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### Floods in (post-) New Order Jakarta

*A political ecology of urbanization*

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#### Publication date

2022

[Link to publication](#)

#### Citation for published version (APA):

Batubara, B. (2022). *Floods in (post-) New Order Jakarta: A political ecology of urbanization*. [Thesis, externally prepared, Universiteit van Amsterdam].

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# 3

## EXTENDED AGRARIAN QUESTION IN CONCESSIONARY CAPITALISM: JAKARTA'S *KAUM MISKIN KOTA*<sup>17</sup>

**Abstract:** This article reassesses agrarian questions by using the ongoing explosion in urban and urbanization theories to explain Jakarta's urban poor (the *Kaum Miskin Kota*) as a rural question that extends to the city, an 'extended agrarian question'. It shows how the two capitalist development trajectories identified by Lenin, the Russian and the American paths, the feudal large- and small-scale landholders transformation into capitalists, are not the case for a near-South country like Indonesia, but a 'concessionary capitalism' of large-scale land claims and allocations by the state. This specific process produces specific agrarian questions of soil/land and labour through which the urban poor germinated. It closes with a political project to open more alliance-building possibilities between urban and rural social movements.

**Keywords:** extended agrarian question, urbanization, near-South, Indonesia, urban poor, concessionary capitalism.

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<sup>17</sup> This chapter has been accepted as Batubara, B. and Rachman, N.F. (accepted). Extended Agrarian Question in Concessionary Capitalism: The Jakarta's *Kaum Miskin Kota*. *Agrarian South: Journal of Political Economy*.

### **3.1 EXPLOSION OF URBANIZATION THEORY AND OPENINGS TO RECALIBRATE AGRARIAN QUESTION**

The re-emergence of sociospatial theories around the coinage of “planetary urbanization” (PU) as a way to explain how urbanization processes move all the way around the world (edited volume by Neil Brenner, [2014]) has invoked an explosion of conversation among urbanization scholars (Arboleda, 2016; Buckley and Strauss, 2016; Brenner, 2018; Castriota and Tonucci, 2018; Derickson, 2018; Goonewardena, 2018; Jazeel, 2018; Keil, 2018; Khatam and Haas, 2018; Kipfer, 2018; McLean, 2018; O’Callaghan, 2018; Oswin, 2018; Peake et al., 2018; Pratt, 2018; Reddy, 2018; Schmid, 2018; Connolly, 2018; Ghosh and Meer, 2021; Angelo and Goh, 2021; Oswin and Pratt, 2021; Vegliò, 2021). It is a re-emergence, because the main backbone of PU theory is Henri Lefebvre’s (1970[2014]: 36) old adagio that “society has been completely urbanized”. The notion of extended urbanization, one of the triad sociospatial infrastructures of PU that unidirectionally assumes the countryside as an “operational landscape” for the city, has been used to identify openings to recalibrate agrarian questions (Ghosh and Meer, 2021).

Ghosh and Meer (2021: 2) argue that the urban or urbanization question is an “inextricable” part of the agrarian question. “Any thoroughgoing epistemological reformulation of the former”, according to them, “requires sustained dialectical engagement with the latter”. They identify the “then and now” variegated trajectories of agrarian question into “agrarian question of capital” and “agrarian question of labour”. According to Ghosh and Meer (2021), the agrarian question of capital has its roots in Marx explanation of the emergence of classes in society. The subsumption of the countryside under the rule of town is the point of departure for capital expansion. Marx identifies this process as primitive accumulation with its double edges: the separation of the countryside’s people from land and their transformation into wage-labour. The city’s industrial capital, in this model, extends to the countryside. This model was taken up by Kautsky’s (1988[1899]) agrarian question and Lenin’s work (1978) on Russian agrarian change. According to Ghosh and Meer (2021: 7), Lenin (1978) identified two processes from which capital in the countryside unfolds. The first is the Russian path, in which the feudal rural large landholders transformed themselves into agricultural capitalists, a capitalism “form above”. According to Lenin (1978: 239), this is a feudal “landlord economy”. The second is American path, in which with the absence of rural large feudal landholders the small landholders competed and differentiated between themselves for the formation of agricultural capitalism, a capitalism “from below” (Ghosh and Meer, 2021: 7). In this second path, according to Lenin (1978: 239), “the patriarchal peasant” transformed themselves into “bourgeois farmer”.

Ghosh and Meer (2021) engage with the agrarian question of labour through Henry Bernstein’s (2006) claim that the agrarian question of capital is no longer relevant, particularly from the 1970s onwards. According to Bernstein (2006), this happened because the end of predatory landed property due to the rise in land reform program in

the 1970s, state-led developmentalism, and agricultural production. Taking agrarian question of labour as a gauging device, Ghosh and Meer (2021) identify three openings to recalibrate agrarian question: the global depeasantisation and deruralisation in 1970s formulated by Araghi (1995) as labour dimension of extended urbanization, land dispossession through operational landscape is not always the colossal made by the state or powerful actors but also through the daily life such as Li's (2014) "intimate exclusion", and the periodization of the agrarian transformation.

We appreciate Ghosh and Meer's (2021) call for recalibrating the agrarian question. Yet, we are also aware that every knowledge production has to be "situated" (Haraway, 1988) in a specific political coordinate, and therefore, we aim to situate those openings in Indonesian context, without neglecting that Indonesia is a world's core operational landscape and part of the geography of global capital division of labour. From specific Indonesian experiences, we identify two problems in capitalist development trajectories, as explained by Ghosh and Meer (2002). First, capitalist development in Indonesia – the "agrarian question of capital" – neither takes Russian nor American paths. Neither the feudal large-scale landlord nor the entrepreneurs of small-scale landholders managed to advance into dominant capitalists (see: White [2018]; Habibi [2021]). Second, neither does it fit Bernstein's claim on the agrarian question of labour, because land reform in Indonesia was abolished (Bachriadi dan Wiradi, 2013) in ideological battle and the move of the newly independent nation-state from nationalist-left to pro global capitalism in 1965 (Farid, 2005; Rossa, 2006; Simpson, 2008; Redfern, 2010; Larasati, 2013; Melvin, 2018; Robinson, 2018), and rice sufficiency as a result of the Green Revolution only worked for around a decade, from 1984 to 1995 (McCarthy, 2013: 192).

Precisely here, we engage with Ghosh and Meer (2021). First, we re-engage with the agrarian question of capital by paying specific attention to Indonesia's case in which the agrarian question unfolded in the colonial era and continuously infuses the post-colonial state, particularly through large-scale land claims and allocations of land concessions by the state. We explain this type of capitalist development as 'concessionary capitalism'. Second, we engage with the agrarian question of labour by showing that in Indonesia, the proletarianization (the transformation of human labour in general into human labour in capital relations) was hindered because of the insufficiency of spaces in the industrial sector to absorb the dispossessed; population is surplus to industrial needs. Marx (1867[1982]) called this surplus people as "relative surplus population/RSP". We use RSP to explain the crash of urban poor in the urban area of the near-South Indonesia – "near-South": a way to express the Global South with an awareness of no need for a catching-up development with that of the Global North, even though the framework of development in the former is bordered by the achievement of the latter (Simone, 2014). We identify the Jakarta's urban poor as part of "stagnant RSP" – one category under Marx's RSP – that is, people who were expelled from the countryside, surplus to industrial needs, managed to acquire irregular jobs and live in precarious urban spaces,

and are constantly under the threat of urban eviction. The term *Kaum Miskin Kota* (*KMK*, urban poor), following Lane (2010), is a specific term in Bahasa Indonesia that describes this group of people. We identify the *KMK* as an 'extended agrarian question', a rural problem that extends into the city. In other words, we see that Kautsky's (1899[1988]) agrarian and Engels' (1887) housing question are inseparable.

We do not neglect capitalist development by means of agrarian differentiation in rural Indonesia through uneven land access and ownership facilitated by competition between villagers, as has been eloquently and convincingly elaborated by others (White, 1977 and 2018; Hart, 1978; Pincus, 1996; Rachman, 1999; Breman and Wiradi, 2004; Bachriadi dan Wiradi, 2013; Li, 2014). What we aim to do is to explain Indonesia's capitalist development differently, as a concessionary capitalism. We narrate our story of extended agrarian question and concessionary capitalism through theoretical conversations between concession, extractive regime, primitive accumulation, and RSP.

### **3.2 THEORETICAL CONVERSATION: CONCESSIONARY CAPITALISM FOR AGRARIAN QUESTION OF LAND AND LABOUR**

In this context, capitalism is understood as a system of capital valorization. Marx (1867[1982]; 1885[1978]) conceives the starting point of capital valorization as a process through which capitalists distribute a sum of money to buy both means of production, constant capital and labour power, or variable capital. The former refers to the portion of money used to buy machinery, equipment, and raw materials. The latter refers to the portion of money that is used to pay wage-labour, human labour under the capital relation. The capitalist then runs the production processes to produce commodities in which surplus-value, the unpaid portion of wage-labour's work, is exploited by and for capitalists.

We draw "concession" from Vesser (2013) and Selolwane (1980). Vesser (2013: 1136) specifically defines concession as "contracts given by government in less developed states to foreign investors," either for the development projects of roads, railways, and telecommunications or for extractive industries such as oil and mineral mining. Selolwane (1980) views concession as a part of colonization through which European capital penetrated and expanded into the heart of Africa, a "colonization by concession".

Our second theoretical interlocutor in coining "concessionary capitalism" is Gellert's (2019: 2) "extractive regime", that is, "a sociopolitical formation that relies for its power and longevity on extraction of natural resources wealth as commodities and on the importance of these commodities to the world-system's core". Gellert's (2019) example of an extractive regime is Indonesia's persistence of natural resources (crude oil, gas, coal, palm oil, paper and paper products, wood products, metals, and tuna and shrimp) extraction, particularly since the New Order regime (1965-1998), with a deep marketization of the state under the neoliberal era.

Gellert (2019) does not make explicit what “extractive” means in terms of capitalist production of surplus-value. We explain this through Marx’s (1867[1982]): 287) explanation of extractive industries and raw materials:

“With the exception of the extractive industries, such as mining, hunting, fishing (and agricultural, but only in so far as it starts by breaking up virgin soil), where the material for labour is provided directly by nature, all branches of industry deal with raw material, i.e. an object of labour which has already been filtered through labour, which is itself already a product of labour”.

Extraction then means ways in which capitalists use resources “directly provided by nature”. “Raw material” is an object of wage-labour produced through previous work of wage-labour. Contextualized in Gellert (2019) lens of “extractive regime”, the similarity between extracted and raw material is both will be used to feed the next round of capitalist production of the world’s core to which the extracted resources from the margin Indonesia is moved. Large-scale land claims and allocations/concessions are one of the foundations of Gellert’s (2019) extractive regime. Here, concession meets the extractive regime.

Land, though, is not the only source of wealth, but also labour. This is in accordance with Marx, our third theoretical interlocutor. Together, land and labour are always central to Marx’s formulation of capital valorization. Under the capitalist system of valorization, the two (land and labour) are one. Land is included as a constant capital. Labour is the variable capital. Marx (1867[1982]: 683, *italic is added*) closes Chapter 15 of *Capital I* entitled *Machinery and Large-Scale Industry* with this sentence:

“Capitalist production, therefore, only develops the techniques and the degree of combination of the social process of production by simultaneously undermining the original sources of all wealth – *the soil and the worker*”.

The combination of “the soil and the worker” was unpacked and was made more visible by Marx towards the end of *Capital I*, when he discussed primitive accumulation. Before he dedicated the entire Chapter 26 entitled *The Secret of Primitive Accumulation*, Marx (1867[1982]), as he always does, dropped a sign at Chapter 25 entitled *The General Law of Capitalist Accumulation*, when he explains how capitalist production reduces the capital variable and increases the capital constant to increase its own productivity. The transition from handicrafts to the capitalist industry in which the need for wage-labour is reduced, and with that, forcing the wage down because of labour abundance, according to Marx (1867[1982]: 775):

“may be called primitive accumulation [*ursprüngliche Akkumulation*], because it is the historical basis, instead of the result, of specifically capitalist production”.

In Chapter 26, he further defines the primitive accumulation. Capitalist accumulation is a never-ending process. To begin, a preceding condition is required. This preceding condition is assumed as a primitive accumulation, “which precedes capitalist accumulation; an accumulation which is not the result of capitalist mode of production but its point of departure” (Marx 1867[1982]: 873). This preceding condition can be in the form of soil/land and labour. The secret of primitive accumulation is how to transform and absorb the existing soil/land and population into the logic of capital. To make them both constitute the constant and variable capital. Primitive accumulation, therefore, is an act of making “gold out of nothing” that makes “great fortunes sprang up like mushrooms in a day” (Marx 1867[1982]: 917) for the capitalist.

The couple of soil/land and worker continuously come in Marx's (1867[1982]: 915, italics are added) *Capital I*:

“The discovery of *gold and silver* in America, the *extirpation, enslavement and entombment* in mines of the *indigenous population* of that continent, the beginning of the conquest and plunder of *India*, and the conversion of *Africa* into a preserve for the commercial hunting of *blackskins*, are all things which characterize the dawn of the era of capitalist production. These idyllic proceedings are the chief moments of primitive accumulation”.

It again appears in the process of colonialization, the last chapter of *Capital I*. In a colony, a specific technique of “systematic colonization” is employed by capitalists through several steps of transforming the existing communally owned soil/land into private property, increasing land price to avoid land ownership by existing populations (both native and migrants), and importing labour from the mother country while waiting for the existing population to be transformed into wage-labour (Marx 1867[1982]: 931-940). The entire process of primitive accumulation is made possible under both state and non-state regulatory and/or coercive frameworks.

In a near-South like Indonesia, not all dispossessed are absorbed in factories as wage-labour. This is simply because they are surplus to the industrial needs, as has been shown by Batubara et al. (2022 or Chapter 4 of this thesis) in how the rural Central Java dispossessed population ended up in the informal settlement of slum areas in the city of Jakarta. Marx (1867[1982]: 781-794) explains this people as RSP, which consists of four groups (Marx, 1867[1982]: 794-802), namely, floating, latent, stagnant and pauperism (for a more systematic organization of Marx's RSP see Habibi and Juliawan [2018]). The term “informality” (Bhalla, 2017) has replaced Marx's concept of RSP. Batubara et al. (2022) identify how the Jakarta's urban poor or the “nonindustrial proletariat”, or the “*Kaum Miskin Kota (KMK)*” as they are identified by Lane (2010: 185 and 188), who live at the urban informal settlement with the majority of them are workers of the “unregistered, untaxed and generally unregulated” (Habibi and Juliawan, 2018: 652) informal economy are nothing more than Marx's stagnant RSP. Their main characteristics

are “active labour army, but with extremely irregular employment” (Marx, 1867[1986]: 796; quoted in Habibi and Juliawan [2018: 652]). Marx’s stagnant RSP or Lane’s *KMK* basically consists of, among others, people who were compelled to have a rural-to-urban move either temporally, seasonally, or permanently in search for a better life, and therefore is an extended part of the near-South agrarian question.

We combine these theoretical conversations in order to meet our purposes. Broadly defined, concessionary capitalism in this article refers to ways in which capitalist development evolves mainly through natural resource extraction facilitated by primitive accumulation through large-scale land claims by and for, and large-scale land allocations issued by, the state to produce RSP, to which *KMK* is part of. We use this theoretical cross-fertilization to explain the extended agrarian question of land and ‘labour’ in Indonesia.

### **3.3 AGRARIAN QUESTION OF LAND: LARGE SCALE CONCESSIONS THROUGH PRIMITIVE ACCUMULATION**

Indonesia’s primitive accumulation proceeds through land concessions. Rachman (2013: 3) identifies large-scale land claims and allocations through concession for myriad purposes of “production, extraction, and conservation” as the root of “chronic, acute, and systematic” outburst of agrarian conflicts in contemporary Indonesia (see Table 3-1). Simply put, all the large-scale claimed and allocated lands are not empty spaces. Large-scale land allocations dispossessed the existing inhabitants, which very often are indigenous people who live from, in, and as a part of those lands. This dispossession is not specific to the New Order regime (1965-1998) of Indonesia as the way “extractive regime” is conceived by Gellert (2019), but is rooted in the appropriation of forests in colonial Java.

The appropriation of Java’s forest was marked by the penetration of the Dutch-based company of Vereenigde Oostindische Compagnie (VOC) into the heart of Java Island in the 1660s. The VOC managed to establish agreements with the feudal sultanates in Java for forest extraction. In 1776, around 3 per cent of the area in Java was operationalized for teak production (Boomgaard, 1992: 12). This transformed Java land into commercial extraction of wood, Java’s people into labour, and their buffalos into means of wood transportation. This primitive accumulation through the penetration of colonial VOC into Java Island by dispossessing land from existing inhabitants and transforming them into labour, therefore, basically accelerated the class formation in the countryside.

The transformation of the VOC into the Netherlands East Indie state provided space for the latter to set the first forest department in Java in the first decade of the nineteenth century. This was followed by the enactment of the *Indisch Staatsblad* 96 in 1865 to



regulate forest extraction by the state and the right of the state to issue forest concessions. This newly enacted law opened the door for non-state actors to enter Java's wood extraction through land/forest concessions. As a result, from the 1865 to 1875, the number of large-scale land concessions for teak extraction increased from seven to twenty-five, which increased teak production by non-state actors from 43 to 70 per cent of the total Java teak product (Boomgaard, 1992).

The Agrarian Law 1870 and the subsequent agrarian decree (*agrарische besluit*) 1870/119 declared *domainverklaring* (domain declaration) in Java and Madura Islands to claim that all the land except the land with *eigendom* claim (privately owned) are state's land. The Agrarian Law 1870 also brought in regulation for "*erfpacht*" lease that enabled land concession to the non-state up to 75 years (Djalins, 2012: 97), and can be extended according to the need of the user, for example plantation owner (Tauchid, 1952[2009]: 54). In the 1930s, under the *erfpacht* scheme, there were 590,858 ha (hectares) of land used for big plantations and 11,510 ha for small plantations, only in Java. Together with the non-*erfpacht* land, according to 1938 national statistics, there were 1,250,706 and 1,690,023 ha of plantation in Java and the outer islands, respectively (Tauchid, 1952[2009]: 58-59).

Table 3-1: Structural agrarian conflicts (compiled by authors from KPA, 2012-2020).

Sector	Sectoral and total annual agrarian conflict and total involved households									Total
	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Plantation	90	180	185	127	163	208	144	87	122	1306
Infrastructure development	60	105	215	70	100	94	16	83	30	773
Mining	21	38	14	14	21	22	29	24	12	195
Forestry	20	31	27	24	25	30	19	20	41	237
Fish pond	5									5
Sea and coastal area	2	9	4	4	10	28	12	6	3	78
Agriculture			20	4	7	78	53	3	2	167
Property					117	199	137	46	20	519
Oil and gas					7					7
Military facilities								10	11	21
Other		6	7	9						22
Total	198	369	472	252	450	659	410	279	241	3330
Total area [ha]		1,281,660.09	2,860,977.07	400,430.00	1,265,027.00	520,491.87	807,177.61	734,239.30	624,272.71	8,494,275.65
Total involved households		139,874	105,887	108,714	86,745	652,738	87,568	109,042	135,337	1,425,905
Total death [person]	3	21	19	5	13	13	10	14	11	109

Post-colonial claims over land are enforced by the Indonesian nation-state that inherits Dutch *domeinverklaring*. Control over forests in Java and Madura Islands was ruled through the state-owned forest company of Perhutani, which inherits many branches of the Netherlands East Indie forest offices, together with the knowledge to govern forest. Peluso (1993 and 2011) and Vandergeest and Peluso (2006) have termed this as “political forest”, which is the land governed by the forestry department. In today's Indonesia, the company of Perhutani controls around 2.5 millions ha of land within which around 6,381 villages in Java and Madura Islands are fully or partially enclaved (Perhutani, 2019: 2; Diantoro, 2011: 22).

The enactment of the Basic Forestry Act 5/1967 by the New Order regime gave space to the state to expand the political forest beyond the Java and Madura Islands (Vandergeest and Peluso, 2006a and 2006b; Barr, 1998; Gellert, 2003). In 2018, approximately 63 per cent of the entire land in Indonesia was designated as a political forest by the state (MEF, 2018a: 7), with around 30,000 villages inside the forest (KPA, 2012: 5). The Basic Forestry Act 5/1967 also gives authority to the state to release large-scale land concessions for forest extraction. From 1967 to 1989, an area of 53 million ha was parcelled out into 519 land concessions for non-state enterprises (Barr, 1998: 6).

Large-scale land allocation is not specific to the timber sector, but also to other sectors, such as dam development, mining, palm oil plantations, and forest conservation. From the colonial era in the early twentieth century until its boom under the New Order regime in 1990, 52 large dams were built in Indonesia (Aditjondro, 1998: 30-31). Only for the development of the most contested Kedung Ombo dam in Central Java Province in the late 1980s, 25,084 households in 22 villages were sacrificed, and a total of 61 km square of land was appropriated (Aditjondro, 1993: 12 and 129). In mining sector, as a matter of example, only for two giant mining companies of Freeport McMoRan Copper and Gold in Papua and the giant nickel mining of Vale/Inco in Sulawesi, a total of 6.85 million ha of inhabited land was enclosed under the scheme of *Kontrak Karya*, literally means “contract of work”, a specific type of land concession for mining (Sangaji, 2019).<sup>18</sup> Other approximately 11.7 million ha of land are occupied by palm oil plantations (KPA, 2017: 8). Forest conservation, or *Taman Nasional*, occupies 27,140,384.04 ha of land dispersed into 552 parcels/units in the entire Indonesia (MEF, 2018b: 3-6).

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<sup>18</sup> Interesting to observe the current ‘nationalization’ of Freeport through the buy-back of company's shares by the state-owned enterprise of PT Inalum (The Jakarta Post, 2018). Logically the profit will flow to the state and will be distributed to its population. Example of distribution scheme is the “village funds” (*Dana Desa*), in which the central government distributes fund to more than 70,000 villages. The problem is, however, without agrarian reform that eliminates the uneven access to land in the villages (Li, 2021), the *Dana Desa* will hugely benefit the village elites (Habibi, 2018).

The concessionary capitalism through large-scale land claims and allocations produces agrarian conflicts, as recorded by the Consortium for Agrarian Reform (KPA, *Konsorsium Pembaruan Agraria*) (Table III-1). KPA (2014: 9; 2015: 3; 2016: 4; 2017: 5) defines the recorded conflict as '*konflik agraria struktural*' (structural agrarian conflict), i.e. "agrarian conflicts caused by (central and regional) government's decision, involving myriads of victims and gives rise to various social, economic, and political impacts" (KPA, 2017: 5). KPA sources for agrarian conflict data are reports from its members (145 organizations throughout Indonesia, KPA [2017: 1]) and network, field assessments, and mass media coverage (KPA, 2013: 2; 2014: 9-10; 2015: 3-5; 2016: 4). Plantation is the sector with the greatest contribution to generating this structural agrarian conflict. It is consistently at the top, except in 2014. Most of the plantations in Indonesia are inherited from the colonial era (KPA, 2012: 4-5; 2013: 6; 2014: 19). This means that colonial primitive accumulation through large-scale land allocation controls the outburst of post-colonial agrarian conflicts.

### 3.4 AGRARIAN QUESTION OF LABOUR: RURAL-TO-URBAN MIGRATION

The growth of plantations in rural areas across Java has expelled or excluded people from their access to and control over land, and produced poverty. These put them with a few options. One available option is moving to the city in which more capital, and logically more jobs, are concentrated. Since the colonial era, rural-to-urban landless or almost landless migrants have inundated the colonial city of Batavia (Milone, 1967: 250; Abeyasekere, 1989; Kooy and Bakker, 2008: 383; Leitner and Sheppard, 2017: 7; Putri, 2018: 5; Kusno, 2020: 2). The flow of people to cities such as Jakarta continues in the post-colonial state (Papanek, 1975; Temple, 1975; White, 1977; Hugo, 1982; Azuma, 2000; Bachriadi and Lucas, 2001; Breman and Wiradi, 2004; Sheppard, 2006; Texier, 2008; Kusno, 2011 and 2013; Van Voorst, 2015; Texier-Teixeira and Edelblutte, 2017; Yarina, 2018; Nooteboom, 2019). In the city, the rural-to-urban migrants became the constitutive part of the urban poor (Habibi, 2021a).

In the 1970s Jakarta, rural-to-urban migration constituted more than half of the city's population growth (Papanek, 1975: 1; see also Temple, 1975). As summarized by Azuma (2000), one of the consistent factors behind the economic problems in rural areas that motivated rural-to-urban migrants working in Jakarta's informal sector is the high rate of landlessness in their rural places (70.6 per cent in 1976, 73.2 per cent in 1980, and 63.5 per cent and 79.0 per cent in 1984, two surveys in 1984). Other economic factors (looking for subsistence food, lack of job opportunities in the place of origin, and better income) have also consistently been the driving factors for this rural-to-urban migration (74.4 per cent in 1955, 62.8 per cent in 1976, 94.8 per cent in 1979, 65.4 per cent in 1981, 98.1 per cent in 1988-9, and 78.0 per cent in 1990) (Azuma, 2000).

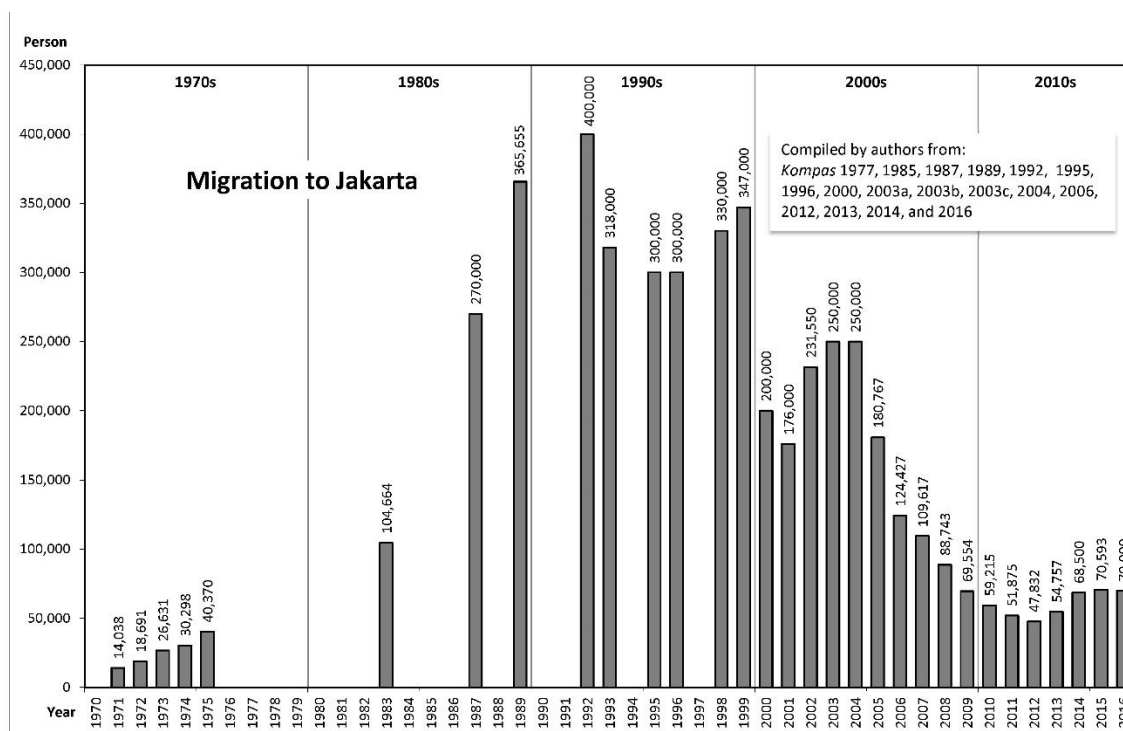


Figure 3-1: Migration to Jakarta. Sources of data: Kompas, 1977, 1985, 1987, 1989, 1992, 1995, 1996, 2000, 2003a, 2003b, 2003c, 2004, 2006, 2012, 2013, 2014, and 2016.

For its consistent coverage, *Kompas*, a Jakarta-based newspaper, is a good place to study the wave of rural-to-urban migrants, to Jakarta in particular (see Figure 3-1). Moslem accounts for 87.2% of the Indonesian population (BPS, 2014). Islam has a tradition of celebrating the Eid (*Idul Fitri*, religious holiday). Every year, people who come from outside Jakarta return to their location of origin (natal place) to celebrate Eid with other members of their family (people call this ‘*arus mudik*’, means: flowing home). After staying in the place of origin for many days, people move back to Jakarta (well known as ‘*arus balik*’ meaning: flowing back), and this time they bring their family who look for a better life in the capital city.

### 3.5 EXTENDED AGRARIAN QUESTION: THE EXPLOSION AND EVICTION OF KMK

The flow of rural-to-urban migrants explodes city’s population. Most of these people are not accepted by the ‘formal sectors’, such as factories, simply because the number of people exceeds the factories’ demand for labour. The urban informal sector is the only space for them to join. There is much information that connects migrants in Figure 3-1 to urban informality. For instance, in 1985, the DKI Jakarta Provincial officer mentioned that most migrants jump to (*menyerbu*) the slum area in the city (Kompas, 1985). In 1996, Kompas (1996) interviewed migrants who said they would work in a construction project

in Tangerang, Jakarta's satellite city. In 2003, Sylviana, the head of the Special Capital Region (DKI) of Jakarta Population and Registration Agency, mentioned that most migrants work in the informal sector such as street vendors or housemaid (Kompas, 2003c).

For Jakarta alone, the urban population living in informal settlements is predicted to be between 30 and 60 per cent of the entire city's population (Leitner and Sheppard, 2017: 2). For Indonesia, the total number of stagnant RSP since the New Order regime, according to a calculation, continuously increased from around 5 to 9 to 14 to 16 and to 20 million people in 1986, 1996, 2001, 2006, and 2014, respectively (Habibi and Juliawan, 2018). In 2016, the Ministry of Public Works and Housing (MPWH, 2016: 2) predicted that approximately 29 million Indonesians live in slums. They are, of course, not a single-class entity, but differentiated. Small business activities of "petty commodity producers" (Habibi 2021a: 22) is one of the mechanisms through which class differentiation unfolds among the *KMK*.

The explosion of *KMK* population in urban spaces is in conflict with the expansion of urban developments (Leitner and Sheppard 2017). This leads to the eviction of the *KMK*. In Jakarta, eviction of urban poor settlements has occurred since the colonial era (Gunawan, 2010: 305-361). Contemporary eviction was covered/masked by several reasons. According to Jakarta Legal Aid Institute (LBH-J, 2016), in the year of 2015 alone, there were a total 131 evictions; 48 of them were legitimated by flood management, by development of green area or the "*taman kota*" (8 evictions), to clear non-state or state-owned company's lands/assets (5), development of transportation infrastructure (14), to clear army's and police's facilities (4), to implement the provincial regulation about public order (43), and for other public facilities (9).

The evictees of 8,145 households were dispersed across the city into other marginal lands if they could afford to restart lives, excluded from their previous places, and some were relocated to *rusunawa* (*rusunawa: rumah susun sederhana sewa*/low-cost apartment buildings) provided by the government in which they had to pay monthly rent. The government provided no solutions for 63 per cent of the evictions. In terms of income, according to LBH-J's research (2016b) with 250 respondents who in 9-16 April 2016 were living at 18 *rusunawas*, 72.8 per cent had an income below DKI Jakarta minimum wage (IDR 3.1 million in 2016). This means that most evictees are the city's lower class. Moreover, after the relocation, the general trend of their income is decreasing while their expenditure is increasing because they have to pay water and rent, and more for transportation and electricity (LBH-J, 2016b: 57).

According to LBH-J (2016b), there are two trends among evictees before and after eviction. First, there is an increase in the number of people in the lower-income category. Second, there is a decrease in the number of people in the higher-income category. The overall meaning of these patterns is a further decline in the urban poor economic capacity.

Eviction can then be seen as a mechanism through which the urban poor are being further marginalized in terms of economic capacity.

### **3.6 POLITICAL PROJECT: OPENS POSSIBILITIES FOR ALLIANCE-BUILDING**

In this article, we focus on capitalist development in near-South Indonesia. Starting from primitive accumulation through large-scale land claims and allocations for the purpose of extractive activities by the VOC in the early seventeenth century, sustained and enlarged within post-colonial Indonesia, the state as a political framework has successfully excluded its own population from access to the means of production, pushed them to join the flows of rural-to-urban migration, and transformed them into *KMK* (Marx's stagnant RSP) through the development of what we call concessionary capitalism. Of course, we acknowledge that landlessness in countryside is not the only factor motivating the rural-to-urban migration and to be a labour in factories is not the only aspiration of the migrants.

The contemporary Indonesian state, ruled by oligarchs, evolved through this process. The change is visible in the last half of the century. The group of conglomerates who were under the tutelage of New Order leader Suharto with so many concessions on their hands (see Robison, 1986[2009]; Robison and Hadiz, [2004]), have become patrons for current politicians (Chua, 2008), and hijacked the decision-making process. The enactment of the omnibus bill of job creation (*Omnibus Law Cipta Kerja*) is a case in point, in which many versions of the draft were crafted by groups of capitalists or their people for their own interests (Gebrak, 2020; Talan et al., 2020).

We take a different approach from urbanization scholars (Ghosh and Meer, 2021: 2) who entered the discussion by using the explosion in urbanization theory to develop a “reflective epistemological framework” and identify openings to recalibrate agrarian questions. We benefit from this, but doing so differently. We move from the agrarian side with a specific engagement with the trajectory of capitalist development in Indonesia, and the practices of urban land/agrarian reform in Jakarta. For a better or worse, the urban land/agrarian reform is being implemented in Indonesia through the scheme of *reforma agrarian perkotaan* (Jakarta's urban land/agrarian reform) (Guntoro [2020]; Luthfi [2021]; see also critique of current Indonesia's land reform program by Li [2021]). This program is motivated by both the massive rural agrarian conflicts and urban eviction, and helps us to coin and advance the conversation into an extended agrarian question anchored in the specificity of Indonesia's concessionary capitalism. Even though the way we name it as ‘extended agrarian question’ somehow reflects our starting point from the countryside, by no means we aim to put the urban-based movement as a sub-field of the agrarian movement.

Through an extended form, we see the agrarian question as an inseparable part of “housing question” (Engels, 1872), “housing hunger” and “informal workers” problems (Araghi, 2000: 153-154), and the social reproduction of labour in the households of the

urban poor (Gidwani, 2008; Gidwani and Ramamurthy 2018). Our main purpose is to open more possibilities for connecting rural dispossession and urban eviction. We believe, as it is put articulately by Araghi (2000: 152 and 159) that, “the substance of the peasant or agrarian question” is “always a programmatic effort to link diverse manifestations of the ongoing progressive social movement” to open more “alliance building” possibilities between rural-based social movements and their urban counterparts.