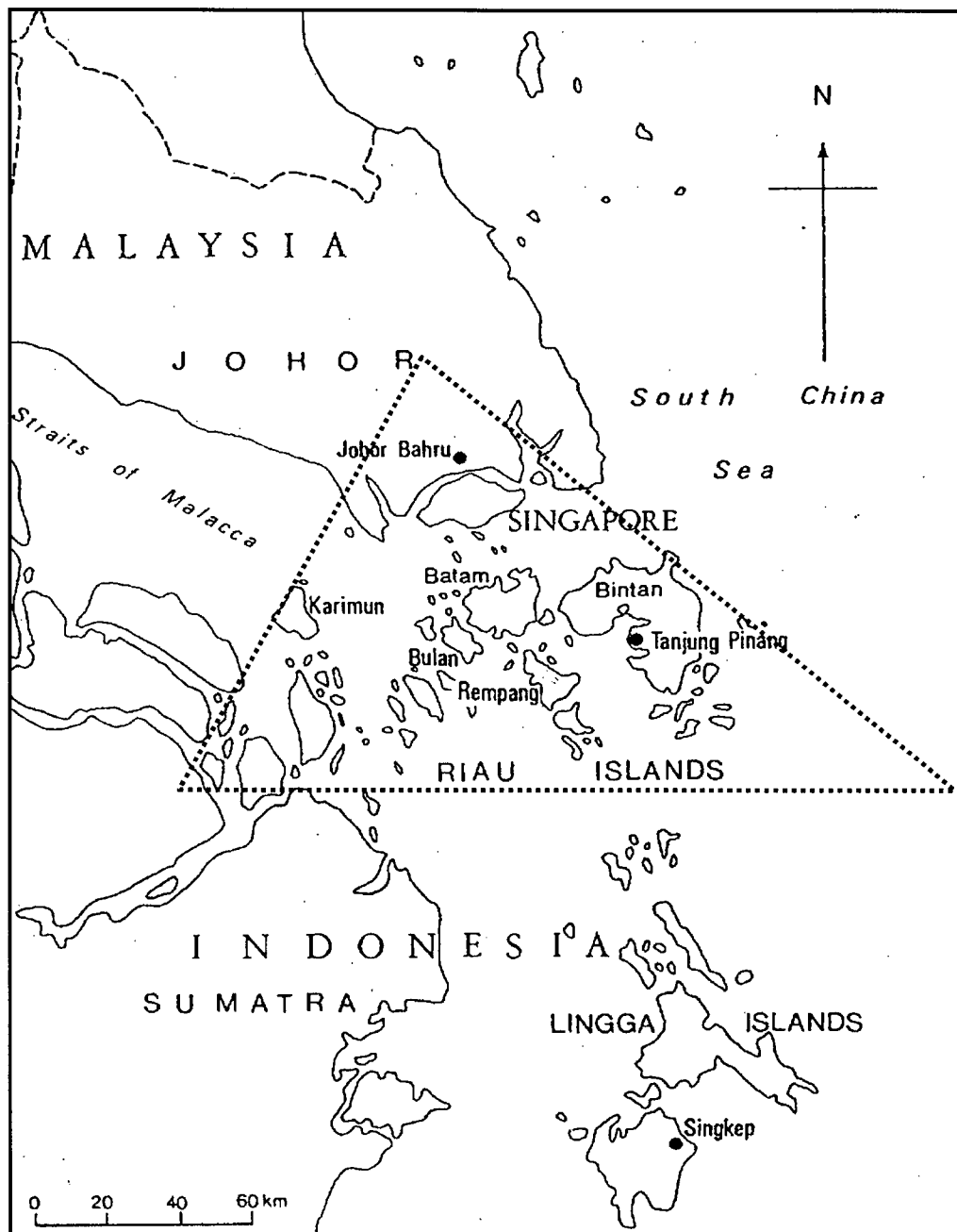
In the early 1990s, academics, economists, entrepreneurs, politicians and journalists increasingly began to speak and write enthusiastically about 'growth triangles' (GTs). The term had been coined in 1989 by Goh Chok Tong, then Deputy Prime Minister of Singapore, to describe, promote, and give legitimacy to the cross-border economic activity which was taking place between Singapore, Johor Bahru in Malaysia and the Riau Islands in Indonesia (SIJORI for short).

The first of such growth triangles or sub-regional economic zones cutting across national boundaries, the SIJORI GT was praised as a development success story by both academics and politicians alike. This cooperative economic relationship managed to promote investment and accelerate production in the sub-region while sidestepping the difficult problems inherent in formal state-level political and economic trade agreements. Consequently, the initially descriptive term 'GT' quickly acquired a legitimacy of its own as a development model and was applied to other emerging or potential areas of sub-regional economic cooperation throughout Asia. In fact, by 1993 ten such triangles had been identified for promotion in East Asia (Tan 1993:5).

Because of the optimism surrounding this new form of sub-regional economic cooperation very little negative criticism of it has surfaced. Instead, commentaries and research instead have tended to focus on macroeconomic indicators and the political

importance of these developments for the region (Ng and Wong 1991; Toh and Low 1993). Only cursory mention has been made of the implications of accelerated change at the local level. This study attempts to fill that gap in knowledge.

Figure 1-1. Map of the SIJORI Growth Triangle



Source: Adapted from Peachey, Perry and Grundy-Warr, 1997

The focus of this study is Batam, the first of several islands in the Riau chain to be developed as the Indonesian corner of the triangle. It focuses on the particularly resilient problem of squatter housing, a highly visible indicator that all is not well on Batam. By examining this particularly complex problem, this thesis will demonstrate the need for a new planning framework based on principles of economic, social and environmental sustainability to guide development on Batam and in other mega-scale projects in the region.

1.1 Equity and Development

Economic growth on Batam has taken place at an artificially rapid pace supported by coordinated government support, major infrastructure projects and speculative investment. One consequence of this accelerated change has been the transformation of Batam from a sleepy island to a thriving industrial production zone. Another has been severe social and economic polarization (Kumar and Siddique 1994; LIPI 1993; Macleod 1995). The implicit assumption that the benefits of rapid growth would trickle-down to those at the bottom is not holding up: poverty and unemployment characterize the urban landscape on Batam.

Although this is also the case in other Indonesian cities, the disparity between rich and poor on Batam is perhaps even wider than usual due to the rate at which development has taken place. Furthermore, this feeling of inequity is aggravated by the modern Singapore skyline, which etches itself visibly against the horizon as a permanent backdrop to Batam.

While Batam's promotional mask boasts of modern industrial estates, luxury housing enclaves, first class golf courses, and a new international airport, its hidden face tells a very different story. Labour and land protests are common interruptions to production and land

development; the informal economy and squatter settlements flourish despite antagonistic policies; prostitution is growing at an alarming rate as are the number of reported HIV and AIDS cases; violent crime and theft are common; and economic frustration is pitting ethnic groups against one another and increasing resentment towards both the government and the those in control of the local economy. These trends pose major obstacles to development and growth, frightening footloose industries and cautious investors away and creating unstable conditions locally.

This dichotomous picture of Batam clearly points to the need to refocus attention on the more equitable distribution of the benefits of growth in order to mitigate and address the emerging tensions. The question remains, however, of how to transform Batam's rapid growth into meaningful development for people living and working on Batam.

Human settlements, the basic building block of society, are an effective place for redistributive policies to start. While the squatter settlement situation on Batam is not a housing problem *per se* but a problem of poverty and unequal access to the development process, settlement policy is a key instrument used to improve quality of life, alleviate urban poverty, and improve access to local decision-making. On the other hand, unresponsive and poorly designed interventions can aggravate existing inequities and only worsen the lot of the poor.

This thesis seeks to point out where the latter is happening on Batam and how policy makers can move toward settlement policies that promote more equitable development. In short, basic services and shelter must be reconceptualized as a "long-term" prerequisite to stable and sustainable development just as the massive infrastructure projects built on Batam have been.

1.2 Thesis Statement

Rapid industrialization on Batam is causing serious negative social, economic, and environmental imbalances. One particularly visible and troublesome consequence of this hyper-accelerated growth has been the extensive formation of squatter settlements in scattered locations around the island. These settlements provide shelter to the bulk of migrants who come to Batam in response to the sudden creation of new work and livelihood opportunities. As squatter populations increase yearly and settlements conflict with land-use agendas, Batam's visionaries are struggling to manage this largely unanticipated development which threatens their modern vision of Batam as "the next Singapore".

The current, rather antagonistic, approach to this sector is not effectively addressing the problem. In fact, in many cases, policies serve only to further impoverish those affected. The function that these settlements serve as facilitative instruments for the adjustment of migrants to Batam, as sources of affordable and accessible housing, and as places of considerable material and social investment has been ignored.

To be effective, policies aimed at squatter settlements on Batam must address the underlying issues of poverty, access to land, credit and income earning opportunities, and community consolidation. Furthermore, the specific needs and constraints of the people at whom these policies are targetted, the squatters themselves, must be considered. This demands a participatory decision-making process at all stages of policy conceptualization and implementation. Considering that squatters make up a sizeable proportion of Batam's labour force (the foundation upon which the island's economic success rests), it is crucial that

housing issues are addressed in an integrated and responsive manner to ensure the continued stability and growth of the island.

1.3 Thesis Objectives

This study seeks to explore the larger political and planning framework guiding Batam's development to understand how this vision affects planning decisions made at the local level. By examining the squatter housing problem and investigating why policies and regulatory measures to control this sector have failed, this study will call into question the validity of Batam's development model –one based more on vision than reality.

More specifically, this study seeks to answer the following questions:

1. What is the public policy approach of local authorities to squatter settlements and the low-income housing shortage on Batam?
2. What is the private sector's role in the supply and service of low-cost units?
3. What is the role of the informal sector in the supply of low-cost housing on Batam?
4. What lessons can the experience of informal housing supply offer?
5. What are the shelter needs of Batam's squatter residents and what constraints do they face particularly with reference to moving into alternative housing options (for example formal sector purchase or rental units)?

1.4 Research Methodology

Research for this thesis was gathered in a number of phases. These included document analysis, a review of relevant literature and consultation with academics in Canada, Singapore and Indonesia who were interested or involved in the development of Batam. It

also involved directed interviews on Batam with private and public sector professionals and with over eighty residents of two squatter settlements that were chosen for intensive study.

In addition to these rather “planned” approaches an equally important source of information was gathered by listening to stories, sharing conversations, and experiencing life on Batam for almost five months. These more informal exchanges were not necessarily recorded or documented but have contributed greatly to the understanding I have gained of Batam and the people who have chosen to make their lives there.

1.4.1 Qualitative Research Methods

As thinking about housing policy has evolved from a physical supply focus (which measures success by counting the number of dwelling units built), to become more intervention-oriented in focus, encouraging the efforts of both individuals and communities to secure housing and “enabling” markets to operate efficiently, so too have the methods applied in settlement research changed to become more qualitative¹ in nature (Peattie 1983). This policy and research shift is a direct result of the failure of traditional housing approaches which could neither meet the enormous demand for dwelling units nor meet the functional, financial, or spiritual needs of the urban poor (for whom these units were designed to serve). It became clear that in order to understand the socio-economic, cultural, and systemic realities behind the failure of these programmes and to effectively develop and implement the

¹ Qualitative research is defined as “any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification. It can refer to research about people's lives, stories, behaviour, but also about organizational functioning, social movements, or interactional relationships” (Strauss and Corbin 1990:17).

innovative housing programmes which have followed, a qualitative and reality-based research approach was crucial.

To understand the *processes* of housing and the invisible structures which shape those processes we need stories which correctly represent the World out there into which housing programmes intervene. We need, in other words, correct stories about process, about connections, and about the working rules of the housing system or real estate market (Peattie 1983:231).

Time and time again, where the day-to-day realities of the people targeted by housing and basic services projects have been ignored, programmes with much promise and good intent have failed.

While this research incorporates the views of a wide spectrum of actors involved in settlement issues, the focus of the study was on the experiences of the residents living in two squatter settlements. These residents, primarily migrants from other islands throughout Indonesia, are commonly derided as poor, uneducated, unskilled, uncommitted, or opportunistic. What is forgotten is that they are a key resource fuelling Batam's economy, contributing their inexpensive labour and services in spite of inadequate wage and living conditions.

Batam's settlement policies continue to reflect the old school view of clearance, resettlement, and physical supply of formal housing units. If future policy is to reflect the needs and constraints of Batam's sizeable squatter population, more community-level studies such as this one need to be done and subsequently applied in planning practice.

Currently, the poor on Batam are not being given the chance to either voice their views or to be involved in the policy-making which directly affects their lives. While this research project could not promise achievement of the latter, this study was very much defined and

inspired by the voices and insights of the residents of Batam's squatter settlements. If only in a small way, it seeks to give voice to those words.

1.4.2 Limitations of the Study

One criticism of qualitative research is that it looks fuzzy, personalistic and non-authoritative (Peattie 1983:233). This is an inherent danger of research which is more concerned with "subjective opinions, motivations and tendencies, attitudes, beliefs, values or modes of behaviour" than with quantifiable data (Weber and Abeyrama 1984). A second point is that it can not be assumed that respondents are always telling the truth or giving accurate information (Ho 1988:21). However, there are a number of ways of mitigating this tendency, including establishing trust, crosschecking answers, consulting the findings of similar studies and looking for confirmation in the existing literature. Third, information is always given and received through filters. These filters can obviously limit the quality of data collected.

Despite the limitations inherent in qualitative research, the approach used in this study was an effective way to uncover the dynamic variety of issues playing out in the newly forming human settlements of Batam.

1.4.3 Getting Established

Establishing oneself as a legitimate and accepted researcher in the field site is a crucial first step of any research project. Supportive contacts at both the Batam Industrial Development Authority (BIDA) and the municipal government (*Kotamadya Batam*) enabled

research at the policy and contextual level to proceed. Structured interviews and meetings were conducted with government officials at both administrative agencies on Batam, at the provincial level government offices in Pekanbaru (Riau Province), at BIDA offices and with the National Housing Agency (Perumnas) in Jakarta. In addition, interviews were conducted with key private sector actors on Batam and with a local non-profit organization. Appendix I contains a complete list of agencies and individuals interviewed.

Research in the squatter settlements began with informal visits to some of the more than eighty squatter settlements on the island to distinguish differences between them and to gain an understanding of the effects current development plans and settlement policies were having on both the physical landscape and on the daily lives of Batam's residents. Often, local people acting as informal guides would direct me to the neighbourhood leader's house or invite me into their homes.

A useful source of information about local affairs during this period and throughout my time on Batam was the local newspaper the *Riau Pos*. Very sympathetic to social justice issues and the experiences of the poor, the newspaper provided many insights into the range of problems besetting the development process on Batam.²

² For instance some headlines (translated) from the paper over this period included: "*Families hope that squatter clearance on Batam will be more humane*"; "*Two young boys killed in squatter settlement fire*"; "*The key to the squatter problem on Batam is an integrative approach*"; "*Social problems colour the development of Batam*"; "*Worker's conditions on Batam at the bottom of the industrial scale*"; "*800 households soon to be cleared*"; "*Families at Tanjunguma demand to be given a permanent resettlement site: 600 households still refuse to be moved*"; "*Batam: An industrial city with an unemployment problem*".

1.4.4 Selecting the Case-Study Sites

After initial scoping work, it became evident that while all of Batam's informal settlements were the same in terms of their illegal status, they had different characteristics in terms of other factors such as location, population, spatial layout, terrain, access to employment opportunities, housing and environmental conditions, and settlement histories. For this reason, two settlements were selected as case studies that were qualitatively different in terms of physical and social consolidation. This was done in order to understand what factors most influence the path of settlement development and what implications these factors may have for future settlement policies on Batam.

Both sites selected shelter primarily recent migrants and not long-term or indigenous residents. As the latter have some legal land rights they may behave differently than migrant squatters who have no such tenure rights. In addition, recent arrivals make up the bulk of the population on Batam and, therefore, pose the biggest challenge to future planning.

- **Tiban Kampung**

The first case study chosen was Tiban Kampung in the Village of Tiban, District of West Batam Island. The word *kampung* translates literally as 'village' but here, in its urban connotation, it is more accurately translated as popular settlement. Tiban Kampung was chosen for several reasons, including its relatively long settlement history (it is one of the earliest and most extensive migrant settlements on Batam) and its genuine potential for formalization, upgrading, or selective redevelopment.

The political potential for this is expressed in a revised Master Plan which shows the area of Tiban Kampung as “*reserve housing*” instead of “*forest reserve/green space*” as it did in the previous plan. It has been suggested that authorities made this change because of the logistical and political difficulties inherent in clearing such an established settlement and in eliminating such an important source of low-income housing. Except for a few minor exceptions, no parts of Tiban Kampung have been cleared to date.

Consequently, the sense of residential security, at least in the short or medium term, seems quite high. These factors have combined to create a relatively stable and established community with clear evidence of incremental processes of shelter consolidation and a strong social governance system. Tiban Kampung is located between the important commercial centre of Nagoya and the Sekupang port and administrative district but not in immediate proximity to either (**Figure 1-2**).

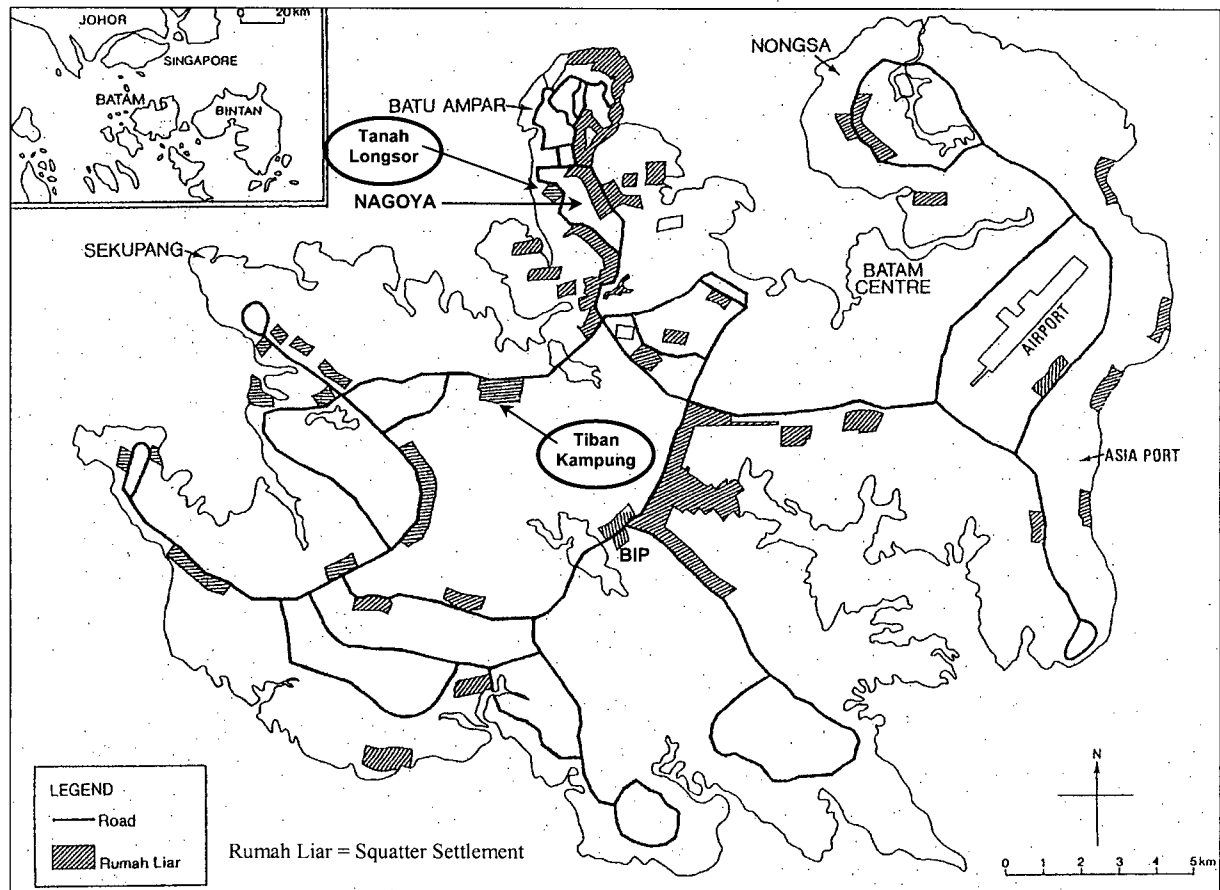
- **Kampung Tanah Longsor**

Kampung Tanah Longsor in the Village of Teluk Jodoh, District of East Batam, is located within walking distance of the Nagoya town centre and the Pasar Jodoh wet market and is situated near the Batu Ampar port (**Figure 1-2**). The relatively short settlement history of Tanah Longsor, coupled with a history of partial settlement clearance on several occasions in the past, have created a situation of shelter uncertainty for residents affecting the housing and investment decisions they make. Furthermore, the settlement is built in a very steep sloped gully, hemmed in on all sides by roads or developments.

Tanah Longsor is designated on the master plan as “forest reserve/green space”. However, what was once the entrance to the settlement has been annexed for a large

commercial development. These forces have combined to create a very degraded and unstable environment with poor housing conditions, poor health conditions, and a lack of social organization and control.

Figure 1-2. Location of Tiban Kampung and Tanah Longsor



Source: Adapted from Peachey, Perry and Grundy-Warr, 1997

Note: BIP= Batamindo Industrial Park

1.4.5 Carrying out the research

Having gone through all the necessary steps to secure a research permit and gain formal permission to enter the settlements as a “researcher”, it was then necessary to gain some form of acceptance and legitimacy from the communities themselves. Essentially, local

neighbourhood and block leaders were relied upon to formally enter the settlement. Not only was it natural for the authorities at the village level to direct me to this next level down, but residents had frequently directed me to them as well. These leaders were generally welcoming and some were eager to make themselves, their family members, or neighbours available to assist me.

Despite some fears of being too closely associated with local leaders lest residents feared vocalizing any criticism of the existing conditions of governance structures, in both sites the people who accompanied me were associated with very well-liked neighbourhood leaders and in some cases, their presence added a convivial and relaxed atmosphere to the interviews. They were a valuable source of information about the community and about the residents being interviewed, often revealing details that I could not have known otherwise³.

Direct observations of the physical, social, and natural environment in both Tanah Longsor and Tiban Kampung were an important source of information for this study. Information was also obtained through participant-observation methods⁴. While casual social interactions punctuated every day of the study other more specific activities were undertaken which would clearly fall under the definition of “participant observation”. These included:

³ This echoes the famous case of sponsorship documented in William Foot Whyte’s book Street Corner Society where Whyte got nowhere in his doctoral study of Boston’s East End until he met a key sponsor and gang leader named “Doc” who gave Whyte credibility in the local community (cited in Ho 1988:17).

⁴ This type of data collection is defined as “a special mode of observation in which you are not merely a passive observer. Instead, you may assume a variety of roles within a case study situation and may actually participate in the events being studied. In urban neighborhoods, for instance, these roles may range from having casual social interactions with the various residents to undertaking specific functional activities within the neighborhood” (Yin 1994:87).

participation in a *gotong royong*⁵ or mutual cooperation land clearing project, socializing and staying with friends in the settlements, frequenting food stalls and local businesses in the settlements, and attending organized community functions.

Interviews with residents followed a structured interview guide (Appendix II). However, interviews were flexible in that the conversation often diverged from the questions being asked, questions were dropped that residents did not feel comfortable answering, and residents were invited to ask questions in return. Only those residents who felt comfortable and interested in participating in the study were interviewed.

An effort was made to interview a broad range of residents: from new migrants to established ones; from young unmarried workers to household heads; from renters to purchasers and self-builders; from subsistence households earning income from farming and wood cutting to formal sector workers; from those living in semi-permanent housing to those staying with family members or in dilapidated shelters. Interviews were generally conducted from morning to late afternoon although some evening rounds were done in order to reach some of the households that were out working in the daytime. This was not however, a great concern on Batam because many workers, particularly those employed in factories, work the nightshift.

About forty interviews were done in each settlement. This number was arrived at simply by deciding that at a certain point no critical new information was emerging in the interviews

⁵ *Gotong royong* means "to carry a load co-operatively" and "to share a burden" (Sullivan 1992:84). It is based on the notion of mutual assistance and the values of egalitarianism, generosity and consideration. In the urban setting most *gotong royong* activities take place at the RT level, organized by the local leader. On Batam, many such activities are organized by particular religious or ethnic groupings as neighbourhood units are not necessarily well organized or a homogeneous enough group for such reciprocal relations to be functional.

that significantly altered or added to my understanding of the intricate processes at play there⁶. It is essential to remember that the purpose of my research was not to get a statistically valid profile of the communities but to gain an understanding of issues affecting the lives and decisions taken by the settlements' residents. As Peattie writes, this type of research is not about "typicality" but about learning how "the system works" by knowing "where the informants are placed in the system and their experience of it" (Peattie 1983:232).

1.4.6 Categories of Inquiry in the Interview Guides

The resident interview guides were designed to elicit an understanding of the specific circumstances and needs of the people living in the informal settlements on Batam and to what degree these needs were being met or denied. The interview questions fell into the following general categories:

- resident and household profile
- personal settlement history on Batam
- process of securing housing
- importance of settlement location
- income-generation and job security
- commitment to Batam psychologically and financially
- social support networks and community organization
- knowledge about and barriers to other housing options on Batam
- household infrastructure and services
- minor analysis of household expenses

In short, the questions in each of these categories sought to discover:

- who these settlers are
- why they came to Batam
- how and why they secured housing where they did

⁶ This is a key concept of sampling using the grounded-theory method which says: "sample until theoretical saturation of each category is reached" or "until no new or relevant data seem to emerge regarding a category" (Anselm and Strauss 1990).

- how committed they are to living on Batam and investing in a future here (for instance, in shelter investments) and what factors determine their level of commitment
- what social and physical supports they have managed to establish and what has given them the security to do this
- what the major barriers are to securing more adequate shelter

This interview work served both to identify specific examples of how current planning is failing to meet the needs and realities of local people and to provide indications as to what would constitute a more appropriate and responsive planning approach. These lessons can be extrapolated from the squatter context and applied to other troublesome problems threatening sustainable and healthy development on Batam.

1.5 Structure of the Thesis

This thesis is divided into six chapters. Chapter One introduces the thesis and the research methodology guiding this project. Chapter Two provides the conceptual framework of the thesis. It outlines a general pattern of urbanization in the developing world and juxtaposes this ‘uncontrolled’ experience against an alternative vision-driven ‘new town’ model which historically governments have pursued in an attempt to control this process. This chapter sets the analytical framework through which the developments taking place on Batam and in the SIJORI GT can be understood. It alludes to the shortcomings inherent in the approach taken to planning and urban development on Batam.

Chapter Three gives the local context into which these larger theoretical arguments are set. It reviews the history of development on Batam and sketches the parameters of the island’s rather ambitious development vision. More specifically, it addresses the history of

human settlement on the island, describing the extent and nature of the squatter housing problem now facing development authorities.

Chapter Four discusses and critiques policies aimed at managing the development of squatter settlements on Batam. It also examines the role of the private sector in supplying affordable housing to the low-income sector. It becomes clear from this discussion that current policies focused on clearance, resettlement, and formal housing delivery are not effectively addressing the problem and disregard the wide range of needs and the limitations experienced by those taking up residence in informal settlements.

Chapter Five examines specific findings from interviews with residents living in Kampung Tanah Longsor and Tiban Kampung. A description of each settlement's history, physical environment, local housing conditions, level of local economic activity, social governance structures, sense of community, and future plans for development is given in order to explain why each settlement has evolved to exhibit specific attributes with regard to these categories of analysis. The two communities are then compared to understand the impact these evolutionary experiences have on resident commitment, socio-economic support networks, and the ability of residents to make the transition into the formal housing sector.

Chapter Six concludes the thesis by revisiting the development model driving Batam's growth and compares that vision with the local reality --the embodiment of its application. This chapter reaffirms the need for an alternative planning perspective which includes the informal housing and economic sector as both important and necessary components of the successful and sustainable Third World city.

CHAPTER TWO:

POLITICAL VISIONS AND THIRD WORLD PLANNING REALITIES

2.0 Introduction

Conceptual models of Third World urbanization as well as new town experiences in these countries provide a theoretical basis for interpreting current developments on Batam. In some ways, the hyper-accelerated growth on Batam is unique within both the Indonesian and the Third World contexts. However, in other ways, Batam has followed a pattern common to many cities in the developing world. Despite visions of creating a new city to rival Singapore and attempts to tightly control the urbanization process, the realities of Third World urbanization have asserted themselves and impacted the course of Batam's development. Like many new towns and cities before it, Batam has not been immune to the forces of poverty or popular action. The less controlled forces of "spontaneous" urbanization are increasingly challenging the careful engineering which "induced" urbanization on Batam.

To set the development history of Batam in context, this chapter will outline a general model of Third World urbanization, give examples of new town experiments that have been developed in relationship to that model, and make some conclusions about what implications this has for reconciling the vision and reality of urban planning policies.

2.1 A Model of Third World Urbanization

While theorists caution us against generalizing about urbanization in the Third World by pointing to the different trajectories being followed in different countries (Armstrong and

McGee 1985), there are some identifiable trends that differ significantly from the general pattern of urban transition experienced in Europe or North America. These include differences in rural-urban migration and the scale and pace of this demographic shift, the nature of the urban labour force and the urban economy, and the degree of social and economic polarization experienced within cities and between regions and countries in the Third World.

In Europe, the shift of workers from rural areas into urban centres was in response to industrial employment opportunities in the cities. However, this pattern does not adequately explain urbanization or the rural-urban shift in the developing world where industrial employment in the cities remains quite limited (Gilbert and Gugler 1992:88). Third World countries, eager to industrialize rapidly, tend to import capital and technology-intensive industrial inputs which are not major labour generators, particularly for the low-skilled worker. As a result, urban labour markets typically experience an excess of labour with inadequate or limited skills.

'Over-urbanization' or 'hyper-urbanization' are terms often used to characterise this increase in the urban population not supported by industrialization (Lin 1994:6). Inadequate wage employment opportunities, low job turnover, and the importance of 'connections' to gain access to formal employment mean that a significant portion of urban populations rely on the service sector and what has become known as the informal sector to earn income. This sector is unregulated in a formal or legal sense but is managed by a complex set of informal rules that those participating in it have created. While the informal sector is extremely difficult to delineate or measure, the importance of this unregulated sector to employment generation and incomes can not be underestimated in the Third World urban

context. Like a kind of urban involution, there is an enduring process of job proliferation in this sector to serve the growing population (*Ibid*: 8-9). Much to politicians' and planners' chagrin, it is not a sector which can easily be eliminated.

If Third World urbanization is not caused by a shift from agricultural to manufacturing employment as the Western model suggests then, what fuels urbanization and rapid urban growth? Rural-urban migration and natural population increase in the cities of the Third World remain crucial variables.

The urban-ward shift of migrants can be explained by both push and pull factors. The major push factors include increasing mechanization of agricultural activities and a decreasing demand for rural labour. Coinciding with this is an extremely high rate of natural population increase in the rural areas of the Third World. These conditions combine to create conditions of absolute poverty in the countryside which urge migrants to choose what may seem on the outside to be a precarious and vulnerable life in the city.

It must be remembered however, that however tough the urban job market may be, for many migrants, urban conditions and prospects are far better than those experienced in rural areas of origin (Soelaiman 1994). For most, the decision to migrate is a rational response to the economic, social and cultural disparities between rural and urban sectors. Depending on the circumstances of the migrant and opportunities available in the city, migration from rural areas may be permanent, temporary, seasonal or circular. A highly mobile labour force has become the norm in many Third World countries.

Factors exerting a pull on migrants include the attractiveness of urban areas with their increased access to services, better educational and employment prospects, transportation links, trading activities, and access to consumer products. In general, young adults

predominate among migrants. They are usually unmarried, more adaptable to the urban environment, and less committed to their rural village (and therefore, more likely to put roots down in the city). Family and kin groups already established in the cities play a very important role in the decision to migrate and the existence of these connections often stimulates migration chains which continue to attract migrants long after rational economic reasons remain. Migration flows occurring along such social networks are notoriously difficult to influence by policy interventions (Hugo 1995:287).

Particularly in the cities of Southeast Asia, but also in general throughout the Third World, natural population increase is a more important factor explaining urban growth than is rural-urban migration (Jones 1988). This natural increase coupled with the inflow of migrants puts incredible pressure on urban infrastructure and the ability of urban authorities to manage growth and provide urban services to their rapidly expanding populations. Faced with such pressure, government responses are frequently ad hoc or inconsistently applied leaving the course of urban development open to manipulation by a wide variety of individual and collective actors.

Perhaps one of the most visible signs of this pressure has been the appearance in cities all over the Third World of informally produced or self-help housing. Over the past four or five decades, the major source of new, cheap housing in almost all Third World cities is informal house construction on illegally occupied or illegally subdivided land (Baken and van der Linden 1992:24). Unable to afford or gain access to the limited supply of formal public and private housing units, the shelter choices of the poor are extremely constrained. While conditions vary between settlements, neighbourhoods, cities and countries, in general, this informal housing is poorly serviced and suffers from poor environmental conditions.

However, when not threatened by eviction or demolition, evidence has shown that the poor will improve their housing conditions through incremental consolidation as time and money become available (Benjamin, Arifin, and Fakultas Pasca Sarjana 1985:97).

Nonetheless, like the informal employment sector, governments have been reluctant to acknowledge the importance of this source of housing to the urban poor. Typically, “planners only see the bad elements of self-help housing without seeing the good. Paper plans are seen to be the reality and the solutions of the people themselves and their problems become ‘invisible’” (Gilbert and Gugler 1992:147). As a result, settlement demolition and removal of residents to peripheral locations on either a temporary or permanent basis have been the favoured solutions of city governments. This removal of the poor from well-sited locations which afford them access to services, transportation, income-generation opportunities and social support networks, only serves to exacerbate the already high level of disparity between a large underclass of the absolute and relatively poor and a small but privileged upper class found in these cities. In general, the income distribution in the cities of the Third World is far less equal than in most industrialized nations (*Ibid*:28), making the potential for social and political instability greater than in their industrialized country counterparts.

2.2 New Towns: A way out from a blighted fate?

City policies to remove squatters from the city, curb informal sector economic activity or prevent migrants from taking up urban residency, are all efforts by local governments to assert control over the spontaneous processes which flourish in the Third World city. For the

most part, these efforts have been largely unsuccessful, with migrants making their way back to the city, land being reoccupied or subdivided illegally, or new informal economic activities springing up to provide necessary products and services. This reality has left governments searching for alternative means to assert control over the spontaneous forces shaping urban growth. The construction of new towns has been a popular policy tool employed to plan, control and direct urban development in the developing world (Phillips and Yeh 1987).

It is not surprising to learn that the new town model has been looked upon as an antidote to urbanisation challenges. The modern new town movement traces its roots to the late 19th century when English social reformer Ebenezer Howard actively promoted the “garden city” or “new town” as a panacea to the deteriorating physical, social and economic conditions of Victorian cities. His ideas caught on immediately but it was not until the period after World War II when new towns began actively being constructed in England with the issuance of the New Town Planning Act of 1946. Meanwhile countries like France, Germany, the Netherlands, Sweden, the United States of America, and Israel, among others, experimented with the model (Ward 1993).

In its application, new town planning has strayed far from Howard’s original social welfare ideas, far from the British new town planning tradition which grew from them, and far from Britain. New towns have become a truly global phenomenon. As a result, it is increasingly difficult to give a concise definition of what constitutes a new town as they vary widely in their development objectives, their scale of implementation, and their settlement typology (Phillips and Yeh 1987). They have been proposed for a host of different reasons including de-concentrating urban growth and economic activity, developing satellite towns

and bedroom communities, relocating capital cities, promoting national and/or regional development, and settling or controlling new territory.

In the Third World context, the vision guiding the development of new towns is quite often informed by the western experience. For instance, the very assumptions embodied in the new town concept grew out of the specific economic and political conditions of European urbanization. The scale and nature of urbanization in the Third World is very different from this experience (Healey 1986:125) and has meant in many cases that the importation of new town ideas has been rather incongruous with local conditions (Tewfik 1991; Golany 1984).

In almost all cases, the attractiveness of the new town as a policy tool lies in the perceived control offered by a process of city building that starts from 'scratch'.

Different from an 'organic city' which has developed and grown without benefit of centralised planning, a planned city is attractive as a policy tool precisely because it provides the creator with the opportunity to restructure society in accordance with his or her understanding of society (Kalia 1985:135).

Frequently, in order to maximize control over the development process, new planning bodies like the development corporations of Britain are established. For instance, in the case of Ciudad Guyana, a new town planned in Venezuela, the development of the city was placed under the charge of a powerful development agency responsible only to the President of Venezuela. This meant that planning operations for the new town were based out of the capital city of Caracas, over 400 miles away and the local municipal government was largely excluded from the development process (Peattie 1987:62).

In the case of Chandigarh, India, a new town planned by Le Corbusier in the 1950s, the full cooperation of Prime Minister Nehru ensured local planning decisions that contradicted the vision he shared with Le Corbusier of "building a city that would serve as a model for the

nation, if not for the world, in city planning” were overruled (Kalia 1985:135). While initially lending some focused authority to the planning process, in the end, this interference only served to erode local involvement and limit the effectiveness of planning.

Frequently, there has been an over-arching desire to infuse new cities with a sense of ‘modernity’ thereby breaking with the urban problems associated with the Third World city. For instance, the new capital city of Brasilia that was planned and built in the 1950s and 1960s, was envisioned by its proponents to be:

a model city, beautiful and monumental, innovative in architecture and urbanism; ...it should be, above all, organized and green, an alternative town drawn to preserve a better quality of urban environment, free from pollution and stress, where working and living would be compatible (Madeleno 1996:274).

This utopian imagery surrounds the planning of many new towns in both the developed and undeveloped world. It is extremely optimistic and invokes images of immaculate, socially integrated, and economically dynamic places. While there have been many new town successes, never have such ideal conditions been achieved. In fact, distracted by such ideal standards, many more new towns have failed because the realities determining the way cities urbanize have been ignored. As a result the new town becomes simply “a form of escapism” and “a refusal to recognise the problems of the way urban development is proceeding in existing towns” and not the urban innovation it is proposed to be (Healey 1986:132).

While social planning is increasingly recognized as a crucial component of new town planning (Phillips and Yeh 1987), in practise the physical and architectural elements of new towns have been emphasized at the expense of other considerations. In the Third World context, this has meant that the realities of urbanization have been ignored in the drive to build tangible symbols of progress. Consequently, while planners busied themselves with

creating the physical image of modernity, these cities were 'infiltrated', without exception, by the very forces of spontaneous growth they were hoping to avoid. As one development economist remarked about the problems arising in the planned new town of Ciudad Guyana in Venezuela, "no matter how well they plan it, people keep moving in and messing it up" (Peattie 1987:16). This 'infiltration' is almost inevitable however, as new towns, when built on a large scale, act as magnets to those in search of opportunity.

This interpretation that the people attracted to these centres of growth are "messing it up" is a characteristic response of planners unable to reconcile their image of the city with the realities of poverty and informality. Despite pre-implementation visions of creating socially equitable new cities, master plans have been repeatedly drawn up with no consideration for either the informal housing or employment sector. For example, Chandigarh was envisioned by Le Corbusier as "a city offering all amenities to the poorest of the poor of its citizens to enable them to lead a dignified life" (quoted in Sandhu 1985:254). However, no space was actually set aside in the master plan to house these people in Chandigarh (Lall 1989:358). As a result, sprawling shanty towns flourished as Chandigarh grew. When major projects neared completion, planners decided to move several of these unsightly settlements to peripheral resettlement sites which were then demolished seventeen years later destroying the significant investments and community relationships carefully built by residents (Ibid:363).

A similar situation developed in both Brasilia and Ciudad Guyana, where mirror cities to house workers thrived next to modern urban cores reserved for the elite (Gosling 1979; Peattie 1987). In Ciudad Guyana, this shortage of affordable and serviced shelter was matched with a high vacancy rate in the high-income housing market. By 1971, there were more people living in the adjacent squatter community than there were in the new town itself

(Healey 1986:130). This mismatch of housing, employment opportunities, and social facilities to the needs of the local population is characteristic of new towns, giving them an “awkward, inhuman quality as a place to live” (Peattie 1987:8).

Ironically, the very conditions that new town developments seek to avoid usually resurface and disrupt implementation of the planned vision from the moment construction begins with predominantly rural-origin construction workers creating the first migration link between country and city. In fact, in some cases the conditions are worsened with stricter spatial segregation of socio-economic groups or with clearer divisions between the formal/legal city and the informal/illegal city than is the case in most cities which have evolved gradually.

It was hoped that Brasilia, conceived to be unique with its large angular building shapes; designed to be without congested freeways and busy roads in residential areas; and intended as a whole to convey a distinctive mood within its isolating green belts, would be a starting point for the Brazilian nation. One might only comment, that the eventual product brought little more than human isolation and social segregation (Madaleno 1996:279-280).

Without established settlements to absorb the inevitable stream of low-income immigrants, new towns are places where new communities have to be created and social norms have be established. This process of community-creation is extremely difficult if space is not made available for the poor, who are the majority of residents of such cities, and they are forced to house themselves in settlements which face an uncertain future in the hands of local authorities.

2.3 Growth Triangles - An escape from global insecurity?

In many ways, GTs can be understood as an extension of new town thinking in the context of trans-border globalism. For instance, just as the new town model is viewed as a means to assert control over the processes of urbanization, the creation of cross-border economic zones is viewed as a way of gaining control over the uncertainties of global trade and international capital (Rimmer 1994) and as a tool to accelerate economic development through inflows of foreign investment (Rondinelli 1987). Essentially, they are political and economic alignments that seek to guarantee stability and security to investors and allow regions to cooperate with one another to secure investments.

Despite these promises of control, however, there are many institutional barriers to the formation of GTs (Abonyi 1994). Furthermore, firm behaviour is as difficult to predict or control as migrant behaviour has proven to be. Firms respond to a wide variety of constantly changing local, national, and international stimuli. Furthermore, the “footloose” nature of the industries that tend to locate in special economic zones grants them the power to exert considerable pressure on governments by threatening to pull out unless “maximum benefits” such as low wages, minimal regulation, and a high degree of amenity are provided (Rondinelli 1987: 96).

Usually, it is the local economy which bears the brunt of this pressure while the corporations profit and foreign exchange earnings benefit the national treasury (Rondinelli 1987:93). Technology and skill transfer tends to be low, infrastructure costs outpace industrial output, and the workforce is dominated by young unskilled female labourers who are forced to work long hours at low wages. Ironically, it is precisely this pressure on the

local economy, in its manifestation as increased social and economic disparity, environmental deterioration, labour unrest, poor productivity and rising tensions, that drives investment away in spite of the locational or infrastructural advantages of a place.

In the short run, many of these undesirable outcomes are seen by governments as the inevitable social costs that must be borne to attract investors, but in the longer term they become the reasons why foreign investors start searching for more attractive habitats in other countries (Douglass 1992:12).

At the same time, if governments try to comprehensively address deteriorating local conditions by curtailing rapid growth and profits, firms may also abandon a locale. Consequently, sustaining economic development in these accelerated growth zones is a delicate challenge.

With a focus on meeting the needs of foreign capital, planners of these development zones have emphasized infrastructure and amenity planning above addressing principles of social, economic and environmental sustainability. This is not dissimilar from the new town experience where plans often emphasize design and architecture above a realistic assessment of local needs and conditions. Massive infrastructure investment is considered the single most important pre-condition for the formation of GTs, without which multinational corporations could not “exploit to full advantage the increasing international mobility in capital and labour” (Tan 1993:5). In turn, this tremendous investment serves as an unusually powerful magnet for those in search of work and livelihood opportunities, accelerating urbanization in areas where major development projects are located (Rondinelli 1987:101).

While projects like the SIJORI GT and other special economic zones are often criticized as expensive and isolated islands of development with inadequate local or regional spin-offs, it is often the case that disparities are starkest within the development zones themselves. For

instance, flagship projects like the BatamIndo Industrial Park on Batam Island, Indonesia, become enclaves of investment set amidst poverty, high-population growth, and underdevelopment (Grundy-Warr, Peachey, Perry 1997). While in theory investment enclaves are protected from the diseconomies and constraints of their surrounding environment (and are marketed as such), this clear separation is difficult to maintain as imbalances increase.

Given the mega-scale and growth-oriented focus of planning in these new development zones, it is not surprising to find them affected by deep social and political tensions. High rates of in-migration weaken a project's ability to absorb workers, meet demand for basic infrastructure and housing, and maintain a stable social and physical environment. Growth is simply occurring at a rate beyond the capacity of local and national governments to manage (Rondinelli 1987:101). In short, the same problems that plague other cities in developing countries are asserting themselves despite the control that the GT model and the 'blank-slate' conditions seemed to promise.

2.4 Conclusion: Reconciling the Vision with the Reality

Planning in the Third World urban context is no easy task. Rapid urban growth rates, propelled by both natural increase and rural-urban migration, severely strain the ability of governments to either monitor or meet the growing demand for urban services and infrastructure. Some cities in the developing world have fared better than others under these pressures and have established certain standards of servicing which meet the basic needs of the majority of their urban populations.

However, many cities continue to have large proportions of their populations living in inadequate housing, without access to proper sanitation, water supplies, or waste disposal. Where these residents have legal or quasi-legal status on the land on which they are sheltered there is some hope for gradual settlement improvement and consolidation with government support (however passive or active such support may be). However, many urban dwellers have no legal access to land, and consequently, face great shelter insecurity and less likelihood of government benevolence.

Governments have adopted a wide range of measures to try and address these common urban problems. Some have been highly successful like the Kampung Improvement Programme in Indonesia which has broadly accepted the importance of the *kampung* or traditional neighbourhood in the city and the need to provide these communities with basic services such as water, drainage, sanitation facilities, schools and health centres (Baross 1984; Devas 1981; Karamoy and Dias 1986; Steinberg 1992). Unfortunately, more often than not, policies have been rather antagonistic, pushing low-income people to the outskirts of the city through urban renewal, redevelopment, eviction or by removing informal enterprises from whole areas of the city.

These latter policies reflect the desire of urban authorities to control and manage development in accordance with their image of what the city should be. This image is usually one based on a western model of tight control, comprehensive regulation, and high-standards of infrastructure and architecture. The planning of new towns in the Third World has often been pursued as a way to make a clean break from the urban problems that plague existing cities. However, these policies rarely succeed in suppressing the forces of poverty for long. Often, the urban problems subsequently experienced in new towns are quite severe

as little provision has been made for the unanticipated population of poor who try to make a future in these show-case towns of opportunity.

The first fully operational growth triangle, the SIJORI GT, is beginning to demonstrate the same pattern of dichotomous development. Although this GT was developed specifically to promote accelerated economic growth in the SIJORI region and not to create socially and functionally integrated urban communities, it must be noted that the very problems which destroy the possibility of creating the latter will also, if left unaddressed, threaten the success of the project by destabilizing it economically, socially, politically, and environmentally.

As the experience of urbanization and planning in the Third World becomes better studied and understood, there is a growing body of work in a variety of disciplines which cautions planners to both accept and plan for the realities of rural-urban migration, a large and important informal economy, and informal or self-help housing settlements. For instance, a more recent example of new town planning is the Pudong New Area on the edge of Shanghai, which has been under construction since the early 1990s. This new industrial growth pole is attracting a very large migrant population of temporary workers of which, it must be expected, many will stay. John Friedmann, in his analysis of this new city, cautions that the assumption of hyperurbanization must inform the physical parameters for planning. In other words, there is a need to recognize the informal economy and make allowances for it in physical planning or to directly encourage it (Friedmann 1991).

To plan for the informal sector requires a reconciliation of the vision of planners with the realities faced by the poor who form the majority of urban dwellers in the Third World. It has been proven time and time again that simply dismissing or ignoring these realities only serves to undermine the carefully laid plans of the urban authorities. When this is the case,

there is no other option but to concentrate on alternatives that seek not only to accommodate but to prioritize the interests of the urban majority within the framework of city planning.

CHAPTER THREE:

WHERE THERE IS SUGAR THERE ARE ANTS - OPPORTUNITY, MIGRANTS, AND SQUATTER HOUSING ON BATAM

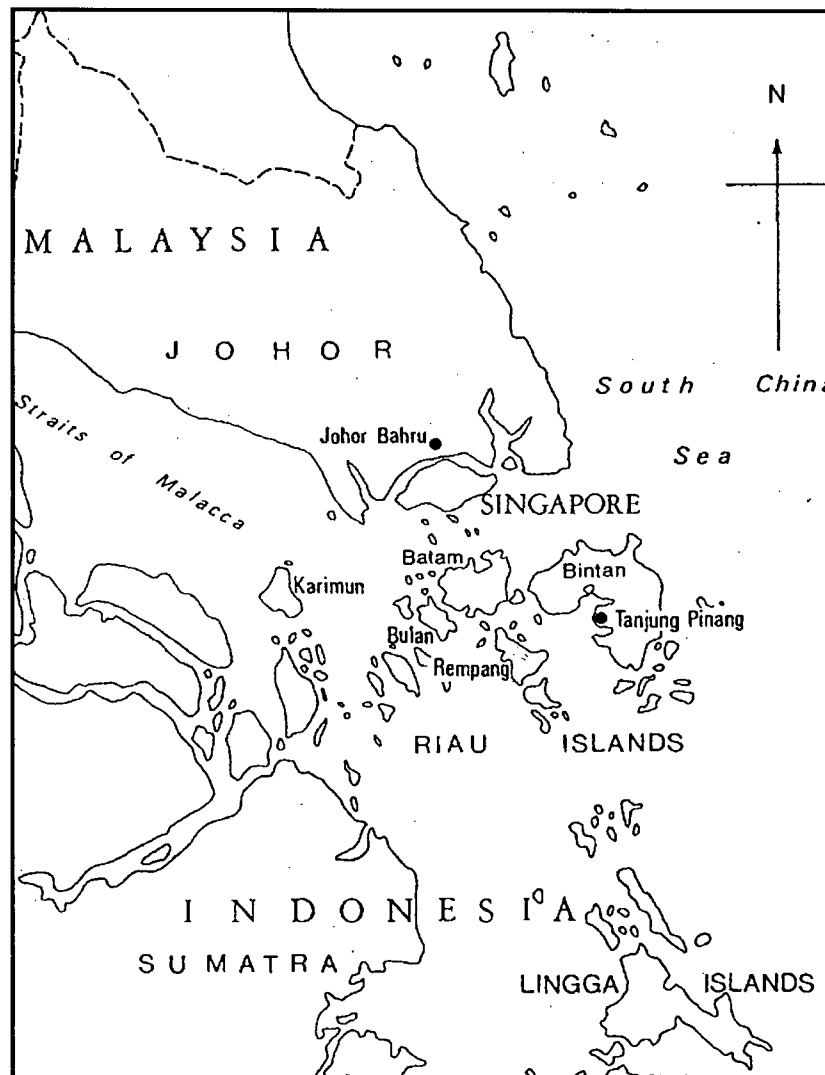
3.0 Introduction

An expression heard frequently from Batam's planners is "*ada gula ada semut*" or "*where there is sugar there are ants*". What they are referring to is the process of development which, having been set in motion, they can do little to stop. This momentum has its origins in the mobility of international capital and production, two governments' attempts to harness that capital, and the reality that millions of young Indonesians enter the labour force every year in search of jobs and opportunities. This chapter will explore how Batam got to where it is today, faced with a ceaseless flow of in-migrants resolute in their will to stay despite the constraints of land, housing, and a high cost of living. In addition, it will discuss the nature and extent of the low-income housing and squatter problem on Batam.

3.1 History of Development on Batam

The development potential of Batam is being materialized surprisingly late considering its strategic location only twenty kilometres south of Singapore in the Malacca Straits, one of the world's busiest shipping lanes (**Figure 3-1**). However, located far from Jakarta, the sparsely inhabited Riau Archipelago has been on the periphery of Indonesian development since colonial times (Macleod 1995:125).

Figure 3-1. Regional Context Map of Batam



Source: Adapted from Peachey, Perry and Grundy-Warr, 1997

Indonesia did not start to actively plan for Batam's development until 1970 when the island was designated as a logistics and operational base for oil and gas industries involved in offshore petroleum exploration efforts. A year later, Batam was decreed an industrial area with an emphasis on an 'entrepot' role. In 1973 the Batam Industrial Development Authority (BIDA) was established as the central government agency overseeing the development of the

island. This administrative change was an important signal of the scale of planned change on Batam, which would require such a powerful central agency to direct development. At that time, the local population (made up mostly of fisherpeople, traders, and non-local contract workers in the oil and gas industry) totalled only about 6,000 people. The forested island was virtually 'undeveloped', and held little draw for migrants.

In 1978 the whole of Batam was designated as a bonded area or duty-free zone and a new master plan was drawn up in 1983. The master plan was premised on a population target of 700,000 to be achieved by 2004 - a scaled down figure based on the island's water supply constraints⁷. In addition, this document outlined future land-use as well as the industries which were to be targeted for development on Batam: high technology, export, transshipment, warehousing, and tourism (Anwar, 1993). In 1985 and 1992, the bonded zone was expanded to include over forty surrounding islands, including Rempang and Galang. This region is known as BARELANG.

BIDA was given the responsibility for implementing the master plan along with an inter-ministerial committee called the 'Supervisory Body of Batam Industrial Zone.' These administrative arrangements took Batam outside of the control of the provincial development planning board and put development firmly under the direction of the central government (Peachey, Perry and Grundy-Warr 1997), echoing the experience of other new towns projects like Ciudad Guyana in Venezuela.

⁷ Early plans envisioned Batam's population reaching 2 million people (or 1% of the Indonesian population) by the first quarter of the 21st century.

Despite such explicit efforts, Batam's development was initially very slow and problem-fraught. Outside interest by investors, other than those in the oil and gas industry, was extremely limited because of the lack of infrastructure and development on the island. This encouraged the Indonesian government to begin to view Batam's development as something that could be linked directly to the powerful economic engine of neighbouring Singapore rather than to continue to operate in competition to it. B.J. Habibie, Indonesia's Minister of Science and Technology and Chairman of BIDA since 1978, envisioned Batam and the Riau islands as 'safety valves' that could draw some of the excess capacity out of the heated Singaporean economy. Over the next decade, while development proceeded slowly, Singapore and Indonesia began seriously discussing a number of collaborative projects to jointly exploit the island's strategic location and resource base.

Singapore's increasingly pressing need for a hinterland to ensure its continued access to land and labour led to a meeting between President Suharto of the Republic of Indonesia and Prime Minister Lee Kuan Yew of Singapore on Batam in 1989. Out of that meeting came a number of policy changes aimed at encouraging relocation of investment from Singapore to Batam, including two joint water-production deals⁸; streamlined bureaucratic, import/export, and immigration processes; and, a provision allowing for one hundred percent foreign equity ownership for the first five years with five percent disinvestment thereafter to allow for Indonesian ownership (Tang and Thant 1994:9, Lee 1992:4). In August of 1990, Indonesia

⁸ In June 1991, Indonesia and Singapore signed a water purchase agreement. The Indonesian government allocated 40,000 hectares of land as water catchment areas to support the water supply project, of which more than half the water will be sold to Singapore. To supply the necessary 121 million gallons of water per day, the construction of 5 dams and a water treatment plant were approved for a 50 year period of operation (Ahmad 1992:104).

and Singapore signed an agreement⁹ to jointly develop the Riau Archipelago as the southern corner of the newly conceptualized Singapore-Johor-Riau (SIJORI) Growth Triangle (Ahmad 1992:113).

These formal agreements were more than symbolic: Batam's share of total foreign direct investment to Indonesia grew from a minute 0.43 percent in 1980 and jumped to 10 percent in 1991 (Macleod 1995:128). By 1991, Singapore was the biggest foreign investor in Batam, accounting for 44 percent of the investment (Anwar 1993:28). A year later, the Batamindo Industrial Park, the first of eight industrial estates planned for the island came on line. Jointly owned by two government-linked Singaporean companies and Indonesian investors¹⁰, the 500-hectare estate was the needed push that got the development ball rolling on Batam. It is still a crucial contributor to the island's economy. It currently employs more than 56,000 workers, or 66 percent of Batam's official 1996 labour force. A spokesperson for the estate expected that as many as 70,000 workers would be employed by the park when the final phase of the project is completed in 1999.

The Batamindo estate was designed as a self-contained development with its own power generation, water treatment plant, telecommunications, transportation, workers

⁹ However, a formal framework for trilateral cooperation was not agreed upon with Malaysia until December 1994 when the triangle officially became known as the Indonesia-Malaysia-Singapore Growth Triangle (IMS-GT). This name change reflected an interest in extending the growth triangle agreement to include other states and provinces in Malaysia and Indonesia. This hope was realized two years later, in 1996, when West Sumatra (Indonesia), Negri Sembilan and South Pahang (Malaysia) were included in the GT (Peachey, Perry and Grundy-Warr 1997).

¹⁰ Singapore Technologies Industrial Corporation and Jurong Environmental Engineering own 40 percent. The majority Indonesian partner is the Salim Group, one of the largest business conglomerates in Indonesia. Holdings are also held by President Suharto's son and by the brother of B.J. Habibie (Parsonage 1992:311).

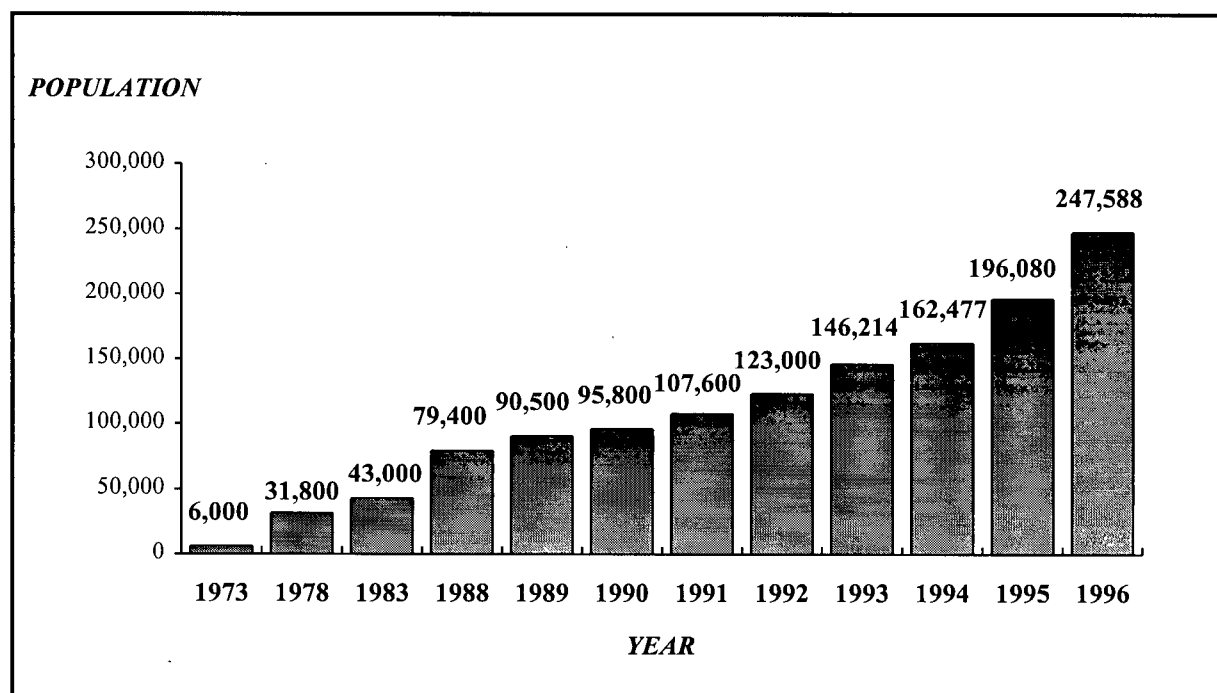
accommodation, factories, a recreation centre and a commercial centre with a supermarket, wet market, bank, post office, mosque, church and medical centre. By April 1997, there were eighty-one tenants operating on the estate. Out of the total private investment recorded on Batam up to 1996, about half of it is accounted for by the development of the Batamindo Industrial Park and the tenants it has attracted (Peachey, Perry, and Grundy-Warr: 1997). With the growth of the park and other enterprises on the island, exports have soared. From only \$21 million USD in 1986, exports reached \$2.4 billion USD in 1995 (BIDA 1996:21). This latter figure represents a 70 percent increase over 1994.

Industrial development has not been the only spin-off of cooperation to promote development on Batam. The tourism sector has flourished. In 1990, Batam surpassed Bali as Indonesia's number two port of entry for tourists, second only to Jakarta. About 78 percent of those visitors were from Singapore (Macleod 1995:130). While it has since fallen back to third place (behind Bali), in 1996 alone, over one million visitors came to Batam. Most of these visitors stay for two days and spend on average US\$180 a day per person (BIDA 1996). This reflects Batam's popularity as a weekend getaway for Singaporeans interested in taking advantage of the islands golf courses, resorts, shopping bargains, entertainment facilities, and inexpensive seafood restaurants.

The enormity of change on Batam is most obviously illustrated by demographic and population data (**Figure 3-2**). The population surge is largely a result of the streams of recruited and spontaneous migrants arriving on Batam in search of work and opportunity. A BIDA spokesperson estimates that approximately 3,000 spontaneous migrants arrive on Batam every month. Long-term residents of the island are far outnumbered by recent

migrants who account for approximately 76 percent of yearly population growth (OPDIPB and UGM 1995:30).

Figure 3-2. Population Growth on Batam



Source: BIDA 1996.

Based on these figures, Batam's population increased by almost eight fold between 1978 and 1996. In the 1990s alone, it has maintained an average yearly increase of over 17 percent, a figure far above the urban population growth rate for Indonesia of 4.3 percent per annum. Between 1995 and 1996 alone, the population grew an extraordinary 26 percent. While the rate of population growth on Batam seems unusually high, these figures, in fact, underestimate the totals, as many migrants do not register with local authorities (OPDIPB and UGM 1995:30). Without residency status, migrants are not included in official statistics.

If the current rate of growth continues, it is more than likely that Batam will surpass its targeted population of 700,000 in the year 2006. However, as migration rates are extremely volatile over time compared to birth and death rates (Davis 1995), it is difficult to predict the future of Batam's population. Natural increase will play an increasingly important role in the population equation as the very young cohort of migrants marry and have children. Last year alone, 30,000 children under the age of five were immunized on the island (*Riau Pos*, 26 Sept. 1996).

Migrants to Batam come from all over the Indonesian archipelago, although most are from West Java, West and North Sumatra, and neighbouring areas in Riau. Some migrants come from as far away as Flores in East Indonesia. Migrants are generally quite young, of productive working age, and until recently, predominantly young unmarried males. However, with many industrial jobs being created that target young unmarried female employees, it is likely that, in the near future, the gender balance on Batam will shift in favour of women¹¹.

While for the most part spontaneous migrants have some secondary schooling, without special skills or expertise, it is difficult for many of them to find employment in the formal sector economy¹². Many men find work in the port and shipping yards, on construction sites as contracted or day labourers, as security guards, as taxi drivers (both legal and illegal), or in the informal sector economy selling goods and services (**Figure 3-3**). Young unmarried

¹¹ If the population of women continues to grow at the same rate as it has over the past five years, women will outnumber men on the island beginning this year (*Projections based on data from: BIDA 1996; Seksi Statistik 1994*).

¹² Contracted workers such as the women hired to work at the Batamindo Industrial Park must have a minimum grade 12 education to qualify for employment.

women have an easier time finding formal sector employment in the factories and retail stores on the island. However, the formal sector job market for women suddenly shrinks once they are married and have children. For instance, the Batamindo Industrial Estate does not hire women over the age of twenty-four. Many of these women rely on informal sector activities and small businesses to earn an income.

Figure 3-3. Ojek Drivers: for hire motorcycle services provide unemployed and underemployed men on Batam with an important source of income



3.2 Local Implications of Batam's Grand Development Vision

Although the formation of the SIJORI GT was in part driven by the demands of private investment capital, development in the triangle and, in particular, on Batam, has resulted from deliberate government initiatives in both Jakarta and Singapore (Kumar 1993:5). These actors have been more than the facilitators of economic activity; they have

purposefully, and at great expense, created the necessary conditions to attract foreign investment. These conditions include the island's status as a duty-free zone, massive infrastuctural development, streamlined bureaucratic processes, and a range of other investment perks.

Growth on the island has also been driven by the development vision of the Minister of Information and Technology and Chairman of BIDA since 1978, BJ Habibie. His strong belief that Indonesia must reorient its economic policies to focus on the 'competitive advantages' offered by technology rather than rely on the nation's 'comparative advantages' in abundant labour and natural resources has kept labour-intensive, unskilled, and resource consumptive industry off Batam (Schwarz 1994:86). Batam has become a test case of Habibie's theory that Indonesia can jump prematurely up the production ladder. However, in this drive to create attractive macro-level investment and development conditions, planning at the local level has been neglected and the needs of the poor have been overlooked in the name of high-tech growth.

3.2.1 Administration and Governance Issues

The lack of an integrated and detailed development strategy at the local level stems from a rather narrow conceptualization of development and, in part, from administrative problems. There are currently two administrative bodies on Batam: BIDA and the Batam Municipality, the local governing body of the provincial government of Riau (hereafter referred to as the local government). While BIDA is the dominant player directing development on Batam, it has only assumed responsibility for certain aspects of development. These areas include

major infrastructure development, industrial development, land-use and the timely implementation of the master plan.

The 'softer' side of these plans, their social, economic, and political implications and distributive aspects, are not considered BIDA's responsibility. These issues are left to the local government to handle. However, it has been particularly difficult for this level of government to deal with the wide range of issues spawned by Batam's accelerated pace of growth. This difficulty is due, in part, to human resource and financial constraints (Bachrum 1996). More importantly, however, the difficulty lies in poor coordination between the two government agencies.

For much of Batam's development, the local and provincial level agencies have played only a minor role in the island's strategic planning and decision-making (Pangestu 1991: 103). For instance, in the first master plan for the island, the local government was not involved at all in its design (Bachrum 1996). Although this situation has improved slightly in recent years, in general, the local government has been relegated to playing a reactive role to the process of development unfolding on Batam. The pace of change has left them scrambling to provide schools, health services, and basic infrastructure for a growing population. Unable to keep up, social problems such as criminal activity, prostitution¹³,

¹³ Organized prostitution is now well observed in over twelve settlements on Batam as well as in bars, karaoke lounges, discotheques, hotels, restaurants, and massage parlours. The number of prostitutes is increasing with every year. A recent phenomenon of young girls moonlighting as prostitutes at night while working at factories or going to school in the daytime is particularly concerning to parents, employers, and authorities. A local non-governmental agency is working to educate sex workers about how HIV is transmitted and about alternatives to prostitution. Through testing, 22 cases of HIV have been diagnosed on Batam and 44 in Riau province. According to the Department of Social Affairs, the actual number of cases on Batam is likely at least 2,200 given the lack of testing and poor education surrounding the disease.

unemployment, and land and labour protests are as much a part of development on Batam as are high growth rates and soaring export figures.

The local government's inability to provide for the social and governance needs of the local population is complicated by the fact that many of the island's residents are housing themselves illegally on land allocated for other purposes by BIDA¹⁴. Local government legitimization of these settlements through the provision of services, for instance, would undermine BIDA attempts to implement the land-use plan and keep unrecruited migrants off Batam. This conundrum and how to handle it is often cited as the biggest development challenge currently facing Batam's planners.

3.2.2 The Low-income Housing and Squatter Problem on Batam

From the start, Batam's planners believed that development on the island could be tightly controlled because of the 'blank slate' conditions an undeveloped, underpopulated and peripheral island seemed to offer. Urban problems experienced in other Indonesian cities such as poverty, underemployment and an active informal sector, were not factored into the planning framework. No consideration was given to the attraction sudden investment and rapid growth of employment opportunities would have on migrants. Perhaps the biggest oversight was the failure to recognize that these low-income labourers and migrants would

¹⁴ A decree of both the President of the Republic of Indonesia and the Department of Home Affairs gives the Batam Industrial Development Authority the right of management control over all the land in BARELANG. BIDA is authorized to plan the application and use of the land; use the land for the purposes outlined in the development plan; transfer some of these management rights over land to third parties (generally thirty year lease periods); and receive compensation from these third parties.

require affordable shelter. In other words, while the squatter problem on Batam was not anticipated by planners, it should have been, in light of previous examples of migration.

A full eighty-five percent of the new urban housing stock in Indonesia is produced directly by individual households (Struyk, Hoffman, and Katsura 1990:69). These households require access to land on which to build, purchase or rent these informally produced units. BIDA allocated no land on Batam for such low-end use. Instead, much of the land set aside for housing in the land-use plan was allocated to developers who built luxury or upper-middle class housing estates. Consequently, Batam is now faced with an oversupply of these high-end units (most of which are being held speculatively and are unoccupied and deteriorating), and there is a chronic shortage of legal, low-income housing choices (**Figure 3-4**). As a result, the majority of low-income households on Batam have been forced to house themselves on illegally occupied land. This situation is unique in the Indonesian context, where the incidence of pure squatting is said to be quite low in most cities (*Ibid* 1990:70). However it is not unique to the new town experience and has been, in fact, a common characteristic in such cities as Chandigarh in India and Ciudad Guyana in Venezuela.

Figure 3-4. A deteriorating unit in one of many luxury housing estates

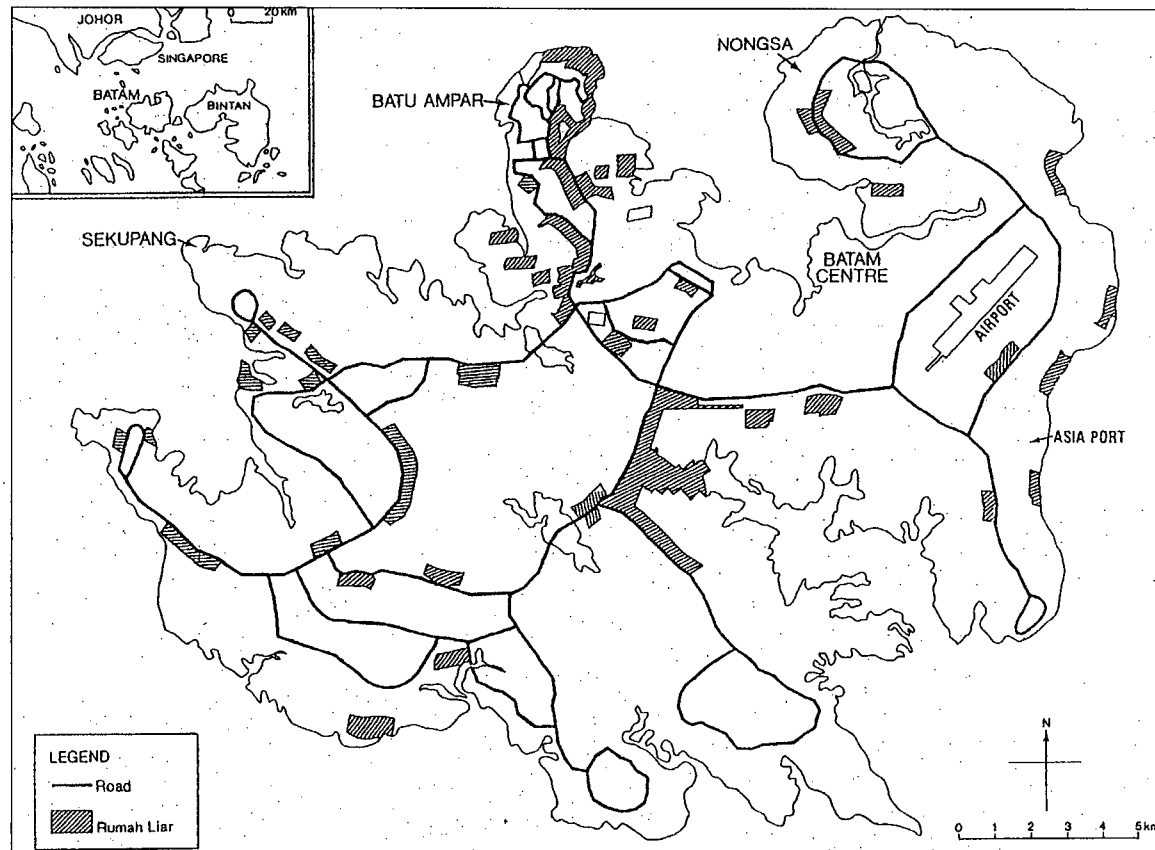


These illegal housing settlements, known locally as ‘wild houses’ or ‘*rumah liar*’ (abbreviated as *ruli*), are scattered across the island in anywhere from 59 to 80 officially identified locations (**Figure 3-5**). In 1996, local authorities estimated the number of *ruli* housing units on Batam to be 20,000. If the conservative estimate of 5 residents per house is used to calculate the squatter population¹⁵, it can be assumed that about 100,000 people are living without legal tenure and without public services. This figure is approximately forty percent of the registered 1996 population of 247,588 people. It is estimated that approximately 4000 new *ruli* units are being added each year. If each house occupies, on

¹⁵ The average number 5 comes from a study conducted by Syamsul Bachrum, a planner at the Batam Municipality, and from my own research findings which estimated the number to be 5.39 and 5.56.

average, 100m² of land, every year about 400 hectares are being consumed for this kind of illegal development (Wagner and Yatim 1996).

Figure 3-5. Identified Locations of Squatter Settlements on Batam



Source: Peachey, Perry and Grundy-Warr 1997

While conditions between and within settlements vary, health and environmental conditions are inadequate in almost all situations. Water is taken from individual or community wells or purchased by the drum from illegal vendors who have pumped the water from reservoirs or small rivers. Waste and wastewater disposal is a major problem causing unsanitary conditions locally, contaminating wells, and often increasing the risk of local flooding. Dense settlement conditions increase the risk of damage due to fires.

As eighty percent of the developable land on Batam has already been allocated to developers, much of this land upon which squatters are settling has already been allocated for commercial, industrial, or residential purposes. These squatters are removed when development projects finally come on line. However, frequently it is the forested areas of Batam, designated in the master plan as forest reserve, open space or water catchment areas which absorb new migrants and squatters displaced from other land¹⁶. These forested areas, covering 60 percent of the land base, have been set aside to be the 'lungs' of the island and to secure a water supply for local and Singaporean consumption. The growth of *ruli* settlements in these areas not only leads to deforestation and contamination, but to siltation which will threaten the ability of water reserves to perform.

The *ruli* problem is not isolated to Batam alone: there is evidence that squatters are setting up along the new highway which will link the BARELANG islands to Batam once the bridges are completed. Some of these squatters are subsistence farmers, forest harvesters and fisher people. Others are opportunists hoping that their well-located plots will bring lucrative business opportunities or that they will be eligible for land compensation when development goes ahead.

As accessible vacant land has become scarce, squatters have been pushed further inland or forced to occupy increasingly marginal land on steep slopes. In October 1996, an early morning landslide in one *ruli* settlement killed at least eighteen people and injured 18 more.

¹⁶ A 1993 field study conducted by BPPT found that out of the 59 total squatter locations they identified, 17 fell into areas designated as open space or forest reserve on the master plan, 13 fell into areas designated for housing, 10 fell into areas designated for industry, and 8 fell into areas designated as commercial land (Direktorat Teknologi Pemukim dan Lingkungan Hidup Badan Penkajian dan Penerapan Teknologi (BPPT) 1994:33).

At the time, it was suggested that this tragedy would be the needed impetus for authorities to comprehensively address the *ruli* problem on Batam. Whether or not this is the case has yet to be seen. With a land-base two thirds the size of Singapore, Batam's authorities can not adequately monitor illegal activity in the forest reserves or enforce settlements bans. Until more housing and employment opportunities are made available to migrants, the environmental stability and sustainability of Batam will be threatened.

3.2.3 Categorization of Informal Settlements on Batam

The above discussion has alluded to the fact the Batam's *informal* settlements are not all the same. They differ in terms of settlement history, location, and degree of social and physical consolidation. From field analysis, a loose categorization of the settlements has been devised. It must be realized, however, that a number of these categories overlap. In addition, conditions within one settlement may represent a number of categories (for instance where a core settlement has been long established, but fringe areas have been recently cleared and settled).

The informal settlements on Batam fall into five basic typologies. Indigenous settlements are those that existed prior to large-scale development planning on Batam began in the early 1970s. These communities are almost always coastal based as their inhabitants traditionally have depended on waterways for transportation, fishing and trading goods. Many of these communities have a distinct ethnic composition, for instance the majority of inhabitants may be ethnic Chinese, Bugis or Melayu. Some isolated communities have

managed to remain somewhat removed from the development taking place on Batam.

However, most have expanded considerably to accommodate the influx of migrants.

Unlike new migrants, indigenous residents have some legal rights to compensation for their houses and land should they be displaced. Basic public infrastructure has been established in some of these communities. Because of the implications these rights have for shelter consolidation and community investment and because migrants far outnumber indigenous people on the island, these older settlements and households were not chosen as the focus of the study.

The second typology of settlement is the established migrant settlement. These *ruli* settlements were founded by early migrants who arrived after 1971, the year Batam was declared a special development zone. These settlements can be found in and around the town centre of Nagoya or on relatively good land elsewhere on the island which may have been attractive to migrants because of good water supplies, access to transportation or livelihood opportunities. The settlements in this category which have evaded being demolished, have existed in-place long enough for some evidence of shelter and community consolidation processes to have taken place. They continue to expand and densify as they absorb new migrants and as the children of older migrants form new households.

A third category of settlement is the new migrant settlement. These *ruli* settlements were established after the mid 1980s and house many young recent arrivals. These settlements are diverse, difficult to categorize and, likely, the most numerous type on the island as the population boom on Batam happened during this period. In general they can be found on pockets of land in and around Nagoya which have not yet been developed or are considered too steep for development. Many of these settlements exist where they do

because residents need to live close to the formal and informal work opportunities offered by the town. Several settlements near Nagoya and the nearby port area of Batu Ampar are associated with prostitution. Other settlements may be far removed from the town centre but may be strategically located near an industrial estate (such as the Batamindo Industrial Park) or near other work opportunities. In general, because these sites are difficult or expensive to access by public transportation or taxi, workers choose to live close by. Many of these peripheral settlements are intentionally set back from the road. Their presence is given away by muddy footpaths and potholed roads leading into the forest. Very few permanent or semi-permanent structures can be found in these settlements.

The fourth type of settlement found on the island is the government created temporary resettlement site. This is a peripherally located site to which evicted squatters are permitted to move to for a limited period of time (in theory 1-2 years). There are currently three such sites on Batam. The oldest of these, now 6 years old, has consolidated to a considerable degree (with telephone lines, some paved footpaths, permanent houses, and demands for legal tenure). The other two unserviced sites have had little success in attracting evicted squatters who can not afford to travel back and forth between their places of work and their isolated plots. Like other *ruli* dwellers, residents of the resettlement sites have no legal right to the land on which they've built their homes, no guaranteed tenure, and no right to basic services. However, these sites have a degree of legitimacy not afforded to other *ruli* settlements and thus were not the focus of this study.

Finally, there are the shanties of work camps which follow development projects around the island. These are temporary and usually rudimentary settlements put up and taken down with the life span of the project. The camps are considered *ruli* as they are neither legal nor

serviced settlements. However, because of their small size and temporary nature, they will not be considered in this thesis.

Table 3-1 Categorization of Informal Settlements on Batam

Settlement Type	History	Location & Character	Social Structure	Physical condition
Indigenous Settlement	<ul style="list-style-type: none"> Established pre-1971 May have expanded considerably to accommodate migrants 	<ul style="list-style-type: none"> Coastal Most settlements water-based for trading, fishing and transport 	<ul style="list-style-type: none"> Consolidated community, multigenerational, varied socio-economic status Organized community structure Chinese, Bugis, or Melayu may be dominant group Residents may have land-use rights or receive basic services 	Semi-permanent houses, community buildings and some public infrastructure and services
Established Migrant Settlement	<ul style="list-style-type: none"> Populated by migrants in 1970s & 1980s Continue to absorb new migrants & natural population increase. 	<ul style="list-style-type: none"> Locations Vary Those near Nagoya close to opportunities for work in formal and informal sector and good access to transport, services, commercial activities, etc. Those outside Nagoya on relatively well located land (good water source). 	<ul style="list-style-type: none"> Community Structure Varies Some settlements have developed a degree of community/social organization Others settlements have been cleared (in whole or in part) and residents forced to disperse and resettle in temporary resettlement sites. 	<div> <div></div> <div>Poor housing and local environmental conditions</div> </div>
New Migrant Settlement	<ul style="list-style-type: none"> Land occupied since the late 1980s 	<ul style="list-style-type: none"> Locations vary May be in forested reserve areas or on small pockets of marginal land around Nagoya or near other work opportunities such as industrial estates, production enclaves 	<ul style="list-style-type: none"> Employment-based and/or kin-based community Many young people, recent arrivals, range of ethnic groups Embryonic community organization 	
Temporary Resettlement Site	<ul style="list-style-type: none"> First site established in 1991 to relocate squatters temporarily 	<ul style="list-style-type: none"> In three peripheral locations 2 sites very difficult to access by existing transportation services Plots 36m² or 100m² 	<ul style="list-style-type: none"> At various stages of consolidation 	Site dependent
Work Camp	<ul style="list-style-type: none"> Project related 	<ul style="list-style-type: none"> On or around construction site or on employers premises 	<ul style="list-style-type: none"> Temporary: usually set up and dismantled with project 	Rudimentary shelter



Focus of this study

3.3 Conclusion

Batam's evolution from a sleepy peripheral island to an urbanizing industrial economic zone has been unusually rapid and, by macro-economic indicators, highly successful. While the planners were eager to see Batam materialize as a modern high-tech centre, the realities of city building in a country such as Indonesia were forgotten. These realities include widespread poverty, millions of new entrants into the labour force every year, and rural-urban migration. As a result, Batam's authorities are now being challenged by a host of unforeseen problems. The establishment of squatter settlements on undeveloped land across the island is, perhaps, the greatest of these challenges. Until now, evaluators of the SIJORI development model have been satisfied with regional or macro-economic indicators of success and have billed the triangle as a positive development for both regional politics and national development. However, it is necessary to look beyond such superficial measurements of success and recognize that behind the carefully marketed image of Batam is a community struggling with major problems that could threaten the long-term sustainability and stability of development.

CHAPTER FOUR:

CURRENT POLICY, SQUATTER SETTLEMENTS, AND THE SUPPLY OF LOW-INCOME HOUSING ON BATAM

4.0 Policy Response to the Squatter Problem

The squatter housing problem has been cited by government officials on Batam and by the media as one of the greatest challenges threatening sustained and stable development on the island. Two BIDA commissioned studies on the problem have been conducted, one by BPPT in 1994 (Direktorat Teknologi Pemukim dan Lingkungan Hidup BPPT) and one by the University of Gajah Mada in 1995 (OPDIPB and UGM). However, the studies, complete with recommendations, have not been well received. In fact, the BPPT study was never published while the UGM study was criticized as being overly general and unrealistic. Neither study offered an easy solution to the problem. In fact, both documents suggest a more accommodative planning approach, in selected instances, to the informal housing sector.

As a result, BIDA continues to rely on a set of policies that are based on the notion that squatter housing is a “problem” that can be “solved”. Policies focus on preventing unskilled and uncontracted migrants from settling on Batam, clearing illegal settlements, and encouraging the supply of formal housing units through both the public and private sectors. Despite such efforts, migrants continue to make their way to Batam, adding their numbers to existing settlements or forming new settlements on illegally occupied land.

Consequently, the phrase “*ada gula ada semut*” is often uttered in resignation --a realization on the part of the island’s planners that despite current policies which try and keep unskilled migrants out and without access to land, their attempts are simply temporarily disruptive at best. Like the determined ant looking for sugar, the migrant will find opportunity if it is there, and like the ant, will call others to join him or her. This frustrated resignation discourages planners from thinking innovatively about how to accommodate this industrious force fuelling Batam’s development. This chapter gives an overview and critique of the current settlement policies on Batam, identifying the large gap between their intended and actual outcomes, paralleling the new town experiences reviewed in Chapter Two.

4.1 Preventative Measures

In an attempt to control and dissuade the entry of uncontracted and unskilled migrants to Batam, a number of preventative policy measures have been both proposed and tried. These measures have included recording the entrance of migrants to Batam, tightening control over the issuance of local residency cards (*Kartu Tanda Penduduk* -KTP), registering a guarantor responsible for migrants’ housing, and collecting funds from migrants to guarantee paid passage to their area of origin should they become a burden to Batam’s development (i.e. without formal housing or formal work). These measures require the joint cooperation of the local government, BIDA, and major private contractors on the island. However, because of the bureaucratic and monitoring difficulties inherent in recording the entrance and exit of migrants through multiple ports of entry, the difficulty of tracing residential mobility on

Batam, the high market-value and demand for KTP cards¹⁷, and the reluctance of private companies to act as housing agencies and guarantors for their workers, these preventative measures have not been particularly effective as policy tools (Bachrum 1996; Candra 1996).

The Batamindo Industrial Park is one of the few employers on the island which has provided its contracted workers with dormitory-style housing, despite BIDA attempts to get all major employers to provide their workers with accommodation. However, even with 26,000 beds, only half of their industrial workforce is housed in dormitories on site. The other half is responsible for finding their own housing. With the high cost of living and wages which amount to only about Rp.7000/day (\$4.10 Cdn.) most of these workers find shelter in rental accommodation in Batam's *ruli* settlements for about Rp.30,000/month (\$17.65 Cdn.) plus the cost of basic services such as electricity, water and security if necessary¹⁸. While Batamindo has plans to build more accommodation to house its projected workforce of over 65,000, there is some suggestion from BIDA that, in fact, they are not in a hurry to do so as they would rather use the capital and land to expand industrial activities (Candra 1996). Furthermore, there is some advantage to industrial tenants in not housing workers on site as costs are lower for them and workers can be hired on shorter, more flexible contracts.

¹⁷ The average bribe paid by squatters to get a KTP card issued by the local government is about Rp. 100,000 (\$59 Cdn). KTP cards are important for migrants, for instance, if they want to apply for formal sector work, register their children in school, drive a vehicle or vote. Local neighbourhood and village officials are willing, for a sum, to overlook an applicant's actual residence in an illegal settlement and record a legal address on the KTP card. In addition to the migrant's need for this card, it is also important for reasons of social control and governance that there is not a large unrecorded population on the island. This is one of several areas where the interests of the local government and BIDA are at odds with one another.

¹⁸ All exchange rates calculated at a December 1996 rate of Rp.1700 = \$1.00 Cdn.

As a result, the focus of BIDA policy has been on enforcing illegal settlement bans. This is done passively by posting warning signs around the island and more aggressively, through settlement clearance and resident removal.

4.1.2 Clearance and Resettlement to Temporary Sites

The clearance of *ruli* settlements on Batam is the primary strategy employed by BIDA to establish some control over the illegal development of informal housing on the island. BIDA is reluctant to slow the pace of economic development on the island and consequently does not look sympathetically upon these settlements whose existence on land slated for more lucrative or strategic uses threatens the speed at which development projects can move ahead. Ironically, the faster economic growth takes place, the greater the draw Batam has on migrants and the greater the need for affordable shelter. As this demand for shelter increases, settlement clearance only serves to eliminate one of the few sources of accessible housing.

As a result, although clearance is offered as one of the solutions to the *ruli* problem on Batam, it only worsens the very conditions which have forced people to squat and increases the likelihood that undeveloped land in new locations will be cleared, resistance to removal and resettlement will intensify, and control over development will continue to elude authorities. Nonetheless, in the wake of the October 1996 landslide in Bengkong Indah which killed 18 *ruli* residents and brought negative media attention to the *ruli* problem on Batam, it was announced that the rate of clearance was to be stepped up considerably under the guidance of a new and more energetic Director of Security.

While authorities try to be vigilant about detecting and controlling new settlements before they can become established, staff restrictions and a territory over 400 km² limit the

effectiveness of the clearance team known as *Tim Penertiban Permukiman Penduduk* or TP3¹⁹. TP3, formed in 1989, is made up of representatives from BIDA, the local government, the Department of Social Affairs, the Department of Information, the Department of Labour, and security forces including the police, specialized military units and the navy. However, not all these agencies see the squatter problem as their responsibility nor is team coordination very strong. Consequently, BIDA and the armed forces play the most prominent roles in settlement clearance, at the decision-making level and on the ground respectively.

- **Long-term Residents**

In BIDA's eyes, there are two categories of informal settlement dwellers on Batam. Those settlers who fall into the *penduduk lama* or long-term residents' category have the legal right to financial and land compensation when the land on which their settlements are built is redeveloped in accordance with the master plan. They do not, however, have ownership rights to the land on which their settlements are built as BIDA has acquired all the land on Batam. This category of residents applies to those settled on Batam prior to 1971, the year Presidential Decree No. 74 ushered in Batam's industrial development. When moved, these residents are allocated 150m² plots on serviced land in several designated locations

¹⁹ TP3 which translates as "Population and Settlement Control Team" was officially renamed in October 1996 as *Tim Operasi Kemanusiaan* (*Tim OK*) or the "Humanitarian Campaign Team". This was done to eliminate any negative connotations associated with the former (*Riau Pos* Oct. 28, 1996). It is clearly an attempt by the team to clean up their public image which is marred by a history of poor coordination, poor communication, and heavy-handedness in carrying out tasks. However, as people still refer to the clearance team as TP3 rather than the almost tongue-in-cheek acronym *Tim OK*, the old name will be used for this paper. At the same time the reference term *ruli* was changed for public communication to *permukiman bermasalah* or "problematic settlements". These settlements are considered problematic in terms of legal status, sanitation and safety.

around Batam. They are also given monetary compensation for their houses and any assets on their land such as fruit-bearing trees. Funds for compensation come from a yearly budget requested by BIDA from BAPPENAS, the National Planning Agency. Often, the developer will hasten the clearance process by providing funds directly to residents rather than wait for BIDA to have its yearly budget replenished. The developer may be compensated by BIDA at a later date, but usually payments are swallowed as a development cost. This situation gives some opportunity to residents to renegotiate government-set compensation rates for land and assets.

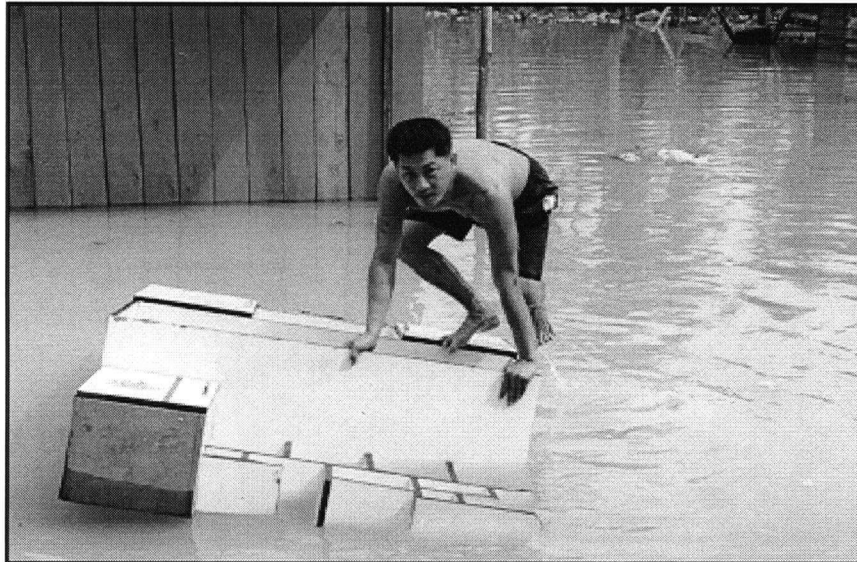
While these long-term residents of Batam are more fortunate than their more recently arrived counterparts, there are many problems associated with the dismantling of their communities. For instance, some coastal based communities, dependent on fishing and gardens for subsistence livelihoods, have been moved to inland locations without access to the sea or sufficient land on which to garden (Wee and Heyzer 1995:98). There is little consideration for the cultural or livelihood basis of these communities.

In addition, there are problems with the timing and delivery of monetary compensation. Often, removal takes place ahead of compensation and site preparation, leaving residents either without an allocated plot or unable to finance house construction on their new sites. When money is forthcoming, it often does not cover the expense of relocation or rebuilding to legal standards. Frequently, payments have been heavily whittled away by dubious "processing fees" claimed by public servants. If relocation sites are provided with basic public infrastructure such as roads, drains, sewers, electricity, schools and health clinics as required legally, property taxes are collected. This additional financial burden is more than many households on irregular or low incomes can afford.

Because the demand for housing and land is so high on Batam, these formal sites quickly come under speculative pressure. As a result, the intended residents of these sites are often pushed out or voluntarily sell to outside buyers and developers. With few cheap housing options available, these displaced residents often build informally again. However, at this point they no longer have any legal right to compensation and fall into the same category as more recent migrant arrivals.

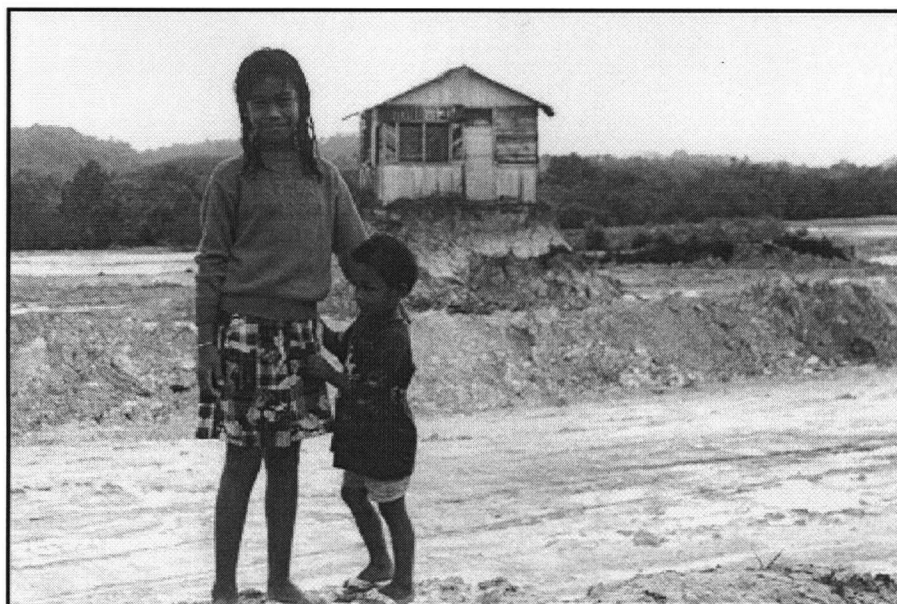
Over the period in which the field portion of this research took place two particular incidents stand out with regard to the difficulties encountered by long-term residents. One was in the village of Sungai Beduk, an old Chinese settlement built in a basin which once fed the Duriangkang River but now feeds the Duriangkang water reservoir. BIDA and Batamindo, eager to secure water supplies for future development, have dammed the river. Local people claim this village to be over 100 years old. While some households received compensation, over 150 households were given none before the dam gates were closed. By August 1996, after several weeks of heavy rain, their homes were over a metre deep in water (see **Figure 4-1**). Some residents were forced to leave without compensation because of the unhealthy and unliveable conditions but others refused and held out for justice. The village leader stood by them to give legitimacy to their claims, refusing to move to his new office and house site in Tanjung Piayu. Residents claimed that BIDA officials were asking for fees ranging from Rp. 750 thousand to 1 million (\$440-\$588 Cdn.) before processing papers or disbursing of funds. As a result, only residents who could afford the bribe could afford the move to the relocation site. According to both an article in the *Riau Pos* and local residents, plots at the resettlement location were not going to long-term residents from Sungai Beduk but to outsiders and speculators (*Riau Pos* July 24, 1996).

Figure 4-1. A resident of Sungai Beduk recovers a piece of furniture from the wreckage



The second case was that of a widowed mother living in an area known as Tembesi Indah, who had come to Batam from Java with her husband in the 1960s. Before paying any compensation, developers came in and cleared over 6 hectares of her farm land, leaving only her house, the house of a tenant neighbour, and a few fruit trees standing (**Figure 4-2**). The remainder of her land was bulldozed and levelled, reducing it to a muddy mess. She has received no acknowledgement, no compensation and no answers from BIDA which she suspects is because of her weak position as a very poor widowed mother of two. When questioned by reporters from the *Riau Pos* newspaper, the National Land Agency blamed BIDA for not notifying them of the development application while BIDA blamed the developer for going ahead without permission (*Riau Pos* Aug. 29, 1996).

Figure 4-2. Bulldozers leave little behind for residents of Tembesi Indah.



- **Recent Arrivals**

The second category of informal settlement dwellers (and the focus of this study), are those who established themselves on Batam after 1971 when the entire island was declared a special bonded zone. These residents are considered squatters and are not entitled to compensation for land or assets. This group forms the bulk of those living in informally planned settlements on Batam. It is common policy to clear these settlements when and if the land is needed for public infrastructure or a private development project; if they are located on marginal and danger-prone land; if they are deemed too visible or too large; or, if they are upsetting the ability of the forest reserves to act as proper water catchment areas.

Prior to clearance, residents are warned that they will be asked to 'voluntarily' dismantle their homes in the near future (usually two weeks to a month notice is given). Houses are then inventoried and each household head that is counted is allocated a plot of land in one of

three peripherally located *Tempat Penampungan Sementara* (TPS) or temporary resettlement sites²⁰. It is up to the individual household to register to move to a TPS site at time of clearance. Residents are responsible for dismantling their homes and then rebuilding them on these unserviced sites (no building standards are enforced but the settlement is laid out on a grid pattern). Within a time frame of one year they are expected to move from the temporary site into formal housing options. If, after one year, residents have not been able to make the transition, they are expected to go home or to follow the national transmigration programme. However, despite the fact that some residents have lived in TPS for seven years, no residents have been forced to go home nor has the transmigration programme been implemented.

Frequently, problems arise at time of clearance. These can arise for a number of reasons but usually result from: a household miscount by TP3 teams and insufficient allotment of TPS sites; time lags between clearance and availability of a TPS plot; inadequate preparation period for residents to clear unprepared land and rebuild even a rudimentary structure on the new site; no logistical support to help residents move building materials and possessions to the new site; poor consideration of the needs of female- and elder-headed households; and resident protests. For instance, in November 1996, 600 households refused to move from Tanjung Uma settlement to TPS sites prepared for them in East and West Batam. Instead, they demanded assistance to secure legal low-income housing units near to Nagoya and Jodoh the neighbouring communities where most of them worked. At minimum, they

²⁰ TPS were formally renamed as *Kavling Penampungan Sementara* (KPS) in late 1996. *Kavling* translates as "plot" and has, perhaps, a more ordered connotation than the former word *tempat* which means "place". The reason for the name change is unclear but could indicate either an attempt to get cleared squatters to move to these new sites under the impression that these plots are more permanent than they really are or could indicate policy change in the future of allowing TPS or KPS to become legal and permanent settlements rather than remain as they are now temporary and vulnerable to future clearance.

demanding to be relocated to a settlement with basic infrastructure such as water, electricity, places of worship and schools. When their demands fell on deaf ears and local leaders were placated with promises of land, angry residents took hostage a TP3 worker who tried to gain access to the community (*Riau Pos* Oct. 11 1996; Nov. 16 1996).

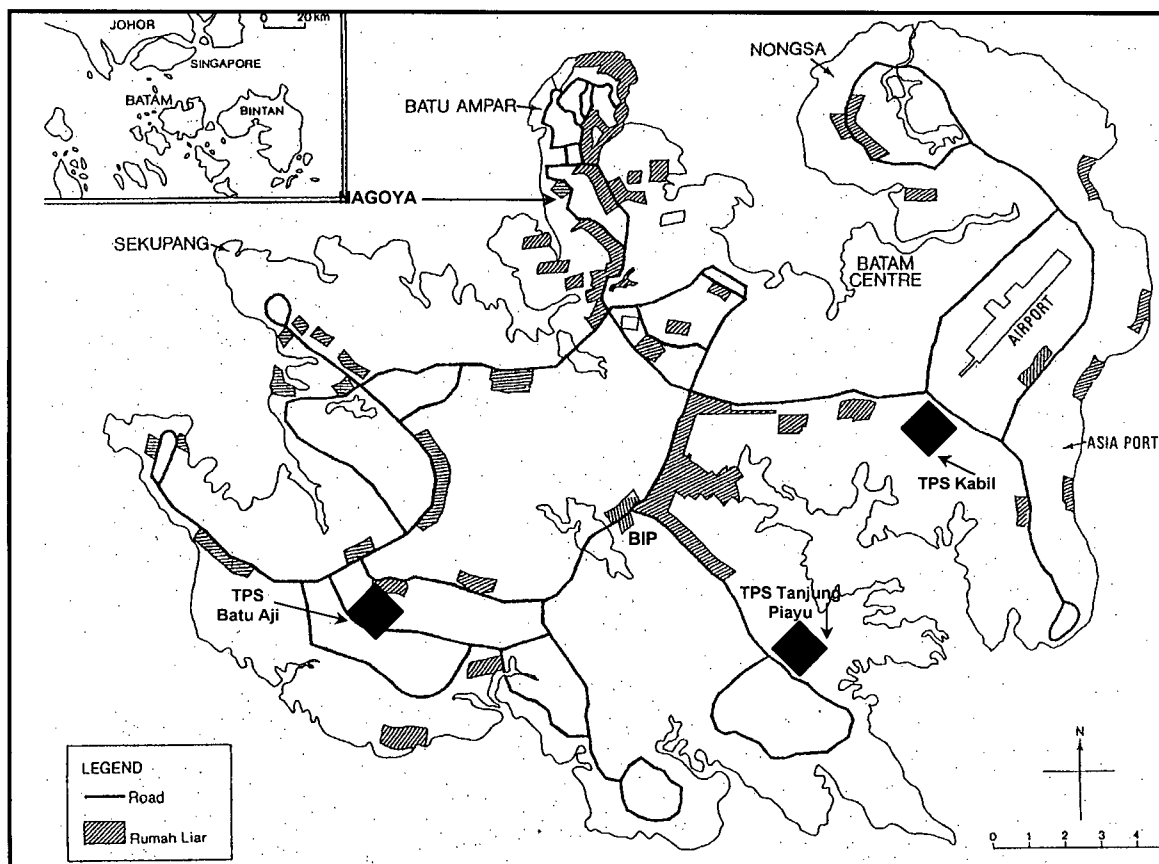
It is not uncommon for cleared residents to choose not to move to the TPS sites. They are difficult to access by public or private transportation and are located approximately 30km away from the main town centre of Nagoya in Batu Aji (West Batam), Kabil (East Batam), and Tanjung Piayu (East Batam) (**Figure 4-3**). Aggravating this problem, TPS are set back considerably from the main roads to keep them from being visible making it even more difficult for residents to come and go. As one BIDA official said: "TPS are not good to look at. It's not possible that a good location is allocated for such functions".

Since Batu Aji first began receiving residents in 1990 it has expanded considerably. Original plots were 100m² but it was quickly realized that the land set aside was insufficient and the allocated plots were reduced to only 36m². When BIDA was reluctant to see Batu Aji expand any further, a new resettlement site was opened at Kabil that began accommodating residents in 1996. Many of the residents of Bengkong Indah, the *ruli* settlement affected by the landslide, were moved to this site. The Tanjung Piayu site has accommodated many of the residents who were living in the Duriangkang watershed and near the Batamindo Industrial Park.

It is intentional policy not to provide TPS with any services such as water, sanitation infrastructure, roads or electricity in order to discourage residents from perceiving their new plots as permanent, legal, or desirable shelter. However, as the 'temporary' nature of these settlements is not being enforced (and residents are able to stay longer than one year) many

households, particularly in the older areas of Batu Aji where plots are 100m², are undergoing a process of consolidation and incremental upgrading. Some plots are being purchased and sold speculatively. Many of the original residents who were allocated plots have sold and moved (some back to other *ruli* settlements) or are renting out their houses on the plots for income generation while living elsewhere. There is no control over this speculative activity. Large permanent houses, a range of shops and restaurants line the main entrance road into the settlement. Residents have organized to receive some basic services from the local government (such as drains and footpaths) and to get telephone lines into the settlement.

Figure 4-3. Location of Temporary Resettlement Sites on Batam



Source: Adapted from Peachey, Perry and Grundy-Warr, 1997

Note: BIP= Batamindo Industrial Park

Deeply concerned about this process and the contradictory government signals that had been given to local residents, TP3 resorted to dropping pamphlets from a helicopter over Batu Aji in early 1996, explaining to residents that the settlement was temporary and would be cleared again in six months. This has not yet happened and some residents have organized to protest the threat, claiming that they want the legal right to use the land on which their homes are built and have expressed their willingness to pay local taxes. Government reluctance to grant such status to residents is high, however, as they are worried it will set a precedent for other TPS and *ruli* settlements. In addition, the government is hoping to see the site redeveloped in the future for higher density low- and middle-income housing.

Now that Batu Aji is connected by public transportation to the main commercial and employment centres on Batam, it is considered a more desirable place to live than it once was when the only transportation available was private or share taxis which are costly over long distances. The other TPS sites, however, remain in extremely peripheral locations, without reliable access to transportation, employment opportunities, or day-to-day necessities like shops, markets, and schools. Very few residents who have been allocated sites there have chosen to rebuild in these locations; the majority are establishing new homes in other *ruli* settlements on Batam in more strategic locations or finding accommodation elsewhere. The inadequacy of the Kabil site as a solution to the *ruli* problem, even if only in the short-term, is expressed in the comments of one resident, interviewed by the local newspaper:

There is nothing there, only bush. We have to fell the trees, clear the land, dig the wells, and build the houses ourselves. All that, and it's still considered temporary. After at most a year, when we are still tired

from all our work, they will clear us out again (*Riau Pos* Nov. 8b. 1996)²¹.

This insecurity about the future, aggravated by the constant threat of removal, affects residents in both *ruli* and TPS settlements. This insecurity prevents people in both types of settlements from investing substantially in their homes and their communities. If the risk of removal is high, it is unlikely that residents will be interested in sinking their hard-earned savings into something that could be lost at any point in the near future.

For instance, in Tanah Longsor, one of the case study sites chosen for this study, houses have been inventoried and marked with painted numbers by TP3 on multiple occasions in the past. However, only twice were residents forced to dismantle their homes. In one incident, the cleared portion of the settlement was never redeveloped and after some time, old and new residents filtered back into Tanah Longsor and rebuilt again, some on the very spots that their previous houses had stood. This pattern has also occurred in other settlements around Batam.

Residents have simply learned to disregard these numbers defacing their homes, unsure of what they imply. Some believe the clearance which happened in the past was simply a government tactic to “*menakutkan warga*” or make the people feel frightened. Essentially this insecurity is the intent of development authorities who do not want to contend with the difficulties of removing a consolidated and cohesive community. Other intimidating tactics have been used for instance, in Bengkong Indah after the landslide where hired thugs repeatedly harassed residents to pack up their homes and move to TPS sites (*Riau Pos* Nov. 8a, 1996).

²¹ Translation.

Unfortunately, not only does the process make people feel more insecure and reluctant to invest in their homes, their communities, and their future on Batam, but it impoverishes them socially, economically, and psychologically. When an elderly woman living in Tanah Longsor with her granddaughter was asked what she would do if the settlement was cleared, she wailed: "if that happens, there is no other place for me than the cemetery in Sungai Panas. What choice do I have? How can I build a new place in Batu Aji? Where will I get the money?"

The idea of simply moving people ignores the realities of these peoples' lives: the need to be close to work opportunities, commercial centres, transportation networks, and public services; the importance of social support networks and mutual help for daily survival; and the subsistence level or unstable nature of income for many residents. The simplified logic informing the TPS policy is critiqued nicely by a spokesperson at the Department of Social Affairs for the local government who commented that if the government was "moving chickens, they could simply put them from one coop into another. Moving people is much more complicated."

Resettlement must be reconceptualized as more than simply rehousing. Livelihood, community, and locational considerations must be taken into account. This can be done by creating a comprehensive resettlement process which involves residents in an integrated and meaningful way right from the beginning (Cernea 1990a, 1990b, 1995; Mathur 1995). At present, the only contact between residents and government officials is in rather intimidating information sessions attended by security forces where they are asked to move "voluntarily" to new resettlement locations.

4.2 Housing Supply

Historically, governments have understood the problem of urban slum housing and squatter settlements to be one of an insufficient supply of legal low-income housing units and the unwillingness of the private sector to supply them due to low or zero profit margins. Considering this rather narrow understanding of the problem, it was natural for governments to begin constructing subsidized dwelling units when they began to assume some responsibility for housing their populations.

It was not until many of these government projects failed in terms of housing targeted populations or deteriorated due to poor maintenance that governments became aware of the more complex nature of the problem and the need for alternative solutions. Nonetheless, this approach remains an important element of many national housing strategies, including that of the Indonesian government which established a National Housing Development Corporation (Perumnas) in 1974. However, as governments realized they were not capable of meeting either the demand for housing, the cost of supplying needed units, or the specific needs of those they intended to house, other policies emerged which encouraged the private and non-profit sectors to build and maintain low-income housing.

Other than settlement clearance, the main long-term strategy pursued by BIDA to handle the squatter housing problem on Batam is to encourage the private and public sectors to supply low cost housing units. As these units are supplied, it is expected that squatters and those relocated to TPS will make the switch into these formal sector housing options. Low-

cost units take the form of very basic houses (RSS), basic houses (RS), and more recently, apartment blocks (Rusun) for rent and purchase aimed at middle and low-income earners²².

RSS are unfinished core units of either 21m² or 36m² which owners can finish or expand as personal financing allows. RS range in size from 21m² to 100m² which can also be expanded considerably as the land on which they sit is more generous than RSS plots. These units are sold at fixed prices set by either BIDA or Perumnas. For instance, an RSS unit ranges in price from approximately Rp.7-11 million (Cdn \$4,118-\$6,471).

Due to anticipated land constraints for housing, BIDA has already shifted to encouraging the construction of apartment blocks. However, it must be recognized that BIDA recognized rather belatedly that there was a severe under-supply of affordable housing units. The first RS and RSS units only began being built in 1994. Prior to this, the only low-cost project was one built by *Musyawarah Kekeluargaan Gotong Royong* (MKGR), a government linked non-profit organization, which built low-income rental barracks to house some of the 3,000 households cleared from in front of the Batamindo Industrial Park (**Figure 4-4**). According to BIDA, the allocation of land for this type of housing project was essentially an “experimental” or “emergency measure” solution to address the critical housing shortage at the time. It is unclear whether the five year land lease will be renewed as the project is not viewed as particularly successful due to project mismanagement and evidence that many of the units intended for rental are now being bought and sold.

²² RSS is an acronym for *Ruman Sangat Sederhana* can be translated as very simply constructed house; RS is an acronym for *Rumah Sederhana* which can be translated as simply constructed house; and Rusun an acronym for *Rumah Susun* which can be translated as apartment.

Figure 4-4. MKGR Barrack Housing



In order to encourage the private sector to develop affordable housing, land for low-cost housing developments is leased at Rp.6000/m², a rate considerably below that set for other land uses on Batam. Approximately 500 hectares of land has been set aside for the development of low-cost housing (Candra 1996). In addition, since 1995, the national housing development rule of 1:3:6 which specifies that for every luxury house built, three middle-income and six low-income houses must be built, has been more consistently enforced by granting land in successive stages to developers. When the low-income portion of the development is built, land is released for the more lucrative units. When land was not released in this way, developers were uninterested in building these rather unprofitable low-income units and simply getting around the regulation by setting land aside to develop at some unspecified point in the future (*Ibid* 1996).

Ironically, since the property market on Batam bottomed out in the early 1990s after a speculative boom which began in 1987, well-serviced luxury units now sit empty and deteriorating in the harsh tropical climate²³. There are approximately 10,000 of these higher end units already built (Purba 1996). This situation is all the more disturbing when the very real shortage of affordable and decent shelter for a growing majority on Batam is considered.

As the demand for low- and middle-income units continues to grow, developers, particularly smaller firms, are increasingly becoming interested in building for this market (*Ibid* 1996). In fact, some developers complain of being held up by BIDA and other public agencies who are slow to service the sites with needed infrastructure such as water, electricity, and access roads in order that the development of units can begin and firms can secure financing. Another complaint is that BIDA will no longer allocate plots larger than 3ha in size, fearful that developers will not follow through with plans and instead hold the land speculatively. As a result, larger developers, who would be able to build more RSS units at one time or who could afford to build apartment-style units, are not able to secure enough land to do so.

²³ To try and stimulate the luxury property market and linked sectors such as construction, banking, trade, transportation, services and tourism, B.J. Habibie announced in early 1996 that rules governing property ownership on Batam Island had been relaxed. Ownership, on a leasehold basis, which was previously set at a maximum of 30 years, was extended to up to 70 years for foreign buyers who meet certain requirements. These requirements include: owners must belong to a golf or marina club, have a work permit for Batam, have a Smart Card for visa entry (indicating that they are frequent visitors), or have "contributed to national development". They must purchase houses bigger than 70m² at a minimum set price and meet the approval of BIDA. For Singaporeans, however, residential property investment in Batam competes with both China and Australia. Given the bitter experiences of shoddy construction and ambiguous legal titles from the 1987-1990 real estate boom on Batam, it seems unlikely that the earlier investment interest will return (Peachey, Perry and Grundy-Warr 1997:30).

In 1996, it was estimated that approximately 1500 RS and 1200 RSS units were already built on Batam. Of this, 1160 units have been built by Perumnas the national housing developer. Perumnas is the first developer to initiate construction of low-cost apartment housing. They plan to build twenty twin blocks of five storey low-income rental apartments in Tanjung Piayu near the Batamindo Industrial Park. These buildings will house contracted industrial and private sector workers (*Republika*, Oct. 16, 1996). It is hoped that other developers will follow suit. However, in general, private developers have been sluggish to build because of the increased development costs and long recovery period of this type of development coupled with fears about marketing apartment-style living to consumers used to ground-units. Mismanagement on this project in early 1997 has held up progress on its completion.

Because of the extreme shortage of low-cost units on Batam, they have become the focus of speculative investment by locals and non-locals alike. In addition, the process surrounding their allocation and purchase is deeply affected by corruption. Potential applicants, as well as developers, are complaining of bribes which are as high as Rp.500 to 600 thousand (\$294-\$353 Cdn) that "strangle" the ability of low- and middle-income earners to purchase these units (*Angkatan Bersenjata* Oct. 12, 1996). Due to the severity of this problem, a BIDA allocation team has been created. Approximately fifty percent of all new built RSS units are to be allocated by the team with priority given to government and army employees, those who have never owned property, and people living in squatter settlements. All applicants who fall into this group must meet the requirements of the national mortgage bank, Bank Tabungan Nasional (BTN), which requires a 10% down payment and proof of a reliable source of income. For many, it is difficult to meet these basic standards. The other fifty

percent of units are to be allocated by the developers who will logically favour those who can offer the highest price or greatest security. As a result, RSS units are not going to those in most need of this type of housing. As a strategy posited to address the squatter situation on Batam, it clearly will not work.

Furthermore, current clearance of squatter settlement housing is occurring at a faster rate than the formal housing market can supply new affordable units. For instance, in late 1996, about 500 units of RS and RSS were being built in a four month period. However, in a six week period spanning October and November, it is estimated by the head of the TP3 clearance team that 500-600 *ruli* units were dismantled. Therefore, there is a significant and serious gap in the supply and destruction of housing. As TPS sites continue to expand and occupy more land designated for other purposes it will become evident that the supply of RSS housing alone will not adequately address the squatter housing problem

4.3 Conclusion

Unfortunately, there seems to be an official reluctance to consider alternative options to the physical supply of finished units. BIDA and TP3 officials frequently comment that many squatters, in fact, can afford to purchase RSS units but choose not to, citing ownership of televisions and stereos as proof of extra resources. For those who genuinely can not afford to purchase RSS housing, the prevalent attitude remains that people who can't "fit the vision" should not be on Batam, a high-technology industrial island. While the Minister of Housing, Akbar Tanjung, has pushed housing cooperatives as a potential solution to Batam's squatter problem (*Republika*, Oct. 16, 1996), there is little interest in promoting this as an

option on Batam and even less interest in providing the land upon which such cooperative housing projects could be built.

While the Kampung Improvement Programme (KIP) has been a successful programme to upgrade and provide services to urban communities in more than 500 Indonesian cities, it is not accepted by Batam's visionaries who are more committed to eliminating rather than upgrading "slum like" conditions. Only established traditional communities in peripheral locations are scheduled to benefit from this type of activity. Many efforts have instead focused on technological solutions to the problem. A recent proposal considered seriously by BIDA was that put forward by an American company which has designed a prefabricated housing unit which can be stacked one on top of another to provide inexpensive, higher-density, basic housing (Candra 1996).

As the population expands due to natural increase and continued in-migration, it will be virtually impossible for the private sector to supply enough units for the burgeoning population expected to reach 700,000 by the year 2006. Furthermore, the reality that many migrants living in squatter settlements and resettlement sites on Batam will not be able to naturally shift into these legal housing options because of inconsistent, unreliable and insufficient earnings must be addressed. Alternative approaches to complement the building of RSS housing units must be considered.

CHAPTER FIVE:

CASE STUDY FINDINGS

If you come, you will regret it - If you endure, you will succeed
(Bila Anda Tiba Anda akan Menyesal - Bila Anda Tabah Anda akan Menang)

5.0 Introduction:

The carefully marketed image of Batam has attracted not only foreign investors and tourists, but ordinary Indonesians in search of better lives than their current conditions can offer. In a study conducted by the Universitas Gajah Mada (OPDIP and UGM 1995), many squatters claimed to have heard promising stories about Batam from newspapers, television reports or word of mouth before they made the decision to migrate. In general, these accounts had described a place of great opportunity and high wages, right on Singapore and Malaysia's doorstep. It is no wonder that migrants, eager to work on Batam or illegally in Singapore and Malaysia, came in hoards.

The reports were not all wrong. During the 1980s and into the early 1990s the labour supply on Batam was inadequate and the migrant worker (in particular the male worker) could move from one contract to the next. However, this demand for labour slowed down in the early 1990s as the economy cooled off and skilled labour, particularly female, was needed to work in now built factories, hotels, and other developments. As one squatter put it: "in the 1980s, jobs were looking for people; in the 1990s, people are looking for jobs." While the labour market was shifting, more and more migrants continued to arrive on Batam, establish themselves, and compete for available work, housing, and services.

Despite changing local conditions, from the distance of Java, mainland Sumatra or Flores, "*Batam harumlah*" or "smelled sweet" with opportunity. Only after arriving on Batam did these migrants realize that a difficult struggle for work, housing, and security lay ahead. In my conversations with squatters, some used the terminology of war to describe the life they 'waged' on Batam. In many ways, this dramatization is not unrealistic. For the migrant on Batam, life is one of economic, social and physical insecurity. However, it is also one that may offer conditions better than those found at home.

This chapter discusses the findings from observations and interviews in two settlements on Batam: Tiban Kampung and Tanah Longsor. These settlement studies were conducted to gain an understanding of squatters' experiences on Batam with a focus on their shelter needs and constraints. By understanding this experience from their perspective, it is hoped that this research will explain why current settlement policies on Batam are failing to meet the need for adequate and affordable shelter options. In addition, this research will help deconstruct currently held misconceptions about squatters and squatter settlements on Batam which have led to misguided policy and dismissive attitudes. Finally, this research was an attempt to ascertain what some alternative strategies might include in order to secure adequate and affordable shelter for Batam's squatter population. In order to close the gap between the planners' vision and the migrants' reality, this shift from directive to responsive planning is necessary.

5.1 A Profile of Tiban Kampung

5.1.1 History of the Settlement

People have been living in Tiban Kampung since the late 1960s and early 1970s when the first settler families opened up land for gardens and wood harvesting. Stories vary as to who the first settler actually was: one story tells of a Buginese man Pak Dengsi who first settled land for a palm plantation; others claim that it was a Chinese man named Pak Tiban who opened up a small rubber plantation near what is now the centre of the *kampung*. At that time, the main access route to the settlement was the Tiban River. This waterway became an important transportation link to Jodoh and Nagoya where work could be found, goods could be bought, and harvested products could be sold. In 1977, construction began on a road linking Sekupang to Nagoya and passing through Tiban Kampung. With this development and the growth of the Batam economy, more and more people began to settle there. According to official records kept by the office of Desa Tiban, the population of Tiban Kampung in 1996 was 5,803 people. In reality, however, this figure is likely 10,000 people, given that there are 1,792 registered household heads²⁴ in Tiban Kampung with, as this research sample showed, an average of approximately 5.56 people per house. It is the largest *ruli* settlement on Batam.

²⁴ This figure is based on the number of households each RW leader estimated to be living in his neighbourhood. It is very difficult for these leaders to keep an accurate count of local population as new households are constantly establishing themselves or existing households are absorbing new people. Many new households may choose not to report to their neighbourhood leader lest construction permission be denied. Consequently, peripheral areas of the *kampung* are frequently not registered and the activities of the residents there are not known.

This large population and thirty year history has given Tiban Kampung a more established feel than exists in other more recently formed settlements on Batam. However, it should be noted that 63% of the 41 residents sampled arrived in Batam only after 1989. Of those who arrived on Batam prior to 1990, none had actually settled in Tiban Kampung before 1971. Nonetheless, low migrant mobility, reflected by the fact that two thirds of respondents had settled in Tiban Kampung from time of first arrival on Batam, has given this settlement a degree of stability and continuity. Only one interviewed resident, who was in the process of building a house for himself and his wife had experienced eviction from another settlement and had moved to Tiban Kampung to rebuild.

5.1.2 Physical Conditions

Tiban Kampung extends about 2km into the island's forested reserves from the main road linking Sekupang with Nagoya (**Figure 5-1**). The front of the settlement is on relatively flat land which gradually increases in grade to the back and sides of the settlement. Parts of Tiban Kampung are organized spatially with small gangs (paths), vehicle access routes, and some public spaces for play, meeting and worship. Unlike other settlements, Tiban Kampung has had the luxury of physically expanding into forest reserves. This has enabled it to maintain a relatively good quality low-density environment. However, one neighbourhood leader commented that the settlement is now beginning to densify rather than spread as well-located land is becoming scarce and BIDA authorities are more strictly monitoring and enforcing forest cutting bans to prevent further degradation of the nearby Sungai Ladi water reservoir.

Nonetheless, settlers do continue to open new land and the sound of chainsaws and falling trees is a daily reality in the far reaches of the settlement. Densification is also occurring as land at the back of the settlement is inconvenient and far from the road. Many of these properties are clearly more “rural” in nature with large gardens and even a small commercial chicken breeding operation.

Figure 5-1. Tiban Kampung reaching into the forested reserves on Batam Island.



In general, many new households are forced to build in areas on the upper reaches of slopes, at the back of the settlement, or close to the forest edge. Because these marginal areas are rarely incorporated into the neighbourhood governance system, these are also the same locations in which rather transient households choose to establish themselves. For instance,

households of young unmarried men who may be waiting for work contracts on ships, in Malaysia, or in local construction and who are not interested in the responsibilities of community life frequently build here. As a result, these areas may not be considered as safe as others as young groups of men are often associated with gambling, drunkenness, or crime.

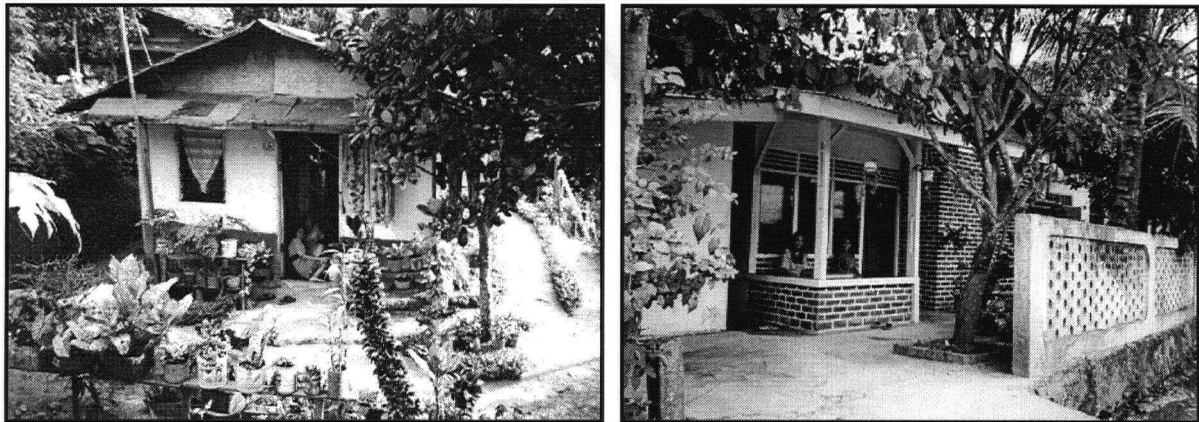
Densification is putting increased pressure on the *kampung* environment. Older residents tell stories of the once free flowing Tiban River which was deep enough to fish and swim in. Now, barely a few feet deep, they say it is not worthy of washing ones feet in. In some areas it has become a popular dumping ground for garbage which is gradually infilling it. Water in the upper reaches of the river, at the back of the settlement, still flows freely and this has become a popular place for washing and bathing for households which cannot sink their own wells or have limited water supplies.

While open defecation and overhung latrines is a problem in some parts of the settlement, most established households have installed their own pour flush toilets draining into rudimentary septic tanks or fields. Most households also have access to water from artesian wells they have sunk themselves. However, not all water is considered "*bersih*" or clean enough to drink due to contamination and is used for washing clothes and bathing only. Houses that do not have their own water source, may pipe or carry it from neighbours, collect rain water, and/or buy it by the drum from mobile truck vendors. Flooding is rare in the *kampung* except for in a few specific locales (near the river) and most residents burn or bury waste and maintain a clean environment to the extent that is possible. The settlement has a very green feel with lots of fruit trees and vegetation.

5.1.3 Housing Conditions and Degree of Consolidation

While the degree of housing consolidation in Tiban Kampung varies from house to house, the settlement's undisturbed history has afforded some residents the opportunity to substantially improve their housing. Given a certain degree of security, it is known that owners will invest in the infrastructure of their homes and their communities if they can. Many of the houses throughout Tiban Kampung are built of semi-permanent materials, have well tended gardens, and are designed not only functionally but with consideration for aesthetic appeal (**Figure 5-2**).

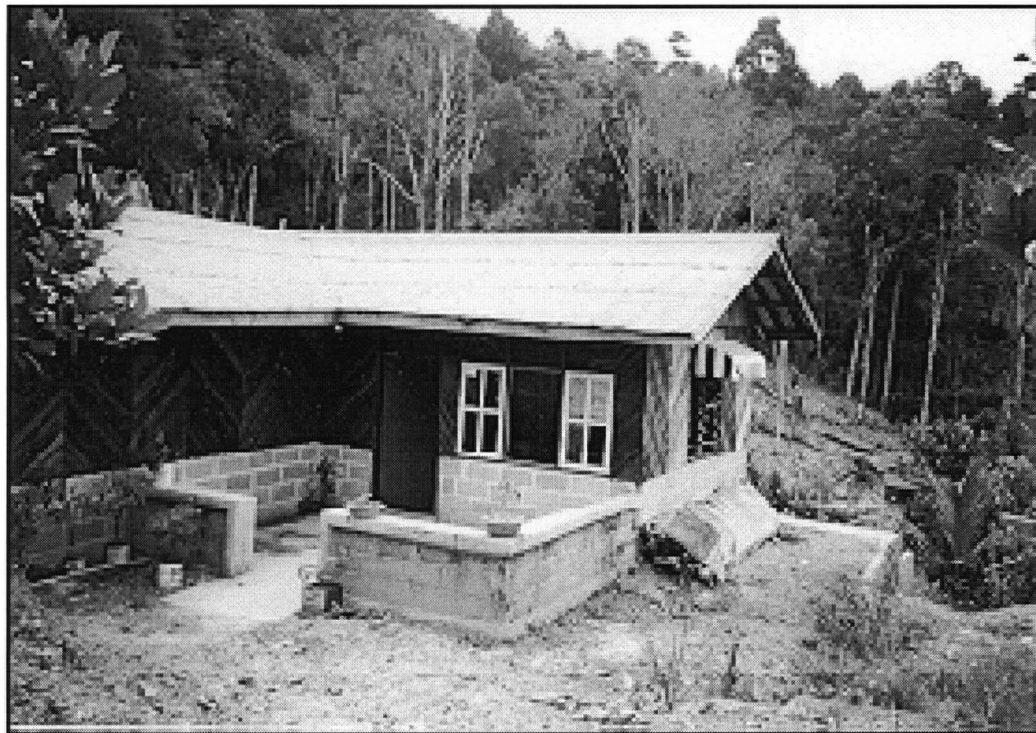
Figure 5-2. A Basic House with Garden and a Well Consolidated House in Tiban Kampung



It is clear that some owners have made considerable financial and time investments in their homes. Many respondents claimed to have expanded the physical size of their homes by adding rooms for personal or rental use. While most new houses begin as basic units whose primary function is to provide shelter and gradually are improved with time, there is some evidence that households with enough money are building rather permanent and finished units right from the start (**Figure 5-3**). This level of consolidation and the wide

range of housing types makes Tiban Kampung quite unique as a *ruli* settlement on Batam. The consolidated housing in Tiban Kampung reflects not only the sense of security perceived by local residents but the wide range of income groups living in the settlement. While residents were often hesitant to give accurate information about household incomes and some households were very clearly poor and struggling (earning as low as Rp.50,000/month), other households claimed to be earning as much as Rp.1,900,000/month²⁵.

Figure 5-3. A Newly Built House in Tiban Kampung



²⁵ The first figure is equivalent to less than \$29 Cdn. per month while the second is approximately \$1,118 Cdn. per month.

A relatively simple but useful measure of permanency in housing construction in Indonesia is type of wall and roof material²⁶. This sample showed that slightly over half of homeowners sampled in Tiban Kampung had used semi-permanent materials in wall construction (1/2 walls of brick and plastered cement) in some part of their home rather than only using plywood or wood boards which are considered temporary materials. Only one house in the sample had makeshift walls of plastic tarps. Approximately one third of sampled houses had roofs made of clay tiles, a more expensive and more permanent building material than the rubber tar paper used by most houses. Rubber tar paper remains a popular roofing material even for homes which may be quite consolidated in other respects because it is inexpensive to replace (usually on a yearly basis) and does not require the large single outlay of cash that tile roofing would.

In addition to consolidated housing, there are a number of other semi-permanent and permanent structures throughout the *kampung*. Perhaps the most recognizable of these is the mosque at the centre of Tiban Kampung. Built with local funds, the building is made entirely of permanent materials. It constitutes a major investment on the part of the community. In

²⁶ For classification purposes the government has distinguished three shelter types: temporary, semi-permanent, and permanent (Benjamin and Arifin 1985:100). This classification system can be very problematic in many cities where housing has consolidated over a long period of time and no longer fits neatly into these categories. However, this system works particularly well for Batam where almost all housing has been built relatively recently and the processes of incremental improvement are very much in evidence. The first category of shelter, 'temporary' housing, is primarily constructed of wood. Roofing materials can vary from clay tiles, corrugated metal, asbestos, plastic or woven palm leaves. On Batam, rubber tar paper (*getah*) was the most common roofing material used for this category of dwelling. This category of housing is commonly found in the newer *kampungs* of Indonesian cities, in rural areas, or in the squatted areas of cities like Jakarta. Incidentally, it is also the most common form of squatter housing on Batam. 'Semi-permanent' housing is categorized as consisting of half brick/half wood construction. These semi-permanent walls are usually built to the height of one metre and topped by a wood frame and wood, plywood or bamboo panel walls. It is most common in Indonesia for clay tiles to be used on the roof. 'Permanent' shelter is considered a house built entirely of brick and concrete. In the more consolidated *kampungs* in Indonesia, many houses fall into this category.

addition, there are a number of businesses such as restaurants, dry-goods shops, and other retailers that have used permanent or semi-permanent construction to house their enterprises.

5.1.4 Social Governance

In 1979, the first neighbour group (*rukun tetangga* - RT) was formed in Tiban Kampung²⁷. Because the population of Tiban Kampung was small at this time, this RT fell under a larger neighbourhood association (*rukun warga* - RW) in Tanjung Riau, a traditional fishing settlement more than five kilometres away under the jurisdiction of the village (*desa*) of Patam. By 1983, Desa Patam was divided in two to form Desa Patam and Desa Tiban. Desa Tiban has since been divided into four hamlets (*dusun*) of which Tiban Kampung is known as Dusun I. From only one RT in 1979, there are now four RW and twenty-two RT in Tiban Kampung. While each RT is intended to represent no more than 30 households, in Tiban Kampung the number of households represented in each RT ranges from 45 to 98. The growing number and size of RT and RW reflect the rapidly growing *kampung* population and the inability of the local government to keep up with the pace of change. Given the “illegal”

²⁷ Each province (*propinsi*) in Indonesia is divided into areas known as regencies (*kabupaten*) which may be sizeable cities or broad rural areas containing several towns and villages. Each regency is then further divided into wards (*kecamatan*) which are then divided into villages known as *kelurahan* or *desa*. *Kelurahan* are urban villages headed by paid and appointed officials known as *lurah*. *Desa* are rural villages and headed by either a locally elected representative or an appointed official. The intent of the Village Government Law (U.U. No. 5, 1979), passed in 1979, was to eventually replace all elected village leaders with state appointed ones. Below this last “official” tier of government, there are three further levels of administration. These are the hamlet (*dusun*), the neighbourhood (*rukun warga* - RW) and the neighbour group (*rukun tetangga* - RT). The RT and the RW leaders, while not part of the formal state organization, are nonetheless required to help higher tiers of government “to maintain and perpetuate the values of Indonesian social life” and to “help increase the smooth execution of governmental, developmental, and social tasks” (Sullivan 1992:134). In practice, this means that they are important channelling mechanisms to bring government information and programmes to the local populace. Depending on leadership, these associations can also act as important mediators in local disputes and decisions, in organizing households for community activities, or in channelling information and grievances back up to higher levels of government.

status of Tiban Kampung, the existence of the semi-official RW/RT system is at first glance odd. However, given the very large population base of the settlement, these neighbourhood structures are important to both the local government concerned with social welfare and the central government concerned with internal security. As one Tiban resident put it: “although it’s wild; it’s not wild” (“*walau liar, nggak liar*”) indicating the important social governance and control function of the RW/RT system and the unique nature of Tiban Kampung in that it has such a well established and functioning system of local governance.

Through the RW and RT system, some government programmes are initiated in Tiban Kampung. For instance, the PKK, an organization of women headed by the wives of local RTs is active in the *kampung*. Monthly health clinics (*posyandu*) are held in each RW, providing general health and nutrition services to mothers and children and family planning services. In addition, yearly immunization clinics are held in each RW. The health clinic itself is built and maintained with locally raised funds but its operation is supported by the health department (*puskesmas*) who provide the services of a health worker. However, despite the real need for social programmes and the mandate of the local government to support the poor through a range of programmes, the local government is limited in its ability to extend services to *ruli* areas because of their illegal status. For this same reason, there are no schools in the settlement.

In the absence of government initiated activities, church groups, prayer groups (*wirit*), neighbourhood groups (RT), and ethnic/kin associations have spontaneously organized a range of activities. Many of these activities benefit the whole community such as road and bridge maintenance, garbage clean-up bees, drain and stream clearance, and the construction

of community gathering places and facilities (**Figure 5-4**). Through self-help activities, four churches, three Islamic prayer houses (*surau*) and one large and permanent mosque have been built in Tiban Kampung. Karang Taruna, Pemuda Pancasila, and FKKPI, official youth organizations that organize *gotong royong* or mutual-aid projects and provide social and athletic activities for youth, have been formed to initiate activities in the settlement.

Figure 5-4. Children walk over a make-shift bridge as the cement dries on a newly upgraded vehicle and pedestrian bridge in Tiban Kampung.



Because of this high level of social organization, Tiban Kampung has well established social norms which appeal to families and those seeking a more stable and traditional social environment. It has attracted and retained many young families with small children. Although it happens on occasion in the *kampung*, it is unacceptable for young unmarried couples to live together. Those who have moved in together face a considerable amount of social pressure and ostracization.

There is some evidence of ethnic clustering in Tiban Kampung. It is known on the island as a settlement dominated by Padang people from West Sumatra (who in turn are associated with driving taxis). Research findings confirm this association with the largest group of respondents coming from Padang, followed by Medan (North Sumatra), Riau, Java and elsewhere. While ethnic groups are mixed throughout the settlement, there are areas where certain ethnicities predominate. For instance, the centre of the *kampung* around the mosque is dominated by Padang people. Parts of RW IV and RW IX are locally known as *Kampung Batak*, because of the large proportion of people from Medan living here. This area is easily identified by its four churches. While only two Javanese households were interviewed in this study, there is a small area of the settlement known as *Kampung Jawa* in the far reaches, above the road of RW V.

5.1.5 Sense of Community

When asked if there was a strong sense of community in the *kampung*, a strong majority of respondents answered affirmatively. While each respondent interpreted and answered the question differently, the positive response was overwhelming, particularly in reference to relationships with immediate neighbours. This likely reflects the tendency for ethnic clustering as well as the fact that *kampung* life depends in many ways on mutually supportive relationships between neighbours (who share space, share wells, help one another, etc.). Some respondents qualified their positive answers with the comment that while the sense of community was strong, it wasn't on par with the level of cooperation in their villages of origin. Those who expressed negative sentiment about the community atmosphere generally

referred to the mixing of ethnic groups leading to an awkward feeling between neighbours or to the fact that people were too busy working to be connected intimately to one another or to help out with community activities.

5.1.6 Local Economic Activity

The road which passes in front of the settlement is an important link to jobs and income earning opportunities. Sekupang and Nagoya are important sources of employment for workers living in Tiban Kampung: the settlement is situated between both with relatively good transportation to either by share taxi or public bus²⁸. Sekupang is a mixed-use area with industrial estates, a ferry terminal handling traffic from Singapore and Sumatra, local government agencies²⁹, a market, and substantial number of middle to high-income housing estates. Nagoya and Jodoh are the 'heart' of Batam with all major commercial, trading, service and entertainment activities (in both the formal and informal sectors) based here. Nearby is the port of Batu Ampar which also offers significant industrial and shipping work opportunities. Of the 41 households interviewed, 21 had one member working in the formal sector and 2 households had two members working in this sector. Four households had one member working for a government agency. A total of 9 respondents claimed to be either unemployed or that a primary income earner in the household was unemployed. In addition,

²⁸ It costs about Rp. 500 by share taxi to most destinations in Sekupang or approximately Rp. 400 by bus. To Nagoya, Jodoh or Batu Ampar is twice as expensive, costing at least Rp. 1,000 by share taxi or approximately Rp. 750 by bus. To the Batamindo Industrial Park the cost is at least Rp. 1,500. Many industrial tenants at the Park arrange bus or van transportation for their workers to reduce transportation costs. Minimum wage on Batam is approximately Rp. 7,000 per day. Rp. 1,000 is equivalent to approximately \$0.59 Cdn.

²⁹ BIDA is the only government agency currently located in Batam Centre, the inoperative "planned" centre of Batam.

12 claimed to be unable to save, be living on credit, have gone hungry in recent times, or to be living exactly within their means. For this group, it was a struggle to simply put food on the table every day and make ends meet. Despite what such figures might suggest, in general, the residents are quite well educated. Two thirds of the sample had a high school education or better. Two respondents had university degrees and six had taken training in computers, English or hospitality.

In addition to economic activities outside of Tiban, there is a substantial amount of economic activity within the *kampung*. Thriving businesses, including food stalls, restaurants, dry-good shops, a hair dresser, a photo-copier business, newspaper stands, an auto-mechanic, and clothing dealers, line the entrance to the settlement through which the majority of pedestrians must pass to access the settlement. Further on, at the centre of the settlement, there is a daily open-air wet market, clothing shops, restaurants, furniture retailers, repair shops and hardware stores selling materials for house construction and sinking wells. In addition to these two main commercial and service areas, small businesses are speckled throughout the settlement, particularly along the major roads which are accessible by car and motorbike.

Many women run small *warungs* or businesses (such as tailoring or making and selling sweets) from their homes as added income for the family. These businesses can become very important sources of income when their spouses are away or between contracts or to help finance children's school costs. In the evening the settlement is alive with mobile and stationary vendors selling dumpling soup and other meals for workers home from long factory shifts. It is possible to meet all basic needs in Tiban Kampung and consequently,

many women who do not work outside the *kampung*, rarely leave Tiban and know very little about what is happening in the rest of Batam.

The importance of this *kampung* economy is reflected in the study findings. Of the 41 households interviewed, 12 owned and operated small *kampung* businesses, 8 households rented out rooms or houses in the settlement, 6 gardened or cut wood for subsistence or for sale in the *kampung*, and 2 were employed in the *kampung* as auto mechanics.

5.1.8 Future Plans for the Settlement

In one of the last revisions of Batam's master plan, the land on which Tiban Kampung is built was redesignated officially as "housing reserve" from its previous designation as "green space/forest reserve." Two other locations on Batam were redesignated at the same time and it is likely that all three sites will be prioritized for low-cost housing. With regard to Tiban Kampung, this change reflects the realization on the part of BIDA of the political and logistical difficulty of removing such a large and established community. However, the outcome of this land-use change is far from certain. On the one hand, this reserve status brings a degree of security to the settlement, with housing now a legitimate option for the land. In addition, while the fate of Tiban Kampung is under review, there is no imminent threat of resident removal. On the other hand, BIDA seems reluctant to consider anything other than the replacement of the existing housing stock with high-density apartment units. While some potential for basic upgrading exists in Tiban Kampung, for instance through the Kampung Improvement Programme, this option is not being considered. There is discussion of the settlement being cleared in phases with residents (who qualify) gradually being shifted

into formal apartment and housing units. While measurable physical conditions of the settlement will likely be improved with redevelopment, it is likely that a considerable number of residents will be displaced if this plan goes ahead. In the short-term, BIDA is considering building a fence around Tiban Kampung to prevent its unlimited expansion toward the Sungai Ladi reservoir.

To date, TP3 has only entered Tiban Kampung on one or two occasions in the past to dismantle select buildings. For instance, at one time there were buildings right up to the road. However, because these informally-built buildings were marring the view from the road, they were cleared some time ago. Part of the land is now used as a playing field and large gardens have been planted between the road and the settlement which now begins approximately 50-100m in from the road. In late November 1996, a few buildings under construction were dismantled by the TP3 team. At the time, residents were unsure as to why TP3 made this unusual and rare appearance. It may have simply been a reminder to residents of their illegality; a warning to squatters displaced from other settlements not to relocate in Tiban; or a move engineered by Tiban residents themselves who did not want to see these new buildings in their community, one of which was rumoured to be a billiards establishment.

In general, residents had very little information about the future of Tiban Kampung although all residents speculated about it. Some guessed it would be redeveloped as an industrial park, others that it was going to be formalized and upgraded. In fact, one respondent had purposefully chosen to build a home at the back of the settlement guessing

that these sites would be cleared after land at the front of the settlement. In general, the sense of risk of clearance in the near- or mid-term seemed relatively low.

5.2 A Profile of Tanah Longsor

5.2.1 History of the Settlement

Tanah Longsor's history is shorter and more troubled than Tiban Kampung's. Although it is thought a man named Pak Buton was fish farming on the site as early as 1970, the first group of residents did not settle here until about 1986 when Pak Buton began to sell his land. A year later, there were about 20 households settled in Tanah Longsor. By 1996, it was estimated that 700 households were living there³⁰. If, as this study indicated, the average of 5.39 people per household is used, it can be estimated that 3,780 people live in the settlement. At one time, the settlement was even larger, boasting over a thousand households. However, in 1989, the front third of the settlement was cleared for the development of a road and hotel³¹. Despite a staged protest by over 100 women from the settlement at the Mayor's office, clearance went ahead. When some of the cleared land was not redeveloped, many of the residents returned to the settlement from their temporary 36m² plots in Batu Aji and rebuilt their homes.

³⁰ In fact, no record of the population of Tanah Longsor is kept at the Desa Teluk Jodoh village office. The figure of 700 households was estimated by the Village Head in consultation with one of the RT leaders. A 1993 TP3 estimate put the number of households at only 232 (Direktorat Teknologi Pemukim dan Lingkungan Hidup Badan Penkajian dan Penerapan Teknologi (BPPT) 1994:6). This large disparity in numbers is difficult to explain but could simply reflect the inaccuracy of records.

³¹ It is suggested by local residents that at this time the settlement was named Tanah Longsor which translates to "landslide" because loosened dirt from the bulldozer's clearance activities sent a landslide down the hill below the road. Officially, the settlement is referred to as Teluk Jodoh, the same name given to the village of which it is a part.

Subsequently, on four occasions in 1992, 1993, and 1996 groups of houses in Tanah Longsor have been marked by TP3 teams for clearance (**Figure 5-5**). Although settlement authorities confirm that the markings indicate a scheduled clearance, only in 1992 were houses ordered to be dismantled. This disruptive history has led to considerable insecurity in the lives of Tanah Longsor's residents who are left feeling constantly vulnerable to imminent change.

Figure 5-5. TP3 Markings on a home in Tanah Longsor



Quite rationally, residents are reluctant to invest in their homes or in their communities such time, energy, and money. Whereas the majority of residents sampled in Tiban Kampung had settled there from time of first arrival on Batam, thereby giving it a certain degree of continuity, only 40% of the 40 residents interviewed in Tanah Longsor had done so. The stories of those who had moved around prior to living in Tanah Longsor varied: some had literally slept on the street; others had lived in work camps; some had rented or built elsewhere. Seven respondents had been cleared from other settlements around Nagoya

before moving to Tanah Longsor and two households had dismantled their homes in Tanah Longsor in 1992 but had rebuilt again when the land was not developed.

5.2.2 Physical Conditions

The terrain upon which Tanah Longsor is built is inhospitable at best. Its location in a ravine, hemmed in on all sides by roads, has severely limited the expansion of the settlement. More recent house builders have been forced to build on marginal land on the steep slopes above the flatter and more accessible land at the front of the settlement. The risk of landslides in these areas is quite high, and in fact, two houses were affected by small landslides at the time this research was being conducted. However, the bigger worry cited by residents is the danger of tall trees, left standing to maintain slope stability, crashing down in high wind storms. In the past, a number of houses have been crushed in this way.

The pond, which once supported the fish farming operations of Pak Buton, no longer exists; the new hotel development sits squarely on this site. As a result, water streaming down from the hills no longer has anywhere to collect or properly drain. When heavy rains fall, the centre of the settlement suffers severe flooding - in some places to the roof lines of the affected houses. This problem is exacerbated by garbage which clogs the streams and hinders drainage. These same rains make the dirt footpaths which snake through the settlement treacherous and extremely muddy. Makeshift boards and other debris are thrown down on the paths to try and provide some secure and dry footing. Inadequate garbage disposal is a major problem throughout the settlement. While some households conscientiously burn or bury garbage many appear indifferent to the unhealthy and unattractive conditions that open disposal (in streams, hill banks) create (**Figure 5-6**). This

indifference is clearly explained by the comments of one resident who said: “because the subject of clearance is so often raised here, people care little for the kampung environment.”

Figure 5-6. Open garbage disposal in Tanah Longsor



Most people living in Tanah Longsor do not have good access to water. This is due, in part, to the difficulty of boring wells on the steep slopes of the settlement. Those living on the upper reaches of the settlement may purchase water by the drum from trucks on the road above the settlement. Mid-slope dwellers usually descend to haul water in buckets from communal wells below their homes. Those living on the lower reaches of the slopes have the best access to water and may be fortunate enough to have their own well and private bathing facilities. However, wells sunk at the front of the settlement are frequently submerged in dirty water and garbage when the river overflows and flooding occurs. It is not uncommon for privately sunk wells in gullies running through the settlement to be padlocked to prevent

unauthorised users from using and contaminating precious water supplies. Most men and women bathe openly at communal wells and toilets which are busy from morning until late at night with activity.

Unlike in Tiban Kampung, where most households have their own wells and private bathing spaces (whether rudimentary or permanently built), very few houses in Tanah Longsor have such facilities. As a result, while some well-located houses are fortunate to have their own water, just as many people rely on communal wells maintained by groups of residents. The largest proportion of residents must purchase water from mobile vendors or neighbours. Like in Tiban Kampung, most residents have private pour flush toilets or overhung/pit latrines.

5.2.3 Housing Conditions and Degree of Consolidation

In general, settlement conditions in Tanah Longsor are very poor. Communal spaces are muddy, garbage ridden, and poorly laid out. Many houses are in poor repair and are constructed of temporary building materials. Only a handful of semi-permanent buildings exist, reflecting a reluctance on the part of local residents to invest money, time and energy into their homes when the fate of the settlement is uncertain. In stark contrast to Tiban Kampung where slightly more than half of houses were built of semi-permanent wall materials, only one house sampled in Tanah Longsor was built this way. In addition, only one house had a roof made of ceramic tiles rather than the less permanent rubber tar paper. In Tanah Longsor, it is rare to see the architectural creativity found in Tiban Kampung. While houses are kept neat and tidy and degrees of permanency certainly do exist, in general

the houses could best be described as functional or minimalist places that serve simply as shelter.

Because densities in the settlement are high and good land is scarce, households have built up (building second floors) rather than out when expanding their units (**Figure 5-7**).

Figure 5-7. Building second floors is a common means by which households acquire extra space for personal occupation or rental accommodation



Commonly, this second floor is used as rental accommodation, enabling the owners to earn extra income. While Tanah Longsor is known for its large number of rental units, the level of rental activity in both Tiban and Tanah Longsor were approximately the same for these

samples. It is perhaps the 'transient' feel of Tanah Longsor which residents instinctively associate with rental accommodation rather than the actual level of rental activity in the settlement.

Building activity in the settlement is mainly by residents evicted from other settlements who have resettled in Tanah Longsor, new households establishing themselves near friends and family in the settlement, or maintenance of existing houses. There is no evidence of semi-permanent housing being built as was the case in Tiban Kampung. Similarly, there is little evidence of consolidation of commercial or service establishments. There is only one evangelical church in the settlement, and it, like the other small businesses and homes found in the settlement, is built to be easily dismantled.

5.2.4 Social Governance

It was not until 1990 that an RW/RT system was established in Tanah Longsor when it was incorporated as part of Desa Teluk Jodoh, District of East Batam. Technically, this system still exists but it has not played a meaningful role in the lives of the *kampung* residents since the settlement was partially cleared in 1992. In fact, one of the two RW leaders and several of the eight designated RT leaders no longer even live in the settlement. As one resident said: "There's no longer a leader here, he has already gone. The RTs are lazy now and no longer respected. Before, the situation was much better."

This has left hundreds and hundreds of households without organized representation or mutually agreed-upon authority figure. As a result, Tanah Longsor has tended to attract a group of people who seek a place to live with relaxed social rules and restrictions. With its

close proximity to the night-life areas of Jodoh, Nagoya, and Batu Ampar, a number of people working in the sex industry and entertainment industry have made their homes in Tanah Longsor³². It must be noted that even with its rather relaxed social rules, other *ruli* settlements such as Samiong, Melcem, and Bukit Girang are primarily settlements of prostitution whereas Tanah Longsor is not.

Because of the defunct RW and RT system, there are no government programmes operative in Tanah Longsor such as the Posyandu, Pospin, or KB as found in Tiban Kampung. Local residents must go to the Teluk Jodoh village office for such services normally organized through the PKK (headed by the wives of the RTs). Fortunately, this office is situated exactly at the base of the settlement (next to the hotel) and is easily accessible. In the absence of these programmes it might be expected that residents would organize, as they do in Tiban Kampung, to provide needed community structures and services. However, there is little evidence of organized community activity in Tanah Longsor. Few people knew of or belonged to any community organizations even those as simple as the *arisan* or traditional savings circles typically organized by groups of neighbouring women. Four respondents belonged to religious or ethnicity-based organizations outside of Tanah Longsor.

³² For instance, it is quite common to see transvestites in the *kampung*, households of unmarried couples and pregnant young women without partners. A small number of the women I interviewed had, in the past, been involved in the sex industry themselves.

Ethnic clustering is apparent to some degree in Tanah Longsor but it is much less so a Padang dominated settlement than is Tiban Kampung. The main ethnic groups in Tanah Longsor are people from Medan, Java, Riau, and Flores (in particular from Alor). The absence of a large group of Padang residents can likely be explained by the violence which erupted in the early 1990s between Padang and Florinese people on the island which ended in riots, several killings and general distrust between these two communities.

5.2.5 *Sense of Community*

When asked if there was a strong sense of community in the *kampung*, sheer ambivalence was the dominant response. In general the impression this group of respondents gave was that the residents of Tanah Longsor are individualistic and go about their business without bothering unnecessarily with their neighbours (expressed through the phrases “*cuek-cuekan*” and “*elu-elu, gue-gue*”). While some gave positive answers in response to the question stating that their relationship with neighbours was supportive, two negative responses are worth mentioning. The first was a comment by one resident who said: “This place is sadistic. If a neighbour dies, other neighbours don’t want to know about it.” The second was a similar assessment: “Families here aren’t close to one another. If someone is sick, there is no one who wants to help.”

Due to this lack of internal community monitoring and mutual concern, safety is a major issue in Tanah Longsor. When respondents were asked what the biggest day-to-day problems they faced living in Tanah Longsor were, theft was the major problem cited (over one third gave this answer). In addition to frequent robberies of valuables from inside the

house, thieves had stolen fruit and vegetables from their gardens, toiletries, laundry, and furniture from their yards, and water from their wells. Many of the house break-ins took place in the middle of the night when residents were sleeping. While break-ins are also common in Tiban Kampung where many residents quipped that this was the “*musim maling*” or the “season of thieves”, few residents had to worry about non-valuables being taken. An older Javanese woman who owned a small *warung* selling drinks and some dry goods at the back of Tanah Longsor had been robbed by knife-point as she lay sleeping on the bench inside two nights before I interviewed her. Fortunately, some young men living in a nearby house she rented to them had come to her assistance after screaming out for help. Another informant told a story of a thief who was caught by angry residents several weeks prior to the interview and was beaten to death.

5.2.6 Local Economic Activity

One reason crime is such a problem in Tanah Longsor is the high level of unemployment and underemployment experienced in the *kampung*, and on Batam in general. Twelve respondents claimed that a major income earner in their household was currently unemployed. While some of the petty thefts inside the *kampung* were clearly by local residents, most of the robberies were assumed to be perpetrated by people living outside the *kampung*. Because Tanah Longsor is easy to enter and exit quickly from any number of locations on the roads above or in front of the settlement, it is easy for thieves to go undetected. Furthermore, due to its location situated next to the busy town of Nagoya/Jodoh, the Port of Batu Ampar, and a number of the less reputable *ruli* settlements located nearby,

many people are constantly coming in contact with the settlement. Tiban Kampung's removed location affords it a certain immunity from such unknown passer-bys and allows residents a clearer sense of who does or does not belong in the community.

Whereas in Tiban Kampung there were quite a number of sizeable businesses, Tanah Longsor can not support such businesses due to its smaller population base, its location within walking distance to the huge market and commercial centre of Jodoh, and the generally uncertain future of the settlement. However, very small scale businesses were viable in the *kampung*, with one quarter of the households interviewed operating small enterprises selling prepared food, dry-goods, and vegetables or providing other services such as laundry or the preparation of herbal antidotes. One fifth of respondents earned monthly income from renting out rooms.

While no respondents worked in the public sector³³, almost half could clearly define themselves as formal sector workers. Despite the regular wage associated with what is normally defined formal sector work, three quarters of respondents felt that they had unreliable or unstable incomes. This is due to the contractual nature of much of the work available on Batam. As was the case in Tiban Kampung, there were clearly some households living on subsistence level incomes, with 17 claiming to be unable to save any money at the end of each month as they were barely able to make ends meet. Education levels in the two

³³ When one RT leader was asked about the percentage of public sector workers living in the settlement, he said he knew of none other than possibly one teacher. This is quite different than the case of Tiban Kampung which is well-known to house many public sector workers some of whom already own or have the opportunity to own formal sector housing.

settlements were almost on par with the exception of the category of post-high school training where Tiban Kampung clearly excelled.

5.2.7 Future Plans for the Settlement

It is already evident from the above discussion that the future of Tanah Longsor is far from certain. On numerous occasions authorities have cleared or threatened to clear the settlement and sent residents running. Unlike Tiban Kampung where there is at least some consideration at BIDA to allocate the land on which the settlement is built for low and middle-income housing, there is no such discussion for Tanah Longsor. Technically, the land is designated as 'green space/forest reserve' on the master plan. Due to the steep terrain, it seems the land could only be used by a developer who could afford to stabilize it should BIDA permit land-use changes³⁴. At the time of these interviews, many residents suspected that the settlement would be cleared following the election in May 1997. Although this was a common rumour throughout many of the *ruli* settlements on the island, it was not entirely unfounded as local authorities were concerned with maintaining a certain degree of population stability so registration and voting could take place.

³⁴ There have been a number of developments approved which in fact do not correspond with the land-uses designated in the master plan. BIDA has updated and altered the master plan on a number of occasions to bring it in line with the development which is actually taking place. This reality effectively defeats the usual function of a master plan as a guide to direct development.

5.3 Major Findings From the Case Studies

Tiban Kampung and Tanah Longsor are fascinating case studies to compare. Although both are “illegal” in status, it is already evident from the observations and findings noted above, that contextual conditions, including physical geography and location, settlement history, and settlement security have created very different realities in terms of migrant behaviour in the two *kampungs*. These differences tell us a great deal about informal settlement processes and about the impact of government policy and action (or inaction). While residents have behaved differently in the two settlements, for instance, in terms of the level of investment in their physical and social community, both communities are responding rationally and strategically to the situation with which they are faced. This section explores findings regarding migrant commitment to Batam and the implications of tenure security on the behaviour of migrants, the importance of migrant support networks to secure housing and employment, and the ability of migrants to make the switch from informal to formal sector housing in accordance with the wishes of BIDA.

5.3.1 *Migrant Commitment to Batam*

The most quoted reason squatters gave in both settlements to explain why they came to Batam was to search for greater income earning opportunities or to change their fate³⁵. In both settlements almost 25% added that the economic situation in their area of origin was difficult, indicating that there was little opportunity for them there. While many migrants had heard exaggerated stories of the good life on Batam before they came, most felt the

³⁵ Expressed in the phrases “cari makan / kerja / pengalaman” and “merubah nasib”.

reality they encountered was, in fact, quite different. The following frequently quipped acronyms for **BATAM** express the difficulty of life on the island as experienced by the unskilled and semi-skilled migrants who come seeking opportunity:

Bila Anda Tiba, Anda akan Menyesal - If you come you will regret it

Bila Anda Tabah, Anda akan Menang - If you struggle you will succeed

It is the second of these sayings with its promise of success that is most important to the question of squatters and squatter settlements on Batam. Despite the hardship of life on Batam, it continues to both attract and retain migrants. Most migrants interviewed were not interested in returning home where work prospects were more dismal than on Batam. It should be noted, however, that the commitment expressed varied somewhat between the two settlements. The better quality and security of life in Tiban Kampung made residents there more committed to Batam in the long-term than was the case in Tanah Longsor where 25% of residents said they would go home if Tanah Longsor was cleared.

In both settlements, many residents said their commitment would depend on work and livelihood opportunities, indicating that as long as they could earn a living on Batam (and could not live as well at home), they would stay. Both the potential to earn and the actual realization of earning income are crucial elements in the migrant's decision to stay. So while BIDA's efforts to attract investment to Batam serve the islands larger economic goals, a sustained or heightened level of economic activity will work against BIDA's efforts to stop the flow of migrants into Batam and the growth of illegal settlements to house them.

Economic opportunity is not the sole determinant of migrant commitment to Batam. A host of other socio-cultural and life-cycle issues play an important role. For instance, many migrants are embarrassed to return home if they can not return with considerable savings or

material gifts for family members. This expectation makes it difficult for many migrants to go home, if only for a visit, as these trips eat up any savings they have managed to amass. Others, particularly young unmarried migrants, are worried of becoming either a burden on their families again or, for those who have earned income through the entertainment or sex industry, are too ashamed to face their friends and family.

A related issue for some young migrants is the freedom or independence they experience living and working on Batam³⁶ - a freedom they can not enjoy at home. The wide variety of cultural influences and the unpredictable nature of life on Batam demands an acceptance of different social behaviours and norms which would likely not be tolerated in a more traditional setting. With few older people to act as a conservative force, the culture being established on Batam is very much one which suits the needs of a young, mobile, and ambitious population³⁷. As a result, after having experienced living in such a frantic but dynamic place, many migrants are reluctant to go home and work in the agricultural sector.

³⁶ There is a folk tale or urban myth on Batam that after having drunk the water from Sungei Ladi (the water reservoir near Tiban Kampung) it is impossible to ever return home. The homeward migrant will always find him or herself returning to Batam, too restless to stay at home and lured back by the opportunities, the freedom, and perhaps, the anonymity of life outside of one's traditional realm. According to the story, there is a cave somewhere near Pekanbaru on the mainland of Sumatra where one can go to give offerings to have the spell broken. The idea that Batam offers migrants the ability to shrug their past and start again is an interesting one that was frequently mentioned. For instance, two of the women I interviewed in Tanah Longsor had come to Batam after having divorced their husbands in order to avoid a stigmatized and financially difficult existence at home. On a similar note, some people speculated that the reason Batam suffered from so much crime was that professional criminals, sought by the authorities in other cities, had come to the safe haven of Batam.

³⁷ The idea that Batam is a frontier-town is not an assessment of outsiders alone. When asked to comment about life on Batam, a number of local residents used the English term "Texas Cowboy" to describe the pervasive atmosphere of the place. In many ways, the lawlessness, boom and bust opportunities, prostitution, crime, and squatter conditions invoke images of the wild West (minus the horses - which in this case may be substituted by *ojek* or motorcycle taxis which ply the island affording people access to frontier settlements).

Their hopes and ambitious have been raised beyond the opportunities and lifestyle available in rural areas³⁸.

Furthermore, the young age of Batam's migrant population is an important factor affecting migrant commitment. A large number of young single migrants are marrying and starting families on Batam. In fact, when asked how long they would stay on Batam, many young men and women joked that it depended on whether or not they found their "*jodoh*" or marriage partner there or not. Many of these new young couples come from different ethnic backgrounds and different regions of Indonesia: for them, Batam is more clearly their 'home' than is either one of their origin areas. Frequently people would joke with almost an element of pride that Batam was the physical expression of the national slogan "unity in diversity" with migrants from all over Indonesia living side-by-side, the vanguard of a new modern Indonesia.

Beyond psychological commitment, a good indicator of how committed migrants are to Batam in the long-term is where they are choosing to invest their savings. In both Tanah Longsor and Tiban Kampung, the majority of residents are putting their earnings back into Batam's economy rather than sending the bulk of their income home as is often suspected³⁹.

³⁸ As one young migrant in Tiban Kampung expressed: "the thoughts of village people are not yet modern; our knowledge is already extensive in comparison".

³⁹ Local expenditure is a useful measure of migrant commitment to an area and provides a convincing economic argument to encourage more permanent settlement. "[I]t is feasible to distinguish between (a) the in-migrant who will remain in the region for a temporary period, say less than two years, and (b) the in-migrant who intends to settle permanently in the region. The former may generally be expected to allocate a somewhat greater share of his income to non-local expenditures and savings relative to the latter. The multiplier effects of a dollar of income paid to the "temporary" in-migrant will thus be smaller than those resulting from a dollar paid to the "permanent" in-migrant" (Davis and Webster 1981:160).

That is not to say that significant remittances are not being sent from Batam. However, these larger remittances are more likely to be sent by contracted factory workers (for instance the women working on two year contracts at the Batam Industrial Park) or recruited men working on a specific project who have left their families temporarily to work on Batam⁴⁰. Because these workers are not spontaneous migrants but recruited labour from other areas of Indonesia, they are less likely to view their stay on Batam as long-term.

On the other hand, most of the migrants living in Batam's squatter settlements perceive their lives on Batam on a much longer term basis, and consequently do not send a significant portion of their earnings home. This finding is in line with a West Java study which showed that permanent migrants may send funds to their villages but the amounts are rarely as large or as regular as the net remittance of non-permanent migrants (Soelaiman 1994:154). However, it must be noted that many residents living in Batam's *ruli* settlements do not have considerable excess funds to invest either on Batam or in their origin areas.

Finally, this research demonstrates that, given the opportunity, migrants are willing to invest in their communities and their homes through incremental housing improvements and housing consolidation. For instance, Tiban Kampung, with its greater degree of perceived security and longer settlement history shows clear evidence of improved physical infrastructure and housing and a much stronger sense of community than is the case in Tanah

⁴⁰ For instance, on pay-day, the post-office at the Batamindo Industrial Park is overflowing with young women sending money home to their families. In contrast, most residents living in the two study sites said they did not send money home regularly, sending it only when they had extra resources or if there was an unexpected need for money at home.

Longsor. Those who could afford to have moved away from Tanah Longsor, further destabilizing and discouraging the efforts of those left behind. Tiban Kampung on the other hand has managed to maintain a number of wealthier community members in the settlement, who have invested in their homes and businesses and given others the confidence to follow their lead. This demonstration effect is a crucial aspect of community consolidation. In both the case of Tiban Kampung and Batu Aji TPS, this degree of consolidation has made it virtually impossible for authorities to deal with these communities in an expedient or ad hoc manner.

The temporary resettlement site of Batu Aji Lama (where plots are 10m x 10m) shows the greatest degree of housing consolidation in comparison to Tiban Kampung and Tanah Longsor. When residents were first moved to Batu Aji, it was not clear that the sites were only temporary in nature. Many people did not understand that the government intended to clear the settlement again. As a result a number of households have consolidated their homes to a degree that is not observable in *ruli* settlements on the island (**Figure 5-8**). Buoyed by *de facto* local government support (expressed in a small path and drain project) and telephone lines extended into the settlement, many local residents have taken considerable investment risks. This is a crucial indicator that given the opportunity *ruli* dwellers can provide for their evolving housing needs and given some support through tenure security and basic services, will continue to do so with increasing permanency.

Figure 5-8. Consolidated housing in Batu Aji Lama, the first TPS settlement on Batam.



Given this psychological and financial commitment that *ruli* residents are making to Batam, it appears they can not be convinced easily to return home. It can be argued that official settlement and labour policies on Batam seek to persuade the squatter and unskilled migrant to leave Batam. For instance, squatter settlements are cleared with little advance warning and without logistical support for residents; squatters are relocated to unserviced temporary resettlement sites in inconvenient locations where in theory, they are given one to two years to move into formal sector housing options or alternatively be transmigrated. These policies indirectly say: “for those unable to move into formal sector housing options there is no place for you here.”

The actions of the migrants on Batam, however, say something quite different: not a single migrant has signed up to be transmigrated and the temporary resettlement site at Batu Aji is becoming increasingly consolidated with telephone lines, paved roads, permanent

housing and strong neighbourhood governance systems. Furthermore, only about 50% of residents cleared from any one site are choosing to move to the government allocated temporary resettlement sites⁴¹. The others are opening up new land or establishing themselves in other *ruli* settlements. Of course, some are choosing to go home, but not most.

5.3.2 Migrant Support Networks

The importance of social and economic support networks among migrants and squatters can not be underestimated when formulating settlement policies. They are a critical component of migrant survival strategies and a key contributor to livelihood and well-being. Kin and family members at destination points provide information both prior to the decision to migrate and after arriving and then offer needed support in securing housing and employment. Despite myths of the trail-blazing pioneer migrant (not to minimize the spirit and endurance that migration requires), it is rare that a migrant heads off into the unknown without any pre-laid plans. Given this, it is not surprising to learn that majority of both Tanah Longsor and Tiban Kampung respondents stayed with friends or family upon first arrival to Batam.

Even in the absence of pre-established contacts, the importance of family and kin networks in the migration process can not be underestimated. The story of one young Batak man who came to Batam alone and without contacts is illustrative of this. When he disembarked from a ship in Kabil, East Batam, he went up to a group of young men loitering

⁴¹ This rough figure was suggested to me by the director of Batam's security forces. Conversations with squatters confirm that this is a likely estimate.

about and asked them for help. They directed him to go to Sekupang on the opposite side of the island where they said he would find many other Batak people. With no other advice about what to do, the young man bartered a taxi fare to the ferry terminal in Sekupang. To his good fortune, a man he approached there was from his family kin group. Because of this bond, the man permitted him to stay at his house until he found work. This job search took several months, but his friend supported him for the duration of the search. Once the young man secured work, he repaid his friend and built his own house in the same *ruli* settlement. This is a common pattern followed by newcomers: they begin by staying with friends but over time they will shift to renting a room or house, buying a house, or building their own house. Usually, they will stay on in the same settlement where they already have access to a network of friends, family and neighbours rather than move away.

This extension of help is not unusual and is, in fact, expected. Established migrants are continually having family members and more distant *kampung*-based kin arrive on their doorstep in need of shelter and food until they are able to secure their own. In this study, five of the respondents in Tiban Kampung and three of the respondents in Tanah Longsor were recent arrivals, staying with friends or family. Almost all respondents, at some point, had housed relatives in their homes.

It is not surprising to find that the level of expressed reliance upon the resources of neighbours and friends in the community was dramatically higher in Tiban Kampung than it was in Tanah Longsor. Mutual aid processes work well within stable *kampung* communities where there is a rich mix of social groupings and residents know that their efforts helping neighbours will be returned when called upon in the future. Similarly, residents are willing to gather together or pool resources to improve road, drain, and other community

infrastructure when they know that they will be able to enjoy these improvements. In addition, a mixed income and stable settlement allows for the extension of charity from richer households to poorer households whether in the form of credit for food and supplies, rent subsidies, or work projects. The insecurity in Tanah Longsor and the subsequent out-migration of the wealthier and more secure residents only served to further marginalize those most reliant on these communal support systems.

It is interesting to note that the reasons that respondents gave for choosing to live and/or build in their *ruli* settlement varied between the two case studies. Respondents in Tiban Kampung cited social connections and the strong community atmosphere in Tiban as the prime reason for choosing the settlement. Twenty-six of the respondents had settled directly there suggesting that they already had friends or family living in the community. On the other hand, residents of Tanah Longsor emphasized the importance of being located close to markets, work and the city centre. This prioritization of access to income earning opportunities over all else may reflect the real economic vulnerability of these residents *vis-à-vis* their counterparts in Tiban Kampung. Only twelve respondents had come directly to Tanah Longsor and many had lived in a number of other locations before moving there. This transient history likely made the residents of Tanah Longsor reluctant to make considerable investments either socially or physically, thereby creating the very conditions of anomie and social and environmental decay that authorities tend to 'naturally' associate with squatter settlements.

5.3.3 Transition to the Formal Housing Sector

While migrants and squatters may be for the most part committed to living on Batam, at least as long as economic opportunity and perception of opportunity exists, the majority are currently unable to make the step into formal sector housing. The few who can afford to make the step out of *ruli* housing are in the process of trying to acquire legal housing, or are earning income from the legal housing they already own while saving money by living in the *kampung*. For instance, three residents in Tiban Kampung had purchased RSS units in Batu Aji but had not yet moved because their house either wasn't ready or was too small for occupation. Another resident owned a house which was rented out to workers from the Batamindo Industrial Park for Rp.200,000/month and two other households had applied for housing but their applications had not yet been accepted. Four of these respondents were public sector workers, reflecting the preferential status and access given to this group. One resident in Tanah Longsor owned a legal property outside the *kampung*, while another had just purchased an RSS unit. Five other households had applied for RSS housing but had received no response to their applications.

Although there is a small proportion of residents trying to acquire legal housing, the majority remain unable to engage in such planning. The major barrier with regard to the shift into legal housing is a reliable and fixed source of income, without which the ability to secure housing credit or to make regular housing payments is severely constrained. A reliable source of income is the most important factor for securing a loan from BTN, then national savings and mortgage bank. According to the bank, this income can be from either formal or informal sector earning activities but it is rare, particularly on Batam where the housing supply is already severely constrained, for riskier households to receive loans. The majority of

respondents in Tanah Longsor and Tiban Kampung claimed to have uncertain or unreliable monthly incomes.

While many of the households earned considerably more than the Rp.200,000 monthly minimum that the bank required for a monthly mortgage payment of approximately Rp.100,000 on the smallest RSS unit⁴², without the assurance that this money would consistently be available neither the squatters nor the bank were willing to take on the responsibility of a loan. Furthermore, competing priorities like children's education, unforeseen expenses such as hospital care or the sudden need to return home, or capital investments in self-created employment/ business, often meant that less money was available for housing (a lower priority) than might be indicated by numbers alone. These findings are supported by a study of the housing needs and preferences of urban informal workers in Yogyakarta, Java, which showed an association between housing priorities and job security (Sastrosasmita and Amin 1990). Modern standard shelter, as the highest level of housing, was essential only for those who had the highest level of job security. Conversely, when job security was very low, the most important factor considered was the low price of shelter. As security of employment increased, priorities evolved from price, to distance from work place, to tenure status and finally to 'modern' amenities. (*Ibid*: 80).

The third major barrier is access to the units themselves which are in short supply and, consequently, often allocated to those financially and politically well-positioned. As one

⁴² While the figure Rp.200,000 was given as a minimum monthly income figure for RSS financing consideration, it is very unlikely that an applicant with low salary would, in fact, secure funding. With this level of income, it is very difficult to save any money on Batam where the cost of living is very high and this wage only gives a household Rp. 6,700/day to meet all their basic needs, a difficult task for even one member. A Rp.100,000 mortgage payment would leave only Rp.3,300/day for all household expenditures.

resident of Tanah Longsor stated: "it is difficult these days to get an RSS unit; even those of us who have the money can't get one". Furthermore, in addition to the 10 percent minimum downpayment required, hefty unofficial "processing" payments are the norm. A recent BIDA allocation team is one effort to overcome this problem, although major problems persist. As a result, the corrupt and ambiguous process of securing an RSS unit has scared many households away from the idea of even attempting to purchase a unit. Others are left frustrated as they wait indefinitely for some kind of response to their applications. Because the process is so difficult to navigate, some squatters have fallen victim to middle-men offering to help them jump the long queue, usually without results.

A fourth and significant barrier is household size. While a one-bedroom 21m² unit may be affordable for some, it may not be large enough to house either a nuclear or an extended family. Furthermore, expanding the unit to include a second small bedroom requires additional outlays of cash which may not be available. RSS units are often referred to as "*rumah sangat sempit*" (very constricted or narrow house) instead of their official title as "*rumah sangat sederhana*" (very basic house). Almost all *ruli* house owners currently have, expect to have, or have had relatives or village relations stay in their homes either temporarily or long-term while establishing themselves on Batam. In addition, many *ruli* households on Batam are not nuclear family-based arrangements. Rather, they shelter friends and unmarried kin who may not be interested in making such a considerable financial commitment at this stage in their lives.

Finally, there is another "softer" or less-tangible reason *ruli* residents may be disinclined to move into low-cost housing developments. Particularly in Tiban Kampung, residents expressed a reluctance to leave the community and family atmosphere of the *kampung* for the

individuality and anonymity of housing estates⁴³. They complained of the physical monotony of these developments, the barrack-like housing units, and the desert-like conditions without gardens and greenery. The predominant perception was that while the physical structure of the house may have been superior, the quality of life was inferior. Not surprisingly, this kind of sentiment was not expressed in Tanah Longsor where both the social and physical environment could be considered rather degraded.

5.4 Conclusion

The current approach to addressing the *ruli* housing problem, with its focus on encouraging unskilled migrants to leave Batam and to shift *ruli* residents into formal housing options such as RSS, RS, and apartment-style rental units, cannot adequately address the squatter problem. To begin, this approach underestimates the expressed and latent commitment of migrants to Batam, who, however difficult their living conditions may be, have little incentive to return to their areas of origin. This commitment, rather than a burden, should be viewed as a untapped resource. Supportive measures will mean committed migrants will invest more of their earnings into Batam, consolidate existing entrepreneurial activities and physically consolidate their homes and communities. In turn, a stable population on Batam will go far in transforming the island from the frontier-town that it is to

⁴³ For example, some comments by two residents were: "We are already like blood relatives here (*mendarah daging*). We feel compatible (*cocok*) like family members and we already know these surroundings. If we move, we'll have to adapt again to new surroundings. This place is suitable for us now and we have many friends here. In an RSS estate there is no such feelings of fraternity"; and, "it is difficult to leave our good neighbours. It is safe here and close to work. In a housing complex, people keep to themselves." Both these comments underly the importance of social support networks and suggest that the energy required to establish these connections constitutes a considerable investment not to be easily abandoned.

a place with an identifiable sense of place, culture and identity. These features will make it attractive to developers and investors in the long-run who seek a stable social, economic and environmental climate. It will also transform the island into one that distinctly belongs to Indonesia rather than solely to the multinational corporations currently shaping the development agenda on the island.

Alternatively, antagonistic policies will only serve to increase migrant vulnerability and insecurity, thereby creating the very conditions of 'marginalization' that planners had sought to avoid in this controlled development experiment. By threatening and dismantling communities and dispersing residents to ill-sited temporary resettlement sites, current policies ignore the vital importance of socio-economic support networks which ease the migrant experience and help migrants to manage on low and unreliable cash incomes. These support-systems are carefully nurtured and maintained and are not inconsequential resources upon which migrant households draw. Evidence from the two settlements demonstrates how important these networks, when allowed to flourish, can be and how the absence of such support severely limits the potential of a community for self-improvement, consolidation, and wealth-generation.

Finally, the housing shortage on Batam is not one simply of physical supply. Supply will not eliminate the problems which keep the majority of residents from securing legal housing which include economic vulnerability, a biased process of housing allocation, and specific housing needs and priorities which currently are not taken into account by existing options. Alternative strategies which take these barriers and limitations into account must be explored and considered.

CHAPTER SIX:

CONCLUSION:

PLANNING FATE - SECURING THE FUTURE OF DEVELOPMENT ON BATAM

“The most pressing unmet needs of the world’s people are for food security, adequate shelter, clothing, health care, and education –the lack of which defines true deprivation. With rare exception, the basic resources and capacity to meet these needs are already found in nearly every country- if those who control the resources would make meeting basic needs their priority” (Korten 1995:22).

6.0 Introduction

The pervasiveness of '*pasrah*' in Indonesian culture has been criticized as a major stumbling block to development. *Pasrah*, translated as 'submission to one's fate', is an attitude that is often narrowly interpreted as apathy. In this interpretation, reasons explaining the adoption of this attitude are not given sufficient consideration. To be just, it is the unpredictability and lack of control over fate itself, and not submission, which must be understood as the major culprit limiting development in Indonesia.

Without security, it has been demonstrated that people will act tentatively. Frequently, residents would simply answer: “*nasib tidak bisa dipastikan*” – “fate can not be determined”, when asked what course they would take if and when their settlement was cleared. While this behaviour is an essential survival mechanism, it is antithetical to community building, stability, and meaningful development.

Few would argue that the future can (nor should) be known in its entirety. However, a broad framework should be perceptible that allows people to plan their lives, take risks, and invest in themselves, their families, and their communities. This ability to plan for the future

is the foundation of a strong society and a vibrant and healthy economy. At the very least, the security of shelter should form the stable base from which individuals are able to interact with all other indeterminable forces “out there” which shape and challenge their lives.

It is ironic that there is such uncertainty in life on Batam when the island’s development model is predicated on a tightly controlled and prescriptive planning approach. It is obvious, however, that this planning approach has failed. The proliferation of squatter settlements around the island is the most obvious sign of this failure. This has happened for a number of reasons.

First, Batam's course has been powerfully driven by political vision rather than modeled around the practical realities of development in Third World cities. Second, national and international forces play a much stronger role in directing development on Batam than do local or regional bodies. Third, this centric top-down structure means that local people are not invited to participate in the development process nor are their voices seriously considered in policy making and planning. This lack of consultation has meant that despite targeted policies, squatter settlements persist as the dominant form of housing on Batam.

6.1 Bringing Vision Driven Development in line with Urban Realities

From the start, politicians and bureaucrats in Singapore and Indonesia had very clear development aims for Batam and the SIJORI GT. For both countries, the GT arrangement offered some degree of control over the uncertainties of global trade and international capital. For the Singaporeans, the arrangement offered an appealing solution to national economic restructuring. Industry, no longer viable in Singapore, could be relocated to Batam or Johor

where land and inexpensive labour could support continued operation under Singaporean control. With 100% foreign ownership and only 5% divestment after 5 years, the incentive to relocate to Batam was strong.

Meanwhile, the Indonesian central government, along with key business groups in Indonesia, saw an opportunity to harness international investment and to develop a very strategic corner of the archipelago right on Singapore's doorstep. Batam was envisioned as the "gateway" to the economic activities of the Association of Southeast Asian Nations. The arrangement, as envisioned by BIDA Chair, B.J. Habibie, was a valuable opportunity for Indonesia to fast track its economic and technological development and bump Batam rapidly up the industrial development ladder (Habibie 1991). Guided by this vision, Batam has enjoyed high rates of economic growth and the development of major infrastructure projects and high-end amenities. At the same time, low-value added industries such as the textile and garment enterprises have been forced out and basic infrastructure and services have been neglected.

The imagery surrounding Batam's future speaks of a modern metropolis, able to compete with Singapore and attract foreign investors and tourists. Rather than model Batam's future around the practical realities of urban development in the Third World --rural-urban migration, high underemployment, low levels of education, and a large informal economy-- Batam's future was modelled on a high-tech dream founded upon strict planning controls and economic manipulation.

Batam is not the only development project guilty of such fantasy. Many new towns such as Brasilia and Chandigarh were also guided by lofty ambitions and have not fared well when the reality on the ground has been compared with paper plans. However, absent from the

Batam plan is even the discussion of creating a functionally integrated city, with a sense of permanency (over the long term), a distinct sense of place, an exciting local culture, or a diverse mix of socio-economic groups and activities. Integration between Singapore and Indonesia has been restricted to very specific functions and activities.

Batam has prioritized a 'fast track' development strategy that has resulted in fragmented enclaves of investment, such as the Batamindo Industrial Park, golf courses, and luxury housing estates, protected from the diseconomies and constraints of their surrounding environment. Politicians, planners, and investors all believed these islands of wealth could exist in isolation from the surrounding environment (Grundy-Warr, Peachey, Perry 1997: 25). However, as pressure for land, housing, employment, and services on the island has dramatically increased with the growing population, this isolation is no longer possible.

In short, the GT project has been geared to the needs of international and national investors rather than to the local/regional needs of the Indonesian people who live and work on Batam. Very basic needs such as access to housing, infrastructure and services, education, transportation, employment opportunities, community structures, and tenure security are not being met nor have they been prioritized. While some attention was drawn to the need to plan for the informal sector in the most recent revision of the master plan, the mention is cursory and no real solutions are proposed.

The highly visible social and economic polarization on Batam is beginning to harm the island's ability to attract new investors and skilled managers, who feel wary as local tensions mount. "Part of the attraction of the Batam project to Singapore's economic planners was that the island situation offered a context in which migration and urban development could be carefully controlled" (*Ibid*: 25). Squatter housing is one of the most visible signs of this loss

of control. It is crucial that Batam move beyond its current enclave mentality and focus on meaningful local development if it is to continue to attract and retain foreign interest over the long run.

6.2 Bringing Local Leadership and Control into the Development Equation

From the start, the central government considered Batam to be strategically and economically too important to be left to the local government and assumed responsibility for all major decision-making (Wong 1995:22). As a result, most development funds are channeled directly to BIDA which decides on their use and budgeting. This situation left the regional government and the local municipality with very little say over developments taking place. It was expected that once facilities were developed up to a certain level, BIDA would transfer the responsibility for the development of the island to a regular government ministry or unit, as is the case in other Indonesian regions. However, to date, these levels of government remain largely disconnected from the development taking place:

Although the delegation of development functions to BIDA may have provided the administrative and financial conveniences leading to the growth and development of Batam, the role of the local government has become more passive and reactive than before. There is increased concern that local and regional interests will take second priority (*Ibid*: 28)

While regular coordination meetings are scheduled between BIDA and the local and regional governments, these meetings are inadequate in terms of devolving responsibility and finances for local planning.

Currently, the responsibility of the municipal planning agency is largely restricted to the social welfare and administrative functions for Batam Island. However, despite this

restricted mandate, the local government does not have the financial resources, human resources, or authority to deal with the social problems on the scale with which they are emerging. At this juncture, it is critical that this transference of power from central to local government be carefully initiated allowing the local government to deal more effectively with the problems of housing, basic service delivery, unemployment, community health and education in a comprehensive and integrated way. "If such an opportunity is not provided, a poorly qualified and inadequately trained staff will continue to characterize the local government which will always be regarded as incapable of performing the assigned responsibilities and functions" (*Ibid*: 43-44).

Due to the separate mandates of BIDA (development function) and the local government (services and governance), conflicts in policy continue to complicate the *ruli* problem on Batam. An excellent example of this conflict is the case of the Batu Aji Lama temporary resettlement site where the local government upgraded paths and drains while BIDA was emphasizing the temporary nature of this settlement to residents. The same conflict occurs in other squatter settlements when the local government tries to extend public health, public education, or other basic services to these areas.

Another point of conflict has been the issuance of residency cards to 'illegal' squatters by the local government. Providing these cards provides the municipal district offices both legitimate (in terms of fees) and illegitimate (in terms of bribes) sources of income and, in return, provides squatters with the ability to apply for formal work, register their children in school, receive medical services, or vote in national elections. The municipal government understands this service to be not only one of their responsibilities to people living in the municipal jurisdiction, but its obligation to guarantee internal security and some measure of

control over the local population. The local government is in a difficult position with its dual obligations to BIDA and its citizens.

The main interaction point between *ruli* residents and the government is through local block (RT) and village (*desa*) leaders with the local sub-district of the municipal government. If the problem is to be addressed in any comprehensive or responsive way, this level of government clearly needs to be more involved.

6.3 From Directive to Responsive Planning: Closing the Gap Between Vision and Reality

“Orang kecil begini - siapa yang mau dengar?”
(This is how the common folk live – who wants to hear about it?⁴⁴)

This top-down structure governing and directing development on Batam has meant that local people have not been invited to participate in the development process nor have their needs been solicited or considered in policy making and planning. Not surprisingly, this has meant that the Batam that is emerging is fraught with deep social inequities, rising economic tensions and a degraded natural environment. More specifically, despite targeted policies aimed at discouraging the formation of squatter settlements, *ruli* persist as the dominant form of housing for low-income people on Batam.

Without local participation, effective means to address the squatter issue will continue to elude planners and decision-makers. To avoid planning which results in displacing squatters from one locale to another, a community based approach which values citizen involvement

⁴⁴ Resident of Tanah Longsor settlement speaking about the state of the poor and the deaf ears of government on Batam.

and in depth assessments of the needs and constraints that confront *ruli* residents is required. The dominant perception of migrants as untrustworthy, poor, unskilled, and opportunistic and the perception that these people do not legitimately 'belong' on Batam must change. This approach will require devolving decision-making power and a genuine commitment to strive for more equitable development.

Batam's current governance structure, with BIDA based in Jakarta, is modelled after similar top-down structures guiding new towns projects elsewhere. In all cases, this model is presumed to offer more control over planning and development. However, this physical and psychological detachment from the locale in which development is taking place undermines the ability of higher level authorities to either anticipate or control the spontaneous unplanned development that results from sudden investment.

Usually, the governance structures most closely tied to the local population are given only a minimal and secondary role to play. However, it is precisely these local level actors, be they governmental or non-governmental, that have the sensitivity to recognize and understand local conditions and needs. On Batam, both informal local leaders and civil servants in the municipal government repeatedly expressed their frustration at their inability to exercise any meaningful influence or control over the developments taking place. It seems that it is this level of authority that is most likely to understand the importance of involving local people in decision making, recognizing the role of the informal housing and employment sectors, and understanding the social and capital investments migrants make on Batam.

Research conducted in Tiban Kampung has demonstrated that given a degree of tenure security, squatters are eager to upgrade not only their private homes but community

infrastructure as well. Furthermore, even those squatters living in settlements as tenuous as Tanah Longsor, without any security of tenure, demonstrate a considerable commitment to life on Batam. Together with a network of supportive friends and family members, they persistently struggle for access to land, housing, work, and fulfilment despite the difficult and changing circumstances with which they are faced. Providing opportunities for migrants to invest in their lives, their homes, their work, and their communities is the key to developing a stable and prosperous urban economy.

Furthermore, some squatters are capable and eager to move into the formal sector but are constrained by corrupt allocation processes and a shortage of legal housing units. Many more do not have a stable or sufficient source of income to secure a mortgage for an RSS unit. Moving for many will mean a loss of rental income or earnings from small home- or community-based businesses. For others still the RSS unit does not meet their needs in terms of design, layout, location, or lifestyle. If the needs of this larger group are not taken into account, it is clear that squatting will continue to annoy authorities on Batam, consuming land designated for other uses and causing policies focused on providing formal housing units to fall short.

Acceptance of the informal sector through the devolution of power will allow policies to shift away from clearance and formal sector housing supply in favour of policies which recognize the central role *kampung* settlements play in supplying, maintaining and managing the low cost housing supply in Indonesia. This shift would allow space for alternative policies to be explored like dedicating well-located land for *kampung* development, selectively upgrading existing squatter settlements through a modified version of the Kampung Improvement Programme (KIP), granting land title to squatters, encouraging the

formation of community-based housing cooperatives, encouraging the private sector to supply a wider variety of housing options, and working together with communities and development consultants to develop innovative and affordable solutions to settlement problems and the resettlement of communities. These strategies have been pursued successfully elsewhere in Indonesia. The models already exist—what is required is their acceptance, adaptation and implementation.

6.4 Conclusion

Rapid growth on Batam has brought measurable economic gains but has also left many people behind; the time has come to support their full participation in the local economy.

While a basic needs argument is enough to justify a new approach, a more relevant argument to those behind the project may be the reality that social and economic disparities are beginning to destroy economic gains on Batam. The 'fast track' development vision needs to be tempered in favour of a sectorally integrated, locally controlled, and equitable approach that values participation in the development process. If not, control over human settlements will continue to elude both planners and security forces.

By reorienting the development focus, Batam will become a much more viable urban economy, ironically less dependent on foreign investment but, at the same time, more attractive to foreign investors and tourists. At the same time the local reality, that experienced by migrants, workers, and other residents, and true development indicators such as quality of life, access to basic services, and employment opportunity, will be improved significantly.

Diversification and sophistication are the keys to survival in today's globalized economy. Investing in Batam, in the people who live there, and in a long term vision of its future will ensure that Batam makes the transition from industrial production zone and booming frontier town to a vibrant, viable and functioning urban place. When it is that, it will truly become Indonesia's gateway to ASEAN and Indonesia's modern face on the world.

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Appendix I

INTERVIEWS WITH KEY AGENCIES AND INDIVIDUALS

Batam Industrial Development Authority, Jakarta

- Ir. Koernia R. Asih Dumais

Government officials at the Batam Industrial Development Authority, Batam

- Ir. Joki Muchayar, MSP
Inspector of Development
- Ir. Tjahjo Prionggo
Director for Planning
- Candra Badudu, M.Sc.
Head of Land Use Planning
- Ir. Dendi N. Purnomo
Head of Environmental Planning and Protection
- Horman Pudinaung
Head of Data Analysis
- Rezasyah
Development Officer
- Drs. Nanang Hardiwibowo
Map Department
- Soeharsoyo and Eric Wotulo
Directors for Security, TP3 - Team to Control Human Settlements

Municipality of Batam

- Drs. Syamsul Bachrum, M.Sc.
Urban and Regional Development Planner
Planning Department, Municipality of Batam
- Ir. Chris Setyarso. T.
Head of Social Rehabilitation
Department of Social Affairs
- Many government officials at both the Camat (District) and Desa (Village) Levels

National Housing Development Corporation (Batam – Tanjung Pinang Unit)

- Staff person

State Ministry of Housing (Menpera)

- Sri Probo Sudarmo
Technical Advisor, Government of Indonesia - UNDP - UNCHS

Non-Profit Organizations

- Sri Soedarsono
Director, Koordinator Kegiatan Kesejahteraan Sosial, Batam
- Subhan Noersi, B.Sc.
Social worker, Koordinator Kegiatan Kesejahteraan Sosial, Batam
- Vivienne Wee
Programme Director, Centre for Environment, Gender and Development, Singapore
- Abdur Rackman Djahe
Site Manager, Musyawarah Kekeluargaan Gotong Royong

Private Sector

- Teuku Junaidi
Bank Tabungan Negara, Batam Branch
- Drs. Samuel Purba
Head, Batam Real Estate Association
- Dharman Purba
Developer, Garama Group
- Benny H. Panjaitan
Director, P.T. Ratu Baja Indah - General Contractor - Developer
- Sardar Ali
Deputy General Manager, P.T. Tunaskarya, Indoswasta
- Low Poh Keng
Human Resource Executive, P.T. Tunaskarya, Indoswasta

Academic

- Prof. Tommy Firman
Department of Planning, Institut Teknologi Bandung

- Mochtarrram Karyoedi, Ir., M.Sc.
Department of Planning, Institut Teknologi Bandung
- Ho Kong Chong, Phd.
Department of Sociology, National University of Singapore
- Carl Grundy-Warr, Phd.
Department of Geography, National University of Singapore
- Martin Perry, Phd.
Department of Geography, National University of Singapore

Appendix II

INTERVIEW GUIDE FOR RULI RESIDENTS

No. _____
RT _____ RW _____
KTP _____ KK _____

RESIDENT PROFILE / PROFIL PENDUDUK

1. Sex - Jenis Kelamin:
2. Age - Umur:
3. Origin Area - Dearah Asal:
4. Ethnicity - Suku Bangsa:
5. From Village/ Urban area - dari desa/kota:
6. Single / Married/ Children – Sudah/Belum Kawin / Berkeluarga:
7. When did you come to Batam - Kapan datang ke Batam?
8. From where - Di mana tinggal sebelum datang?
9. With who (alone, followed someone, with family) Bersama siapa datang ke sini (sendiri, ikut teman/keluarga, kelompok)?
10. Why did you decide to come to Batam? Apa alasan pindah ke Batam?

PROCESS OF SECURING HOUSING

11. How did you first find shelter on Batam ? Bagaimana cara mendapat tempat tinggal pertama kali mendarat di Batam?
12. How many times have you moved since then and how did you find shelter each time?
Sejak datang, berapa kali pernah pindah dan bagaimana dapat tempat tinggal setiap kali?
13. Why did you move - Kenapa pindah?

CURRENT HOUSING STATUS

14. How did you obtain this house – self-built, purchased, rented, rent room, friend/family house? Bagaimana dapat rumah ini - membangun sendiri, beli, sewa, sewa kamar, rumah teman / keluarga?
15. Housing costs - to build / to buy / to rent current shelter? Berapa ongkosnya membangun, beli, atau sewa rumah ini?

HOUSEHOLD COMPOSITION

16. How many people live here - Berapa orang menetap di sini?
17. What is their relationship - Apa hubungan antara para penghuni rumah ini (keluarga, teman, saudara daerah asal)?

PRIORITIZATION OF SHELTER LOCATION

18. Why did you move to this *ruli* settlement/ area, or why did you choose to build here?
Mengapa memilih beli/ membangun rumah di lokasi *ruli* ini? (harga, pemilikan, sumber air, dekat kerja-pasar-kota, transportasi, hubungan sosial, dll.)
19. What was the most important factor in deciding? Apa prioritas terpenting?

20. How long do you intend to stay in this house - Berapa lama anda merencanakan tinggal di lokasi/rumah ini?

WORK HISTORY ON BATAM

21. How and where (activity, location) do you earn income now? Penghasilan didapati dari pekerjaan apa/di mana?
22. How did you get your current job (applied, connections, self-employed, information from a friend/relative)? Bagaimana cara mendapat pekerjaan itu (dilamar, koneksi, pikin bisnis sendiri, dapat informasi/rekomendasi dari teman/saudara)
23. Is this supplemented by any other sources (petty sales, gardening/fishing, services, rental income)? Selain penghasilan gaji, ada pendapatan lain dari jualan, dari kebun sendiri atau laut (dalam bentuk makanan), menyewakan kamar?
24. What did you do to earn income / livelihood when you first arrived? Pertama kali datang ke Batam, apakah anda lakukan untuk mendapat penghasilan?
25. What other work have you done or skills do you have? Pekerjaan apa saja yang anda pernah lakukan dan mempunyai ketrampilannya apa?
26. What is your history of unemployment? When? How long? Pernah menganggur di Batam? Kapan? Berapa lama?
27. How secure is your current job (contract, project-specific)? Pekerjaan itu terjamin untuk berapa lama (kontrak, proyek, pengunduran)?
28. What is your level of education? Pendidikannya sampai kelas berapa / kursus lain?

INTENTIONS TO SETTLE ON BATAM

29. How long will you stay on Batam (permanent, temporary, circular migration)? Berapa lama rencana tinggal di Batam (tinggal tetap, sementara, pulang pergi)?
30. What does it depend on? Apa yang mempengaruhi keputusan untuk tinggal atau pergi dari Batam?
31. Where do your children go to school if at all? If on Batam, will they continue to study on Batam? Anak-anak Bapak/Ibu sekolah dimana? Rencana Bapak/Ibu menuruskan pendidik mereka di Batam?

INVESTMENT ON BATAM

32. Do you send money home or keep savings here? Apakah anda berhubungan dengan daerah asal lewat pengiriman uang?
33. Does sending money home prevent you from improving your own living conditions here on Batam? Apakah pengiriman uang itu merupakan salah satu keberatan atau hambatan yang mencegah kemajuan kondisi hidup di Batam?
34. How much money do you save each month - where do you save? Berapa jumlah tabungan setiap bulan - tabung di mana?
35. What are your savings to be used for? Tabungan akan dipakai buat apa?

MIGRATION FLOWS

36. Do you anticipate any family/friends will follow you here? How many have to date? Ada saudara atau teman yang akan ikut anda kesini? Siapa saja yang pernah/akan ikut?

HOUSEHOLD INFRASTRUCTURE

- 37. water source – Air:
- 38. toilet facilities- WC:
- 39. electricity source – Listrik:
- 40. garbage disposal (how/where) – Sampah:

BASIC NEEDS AND EXPENSES

Daily expenses / Pengeluaran/biaya hidup setiap hari Kebutuhan Dasar

- 41. Food – Makanan:
 - 42. Electricity –Listrik:
 - 43. Water –Air:
 - 44. School –Sekolah:
 - 45. Transportation –Pengangkutan:
 - 46. Rent –Sewa kamar/rumah:
 - 47. Other – Lain:
48. Daily or monthly income? Pendapatan setiap hari atau per bulan?
49. Approximately, how much if any of this is fixed/reliable income? Kurang lebih, berapa jumlah pendapatan itu yang tetap?

SELF-UPGRADING

50. What physical improvements have you made on your house since moving here?
Perbaikan-perbaikan apa yang anda sudah melakukan pada rumah ini?

DAILY PROBLEMS

51. What are the biggest day-to-day problems here in this settlement? Apakah kesulitan sehari-hari terbesar yang dihadapi oleh penduduk yang tinggal di kampung ini?

SOCIAL SUPPORT NETWORKS

52. Would you say there is a strong feeling of community here in this *kampung*? Apakah penduduk di kampung ini merasa hidup dalam satu kampung dan bersedia untuk bekerja satu sama lain (tradisi gotong royong / rasa keramahan)?
53. What kinds of problems might you rely on family for help? When might you turn to neighbours for help? When might you turn to the community for help (through organizations, ethnic groups, religious affiliates, etc.)? Jika ada masalah atau perlu bantuan kepada siapa anda meminta tolong? Masalah bermacam-macam apa yang memaksa anda minta tolong dari keluarga, dari tetangga, dari organisasi masyarakat/suku/ibadah?
54. Do you know of or belong to any community savings groups, cooperation groups, etc.? Apakah ada organisasi masyarakat atau organisasi lain di sini yang mengurus usaha-usaha sosial, fisik, lingkungan, dll.? Organisasi apa yang anda ikut?
55. Have you ever participated in an upgrading project? What was the project? Pernah mengikutsertakan proyek kerjasama / gotong royong? Beri penerangan.

56. Where are most people from who live in this area / *kampung*? Is there a majority of a particular ethnic group? Mayoritas penduduk yang tinggal di sekitar sini asalnya dari mana?
57. Are there any sources of tension between groups or people living here? Apakah ada ketegangan antara kelompok-kelompok atau orang-orang tertentu?

LEADERSHIP

58. Who is considered the "local leader" here – either formally or informally? Siapa dianggap pemuka atau pemimpin rakyat di sini secara resmi atau tidak resmi?

KAMPUNG IDENTITY

59. What makes this *kampung* unique, different than others? Bagaimana kampung ini bersifat lain dengan kampung-kampung liar lain di Batam?

OTHER OPTIONS

60. When do you anticipate this *kampung* will be cleared? Kapan kampung ini akan ditertibkan?
61. What will you do then? Pada saat itu, anda akan pindah ke mana (TPS, Ruli, RSS)?
62. Will the household move together? Apakah semua orang yang menetap di rumah ini sekarang akan pindah bersama-sama pada saat penertiban itu?
63. Will you receive any compensation either from BIDA or the developer? Apakah anda akan dapat ganti rugi dari Otorita atau developer?
64. Do you have either a plan or the desire to purchase an RSS or RS unit on Batam? Anda punya rencana atau keinginan beli RSS atau RS di Batam?
65. Barriers to formal housing market (credit, financial, physical, locational, social)? Hambatan membeli/mengontrak RSS atau rumah resmi lain? (kredit, penghasilan tetap/cukup, lokasi, ukuran, gaya hidup, lingkungan)
66. Barriers to formal rental market? Hambatan menyewa kost, kamar, rumah?

OBSERVATION NOTES

Physical features of the house:

67. materials
68. no. of rooms
69. toilet
70. furniture
71. car / motorbike

Physical features of the area surrounding the house

72. garbage
73. flooding
74. access-footpath, motorcycle, car
75. terrain

76. Local Quips / Peribahasa Batam?