The Impact of Spatial Transformation of Large-Scale Land Development on Property Rights: Some Cases from New Town Development in Indonesia

Rahmat Aris Pratomo, D. Ary Samsura and Erwin van der Krabben (Netherlands)

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SUMMARY

Over the last two centuries, urbanization has become a phenomenon mostly discussed in planning-related topics. This process is often triggered by large-scale land development, which is not only restricted to development activity on a massive land area, but it also takes high-investment and capital. New town, as a large-scale land development, is rather similar to the concept of large-scale residential area, but a new town develops into something more comprehensive with more varied land-uses that are integrated with urban facilities and infrastructure. In a modern planning, such a development concept came from the notion of Ebenezer Howard with his concept of garden city in post-industrial revolution. In the case of Indonesia, till the 2000s, this development developed dynamically and vastly, in which dependent town development was predominant to support the activities in metropolitan city in the area near Jakarta and East Java. The result of the development is easily spotted from spatial transformation taking place on a particular area such as on undeveloped land converted into large-scale residential areas integrated with supporting facilities in commercial, health, offices, education, and other city infrastructure. Not only does the development contribute positive values, but it also brings negative impacts for the transformation of property rights of the local people who previously resided and worked the affected areas. The local people, as the owners and or the people, who have rights to manage their property, not only lose their bundle of rights and have to let go their tenure status of the land but in some cases, the land also loses its formality. This is contrary to the condition where the land is scarce resource and it serves as the source of livelihood. This paper presents the transformation of rights toward the property of local people induced by new town development in Indonesia.

The contribution given by this paper is to fill the gap in the literature over a new framework to characterize property rights based on three categories: bundle of rights, tenure system, formal and informality status.