

# BUENOS AIRES AND JAKARTA. FAILINGS AND ACHIEVEMENTS IN IMPROVING PHYSICAL ENVIRONMENTS

**Andra CONDOR**

Faculty of Geography, Babeş-Bolyai University Cluj-Napoca, Romania  
andra.cdc@gmail.com

## **Abstract**

The purpose of the present article is to provide a brief understanding of the challenges Jakarta and Buenos Aires are facing under the realm of the rapid social and spatial transformations dictated by the globalizing forces. The trajectory of this writing will as such, attempt to examine how state mediates these forces and to what extent they affect the physical environments of the two major cities by exploring the governmental approach to the city management and regulations of the water supply infrastructure and land use as key issues of development. Subsequently, it will try to evaluate the dynamics of the shaped environments resulted from the contact with the Western societies and discuss the complexities of the planning processes in these colonial cities.

**Keywords:** infrastructure, land use, urban management, globalization, developing world city

## **1. INTRODUCTION**

The relationship between the capitalist forces and governments in the developing south has been very much contested and many debates and criticism hover over them. The developing countries are often perceived as neoliberal spaces where exclusion prevails over inclusion, the wealthy are given priority in face of the poor, development takes place at the expense of the vulnerable and the city is treated as a commodity, all in the name of efficiency and economic development. This paper queries to follow the interrelationship between these entities and redact the means through which 'state elites appropriate, interrogate and translate the idea of globalism and turn the equation to the local advantage' (Sun 2001) or disadvantage. In other words, it will interrogate the methods through which neoliberal economic policies are brought about in state reforms and regulations and how they impact the space and the society, by referring to the comparative case studies of Jakarta and Buenos Aires.

The conceptual framework of this paper revolves around the fragmented urbanization which 'takes place in leaps and bounds creating a continuously discontinuous pattern' (Balbo 1993) of territories and the governmental discriminations towards the rich elites in the detriment of the poor reflected in the unequal distribution of water and land. But how can the discriminations be accounted for and how can

the fragmentation of the water system and the chaotic occupation of land be justified? In order to answer this question, we need to understand that the present configuration of these two capital cities have been shaped through a complex accumulation of global capitalism built on imperialist exploitation of territories, demonstrating that the 'differentiation of water supply infrastructures and urban spaces' (Kooy & Bakker 2008) are directly linked to the long-lasting social contrasts. The evolutionary urbanization patterns and the achievements and failure of the modernization process will be further problematized, starting with an inquiry into the water management of both cities. Since the account I give in this paper relies mostly on literary research, the analysis and directions I suggest might be further improved by systematic comparisons and analysis.

## 2. MANAGEMENT OF WATER SUPPLY

To begin with, both cities of Jakarta and Buenos Aires are characterised by a high fragmentation of the water supply systems. As suggested above, this situation has partly historical implications, but it is also underpinned by globalization strategies. The many state reforms of privatization have led to the restructuring of the public services, including the water sector which brought many territorial transformations and social injustices. As centres of economic and political power, these cities have become gateways for global flows of capital. Because of their chaotic growth, deep contrasts and complexities, Jakarta and Buenos Aires became 'impossible to service or manage in a comprehensive or effective way' (Kooy & Bakker 2008).

In Jakarta, the inequalities to water access have been traced since the colonial period. The dominant relations of the Dutch over the native population have been exercised since the inception. For the usage of water, indigenous people had to rely upon water flows, whereas European population constructed 'stand-alone artesian wells and reservoirs where water was filtered, aerated, and treated to uniform quality' (Maronier 1929). These differences have been maintained along the years, with the preferential 'advancement of European urban residents to superior technological systems of supply, treatment, and distribution' (Kooy & Bakker 2008). The discrepancy was ameliorated only after four decades when the government provided the kampongs (poor areas of Jakarta, mainly inhabited by the natives) with public hydrants. But the insufficient financial resources for supporting the costs of the project have constrained the elites to make resort to the Dutch administrative powers.

However, the improvements have not been consistent due to enforced 'particular patterns of water provision, accomplished through perverse policies of public hydrant pricing. These contradictory 'diverse finalities' of the colonial government were reflected in the selection of different technologies of provision

used to supply different kinds of urban populations with different quantities and qualities of water at different cost prices' (Kooy & Bakker 2008). Hence the colonial differences were being reinforced in a more subtle way.

Simultaneously, a rapid growth of the city led to an economical incapacity to provide all housing with water. 'Jakarta's new status as the 'gateway for trade and industrial development' (Argo 1999) and the installation of the New Order regime aimed to generate profit from the water sector. But the 'underlying weakness in the economy, particularly in the management of banking and finance and the widespread uneasy in about the continuing stranglehold and abuse of power by president Suharto' (Forbes 2004) resulted in an uneven distribution of resources in the city affecting the poor, as water installations were directed towards industrial, business and high income residential areas which sum up a total coverage of less than 50% of the city's households. In the present, the majority of Jakarta's residents 'make use of a variety of highly differentiated sources: bottled water, vendor water, shallow and deep wells, public hydrants, network connections to meet their daily water needs' (Bakker 2003b), which constitute the 'archipelagos'(Bakker 2003b) of water provision, illustrated below:

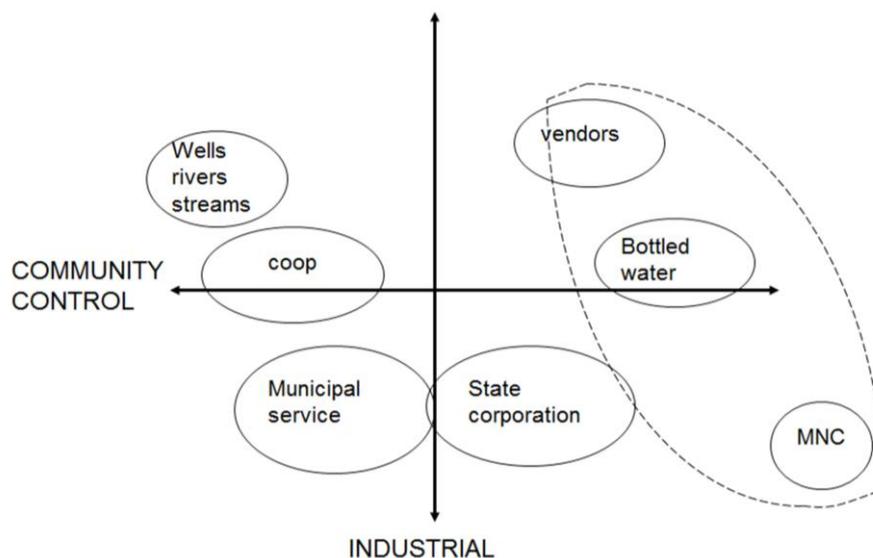


FIGURE 1 - ARCHIPELAGOS', MODES OF URBAN PROVISION OF WATER SUPPLY IN JAKARTA.  
Source: Bakker 2003.

Unlike Jakarta, the splintered process of water systems in Buenos Aires has its roots in the more recent and chaotic governmental forms, before the invasion of the capitalist globalization, when the state institutions were surpassed by the rapid transformation of the city. Water network 'was transitorily 'universal', before it was 'de-universalised' in a context of uncontrolled urban growth and rampant inequalities, long before the advent of neo-liberal reforms' (Faudry 1999 & de Gouvello 1999, 2001a). However, the reforms of the last two decades involving 'deregulation, liberalization, contracting out or

privatisation' (Botton & de Gouvello 2008) have led to the accentuation of the splintering process of spaces, communities and infrastructure.

Initially, the management of water was made at central level, by the National Sanitary Works Agency (Dirección Nacional de Obras Sanitarias de la Nación or OSN). They controlled a vast territory with the exception of the Province of Buenos Aires. Thus, a local company took birth, which provided water throughout the province. The principal determinants for the fragmentation of the water and sanitation network have been the great urban expansion and the reduction of investments in the national water company. As part of the neoliberal strategies, the solution proposed by the government was that of concessions for private companies. As a result the number of regional suppliers highly increased, reaching 9 in 2005. In addition to these, informal suppliers also provided water in the poor areas unserved by the official water network.

Ultimately, the water services previously administered by the OSN have been transferred to Aguas Argentinas S.A (AASA). The intangible standards they imposed in the provision of water resulted in renegotiations with the deprived population, because the periphery could not support the costs of water. Despite the compromise they reached which materialized in the connection of part of the poor households to the system, the measurements were still insufficient.

This situation was due to the prevailing priority of 'profit maximization over service provision' (Botton & de Gouvello 2008). The AASA concession agreement stated that new users should be connected to water and sanitation services wherever 'urban realities make this possible (which actually meant 'legally urbanised zones'). In practice, this meant that the shanty towns were excluded' (Botton 2007). The responsibility for supplying this type of neighbourhoods, whose populations totalled approximately half a million people (Mazzucchelli et al. 1999), was entrusted to the municipalities.

Moreover, the network extension in the underdeveloped areas has been limited due to the economic crisis which followed. The effects of the crises overflowed upon the water suppliers and thus emphasized the discrepancy between the rich and the poor.

Although the already present inequalities have been accentuated through these means, an alternative monopolistic water system would also have its shortcomings, in the sense that it would fail to be productive and efficient for a large area. Without coordination and sustained water provision policies, the planning instruments have also contributed to the fragmentation of the urban fabric.

### 3. LAND USE AND SPATIAL PATTERNS

In this globalized suppression of the governmental elites and implicitly of the planning instruments by the capital, the locational factor is encountered under a variety of forms and values. The increasing population of Jakarta, more specifically of the Jakarta Metropolitan Area (JMA) which includes the Daerah Khusus Ibukota Jakarta (DKI or the Special District of the Capital City) and the three neighbouring kabupaten (districts) of Bogor, Tangerang and Bekasi (Douglass 1989) has reached about 20 million in 1995 (Firman 1998) and since then it continued to grow. The massive flow of capital in the city has generated a dynamic economy and many investments have been made in infrastructure, industry and services. These major developments have attracted continuous fluxes of population in the city, which have informally claimed unused plots of land. 'Kampungs grew out of these illegal subdivisions and formed socially stable and cohesive communities' (Devas 1983, Ravallion 1989), but with poor infrastructure and public services.

Another type of housing resulted from real estate investments, which 'resembled the characteristics of North American suburban development' (Leaf 1994) were the rich communities built without a cohesive and strategic planning. The lack of control over the rapid growth of the city led to a chaotic development. Dowall and Leaf claim that: 'in Jakarta no one knows the shape of land prices, from the city centre to the suburbs. No one knows how infrastructure availability or having a clear title affects the value of residential plots' (Dowall & Leaf 1991). The statistical studies of the housing and residential land values have shown that land values have been highly dependent on the distance from the Central Business District. However, 'slums were adjacent to modern skyscrapers, generating drastic contrasts in land values' (Han 2001). The south Jakarta posed the most attractive image with the highest land values followed by the western region which was also favourable for future developments due to the many current investments towards the commercial use. Land values in north and east Jakarta 'were handicapped by the natural setting, where a large number of the kelurahan (administrative villages) had a risk of flooding' (Han 2001).

Buenos Aires is also a very vast and heterogeneous city with a metropolitan region extending over 130 km and comprising 37 municipalities (partidos). The urbanization patterns in these municipalities for the past years have taken the form of gated communities, which are defined as 'privately developed and policed, low-density housing complexes featuring enhanced security devices' (Libertun de Duren 2006). A particularity of the Argentinean capital is that these communities have clustered the areas situated in the proximity of the shanty-towns., creating an imbalanced landscape. This contradictory situation is the result of the planning implementations together with the decentralization of central power and the

revitalization of the transportation system. The authorities at local level were given the capacity of approval of urban developments and 'the municipalities that lacked urban services in most of their territory saw gated communities as a fast and inexpensive way of increasing local economic activities in less productive lands' (Libertun de Duren 2006) by attributing the building of infrastructure to the investors.

Therefore, they accelerated the bureaucratic processes and in the majority of cases adjusted the planning regulation in order to draw investors. The modifications of regulations have been achieved through the following approaches: 'an ad-hoc legalistic planning system, in which codes were changed after developers making decisions; an à-la-carte model which took a case-by-case approach, and an alliance mode, which openly fostered these developments. The provision of a legal structure facilitated the further growth of this pre-existing trend' (Libertun de Duren 2006). Due to this selectivity of investments and the concentration of capital in the central and northern regions of Buenos Aires, the pre-existing inequalities have been largely accentuated, with '95% of the city's slum settlements (villas miserias)' (Crot 2006) concentrated in the southern neighbourhoods.

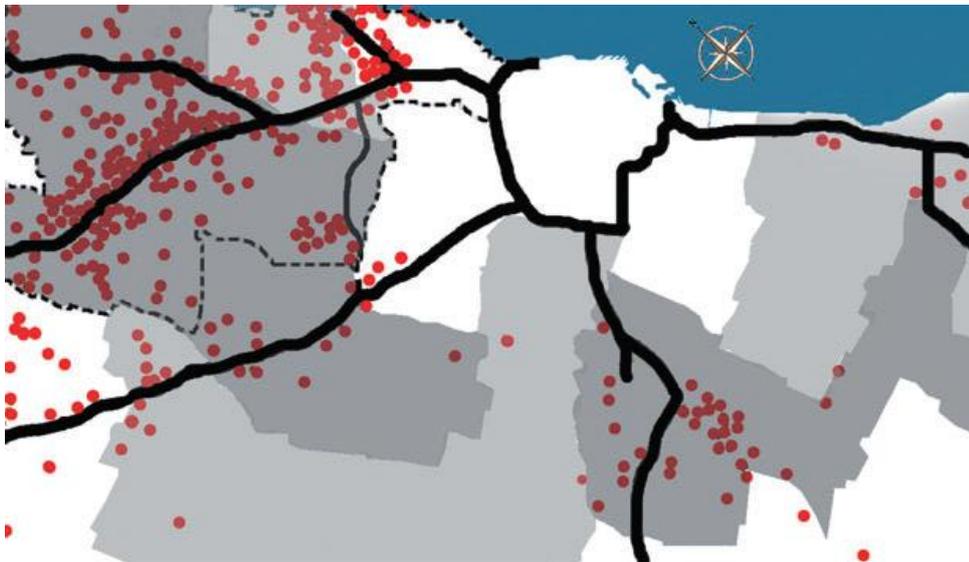


FIGURE 2 - THE LOCALIZATION OF GATED COMMUNITIES IN BUENOS AIRES.  
Source: Libertun de Duren from INDEC data and Clarín Real Estate special issue, 2006)

But while wealthy communities had 'little inclination to support gated communities, poorer residents tended to perceive gated communities as a positive asset because they required low-skilled labourers and were thus potential sources of employment' (Libertun de Duren 2006). These enclosed communities have 'emphasized pre-existing power inequalities' (Sennett 1971), 'increased the disparity between rich and poor localities' (Prud'Homme 1995), 'promoted a formal democracy at the expense of social welfare' (Khol 2003) and 'enlarged the social gap within political unities'. (Libertun de Duren

2006). Thus, 'gated communities cannot be identified as the cause of inequality, as they were built precisely in the areas where poverty was already concentrated. Nonetheless, their arrival certainly increased social disparity within districts' (Libertun de Duren 2006).

#### 4. RECCOMENDATIONS AND DISCUSSIONS

The infiltration of capitalism in the society entails a variation of spaces through accentuating inequalities. But cultural practices and historical actions are also involved in this process and the practices of capitalism 'engage with imperialist and colonial exploitation of territories' (Harvey 2006). Even though the splintering process of land and infrastructure can be traced back to different periods of time along the historical axis, Jakarta and Buenos Aires share the same current urbanization problems which can be summed up as follows:

- spatial fragmentation and heterogeneity;
- under-developed infrastructure and inability to supply water in poor areas;
- lack of response to the needs of the majority coming from the governmental institutions;
- sprawl over vast areas;
- lack of planning power to execute their recommendations;
- violations of regulations and power abuse of the state structures to favour investors' interests.

Dissecting the nature of the governmental actions, we encounter the same aspect referring to power possession and economic strength. The distribution of power and the battle for supremacy are very well emphasized by David Harvey, who claimed that the 'state takes the role of the overall manager of the production and reproduction of social infrastructures. The territorial organization of the state powers forms the fixed geographical environment within investment processes operate. States are then forced to compete for money capital to fund their debt. The state, as a consequence, loses its power to dominate capital politically and is forced into a subservient competitive posture' (Harvey 1999).

Critics argue that 'a blindness of the role of planning in the normalization and control of the social world' (Escobar 1996) is also present in this process. However, the planning agencies entrusted by the local administrations do not necessarily follow capital's laws. Since these instruments are subordinated to the political factor, do not possess decisional power and as such cannot force the bureaucratic organism to follow their expertise. In the end, the governing bodies are the ones who take decisions and implement strategies, which are not always for the welfare of people, but always for the welfare of capital.

In order to overcome these hurdles and reach an integrative urban management there is an imperative necessity for a streamlined and ethical strategy with a proliferation of autonomous agencies for specific planning, a solid spatial approach, an assumption of the roles and responsibilities of the state organs and a strong political will to regulate all groups in the interest of the society as a whole. State should be the main provider of social and physical services, both directly or through concessions awarded to third parties and should aim for an inclusive society with equal rights.

## 5. CONCLUSIONS

In conclusion, following the examples of Jakarta and Buenos Aires, we can observe the similarities in how different environments have been shaped in terms of history, social configuration, urban development and patterns, infrastructure and governmental institutions. Hence, by extrapolation, we can affirm that globalized structures have encompassed communities' lives, in all their comprising aspects. Nonetheless, 'globalizing pressures on cities are mediated by endogenous local institutional structures, social practices, and political decisions whose transformative power may be much more influential than globalization itself' (Crot 2006).

On one side, the continuous 'infiltration of global capital has been economic and population growth of the cities, industrial and service sectors expansion' (King 1976), but on the other side, it has altered the pre-existent social inequalities and land distribution in favour of the rich population and has brought a severe fragmentation of infrastructure, especially of the water network. Hence, capital has become a major factor in shaping actual environments, but in the hierarchical structure, the administrative bodies along with the planning instruments must be the main distributors of power in order to ensure an equal, integrative and participative development.

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