LARGE INFRASTRUCTURE DEVELOPMENT IN YOGYAKARTA PROVINCE, INDONESIA: MARGINALIZING OR PROMOTING THE LOCALS?

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Why a new airport in Yogyakarta?

- Capacity of the existing airport is 1.4 million passengers/annum far exceeding the passengers of 7.2 million in 2016.
- Regional development policy of the Provincial Government towards the coastal regions coincides with development of the south arterial roads initiated by the Central Government.
- Many other projects (iron ore mining, shrimp farming, arterial roads, railway, TOLL roads from NYIA to Borobudur) are to follow for stimulating regional development.
- This presentation will focus on some preliminary observation from the development of NYIA.
Compensation of lands for NYIA

- Most of lands are Sultanate *Grond* and Pakualaman *Grond*, mostly occupied and cultivated by the local landless
- Smaller parts of lands are legally owned by the rural dwellers
- A group of landless who used to occupy and cultivate the Sultanate *Grond* and Pakualaman *Grond* are struggling for a compensation
- The later group has claimed an important contribution in changing the marginal coastal lands into productive agricultural lands in the last four decades
- The construction of NYIA has excluded them from farming without or very limited compensation.
The Project Scale

• Total money allocated for land compensation is IDR 4.1 trillion or equal to annual budget of the Yogyakarta Province (IDR 4.2 trillion)
• Total money allocated for the airport building only is IDR 6.4 trillion (connecting railway and roads are not included)
• Total lands used by the airport is 600 hectares and more lands for railway, roads and supporting facilities are in the process of detailed assessment & planning
The meaning of lands in Javanese Culture

- Lands as mother lands as source of livelihood (*ibu pertiwi*)
- Lands as assets to fight till death (*sak dumuk bathuk sak nyari bumi ditohi pati*)
- Land is second most important assets after honor and respect (*lebih baik mati berkalan tanah*)
- Lands as sacred heritage (*tanah pusaka*)
- Land and houses as the last items to sell in case of bankruptcy (*tabu menjual tanah*)
- Lands for lands (*menjual tanah harus dipakai untuk membeli tanah*)
The Use of Land Compensation

• Purchasing agricultural lands outside the villages
• Purchasing lands in the city for better price in the future
• Extending shops or stalls along the main roads
• Purchasing jewelries and gold
• House renovation/replacement/relocation
• Keeping the money in banks & wait for the emerging opportunities
• Investments (bonds, share and insurance)
• Inherited to children and spouse
• Hajj/Umrah Pilgrimage
• Purchasing cars (private uses and few for online taxies)
How much they have spent so far?

- Roughly some IDR 1.4 trillion (34 percent) of the compensation has been spent on various items above.
- Some IDR 2.7 trillion (64 percent) of the money is still saved in their bank account and are waiting for emerging opportunities when the NYIA is in operation in 2019.
- It is difficult to assess whether the development of NYIA promoting or marginalizing the locals at least at this moment. Marginalization happened especially to the sharecroppers and landless now, but possible promotion of livelihood may be enjoyed by the landed in the future.
## Types of uses of land compensation

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<th>Types of Spending or Uses</th>
<th>Jangkaran</th>
<th>Palihan</th>
<th>Glagah</th>
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<td>Automobiles</td>
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<td>Lands in the city</td>
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<td>Agricultural lands elsewhere</td>
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<td>House renovation/replacement</td>
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<td>Shops/stall renovation/extension</td>
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<td>Jewelries and gold</td>
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<td>Motorbikes</td>
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<td>Distributed to children &amp; spouses</td>
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<td>None (keeping the money in bank)</td>
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• The landless and sharecroppers are among the most suffering groups that deserve a special treatment for their future. They receive very small amount of compensation from the land owners. Their labor investments in making the poor coastal lands productive in 40 years should be considered as intangible assets that needs to be valuated.

• The location of NYIA is on the coastal region which is also a natural disaster prone area, especially mega-tsunamy. (Eurasian & Australian tectonic plates meet just 320 km in behind this airport). This needs special attention for the sustainable operation of the airport.

• There must be a systematic efforts to understand the mechanism of the whole infrastructure works in achieving sustainable regional development as expected. New following investments must be screened accordingly.
Images from the fields
The past hardworking farmers & productive agricultural lands
The process of unrests and protests
The process of land valuation & ground breaking
Now..
The (near) future
THANK YOU