Public housing in post-colonial Indonesia
The revolution of rising expectations

Public housing may seem a dull topic: a technocratic matter, only interesting to a few specialists in urban studies.¹ Yet, public housing can show us important things about Indonesia in the 1950s, because seemingly technical, neutral planning decisions are in reality highly political choices (Robertson 1984). First, public housing was an issue in which core assumptions of the new state about what would be desirable social policy became manifest. Who was entitled to share in the benefits of independent Indonesia? Leaders of the young nation felt responsible for housing in general. Unlike the colonial state, which purportedly sought to look after the interests of the happy few, the independent nation would take care of all the people (or at least, all Indonesians). Although the new leaders probably did not use the word, they were aiming at a socialist welfare state. Second, public housing in the 1950s reflects the mood of that time. Those responsible for the housing situation were full of optimism that they would finally solve the lack of adequate housing. There existed a strong notion that they had to do better than the colonial state and that they would do better. The ideal was to build a typical middle-class house. Third, public housing is one instance where ideals and high expectations of the young nation were frustrated by the economic situation. Housing plans ran aground in the face of the hard economic and demographic reality that there were not enough funds to build a home for all the people. There were far too few resources for far too many people and very little was realized. Optimism turned into its opposite, pessimism, and even into cynicism. Public housing, therefore, is a concrete manifestation of how the decline of constitutional democracy (Feith 1962) worked out in practice.

¹ I am grateful for the comments on a paper about public housing received at the conference in Yogyakarta in January 2010 as well as those made by two anonymous reviewers. I also thank Rosemary Robson for her English corrections, and the Dutch Ministry of Health, Welfare and Sport (Ministerie van Volksgezondheid, Welzijn en Sport), which funded the research on which this article is based.

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The housing situation of the 1950s was, of course, framed by the preceding decades and cannot be understood without some knowledge of the 1930s and 1940s. One of the legacies the young Republic of Indonesia inherited from the Dutch East Indies was a serious housing crisis, which had begun to emerge during the Japanese period. During the Indonesian Revolution, when the Dutch gradually resumed control of almost all cities, they attempted to solve the crisis by rent control, allocation of extant housing, reconstruction projects of damaged urban quarters, and the development of a mega-project, Kebayoran Baru, in the southern part of Jakarta. All these initiatives were emergency measures to tackle the housing crisis of the second half of the 1940s. The principal thrust of the urban housing policy over a longer period of ‘normal’ years, though, was public housing: the provision of housing to the people by the state either through the construction of houses or indirectly through site preparation and provision of infrastructure and offering loans.

As a starting point of the analysis, I hypothesize that there was a difference in public housing policy before and after Independence. Public housing was to some extent an alien concept in colonial Indonesia. The economy of the Dutch East Indies was essentially a liberal one and most construction work was undertaken by the private sector. Why should the government bother to provide public housing at all? The Explanatory Memorandum to the 1938 Bill on the Town Planning Ordinance concluded that the public housing corporations catered mainly to the middle classes and the building volume was too small to have an impact on the local housing market, except in Semarang (Toelichting 1938:34). Assuming for a while that public housing was meant to serve the lower classes in general, why did it not make an impact on the local housing market? Which groups appropriated the public housing, perhaps to the detriment of others who were more entitled to it?

After Independence, the economy continued to be run on capitalist principles, but the government took a socialist turn and assumed a broader welfare policy (Booth 1998:162). Contemporary thinking was that the benefits of the Revolution ought to reach all Indonesians. If this ideal were to be realized in the field of housing, public housing should be undertaken on a much more ambitious scale than had hitherto been the case. Decent housing also became a matter of national pride. For instance, in 1952 Vice-President Mohammad Hatta (as quoted by Herlambang 2004:37) remarked that most houses resembled a cowshed and were inappropriate to an independent, self-confident nation. Such ideas were common in young states. India, for instance, embarked on a major construction programme after Independence, with designs influenced by the Modern Movement in architecture (Lang 1989:387). Public housing was indeed restarted on a massive scale in Indonesia in the early 1950s, but the building volume soon fell off. This brief outline of public housing raises the questions of what happened to public housing during the decolonization, which groups
were reached, what the size of the public housing sector was, and why public housing soon failed to live up to the high expectations of the political leaders, and perhaps the general public too, after Independence.

**Public housing in colonial times**

Public housing served a particular segment of the housing market in colonial Indonesia. The public sector was relatively small in number and did not weigh heavily on the total housing market. One clear differentiation between various actors who constructed and sold and/or rented out houses lay in the demand for the specific houses that the actors met. Each actor occupied a niche in the housing market. Real estate developers found houses with monthly rents below 30 guilders not profitable and were most interested in houses that yielded rents of 80 guilders or more, one per cent of the market. These developers were not interested in houses with a rental value below 30 guilders, because the problems incurred in rent collection, each with a narrow profit margin, were not worth the effort, and if the houses were sold the profits were relatively small. As a rule public housing targeted the middle-income groups, who could afford rents between 10 and 80 guilders (about one-fifth of the whole market). Real estate developers also ventured into this middle segment of the market, but the lower the price, the more difficult it became for developers in the formal sector of the economy to compete with dwellings built and sold and/or rented in the informal sector. Only urban administrators, who were prepared to subsidize houses permanently, were able to build houses with rents below 30 guilders. At the bottom end of the housing market, many dwellings with a rental value below 10 guilders were built by the occupants themselves. However, certainly not all houses with rental values below 10 guilders were self-constructed houses. Many of them were built by small landlords who rented out one or at most a few houses (Colombijn 2010:356-8).

A first start with public housing was made in 1913 by the municipality of Batavia, which built 54 houses in the model kampong Tamansari. Several other municipalities followed suit and established *gemeentelijke woningbedrijven* (housing authorities) under various formal names, with the aim of reducing the shortage of housing. By 1929 over 3,000 houses had been built or were under construction under this scheme (Dick 2002:199; Rückert 1930:167-70).

Despite all this work, it gradually dawned on the municipal administrations that not enough houses were provided for the lowest income groups. The Medan housing administration was one of the organizations that sincerely tried to build for the poor, but it discovered that even the cheapest houses in Kampong Sekip (rents at 5.50 guilders) were already too expensive for the lowest income groups. The design, with a shared kitchen, made the
houses unattractive for those people in the income bracket just above the lowest income group, who would be able to pay a rent of 5.50 guilders. The unspoken conclusion in Medan and elsewhere was that the municipality should accept the obligation to provide cheap housing below cost price if it wanted to serve the lower classes. Government funds, however, were insufficient to build for all the poor (Colombijn 2010:325-6). More needed to be done through another channel.

In 1922 and 1925 representatives of municipal administrations throughout the archipelago (but mostly from Java) organized two congresses to discuss public housing. The upshot of these conferences was that the state accepted its responsibility to take a leading role in public housing for low-income groups. As of 1925 the central government supported municipal administrations that established a N.V. Volkshuisvesting (Public Housing Corporation Ltd). The Public Housing Corporations paved the way for local governments to acquire both land and attract capital for housing (Karsten 1930; Van Roosmalen 2004:191-3, 2008:68-9, 72). Public Housing Corporations with a limited liability bore the standard name N.V. Volkshuisvesting followed by the place name. The central government donated 75 per cent of the capital and the municipality 25 per cent. By 1930 16 cities (of which 13 in Java) had established an N.V. Volkshuisvesting, but not all corporations got the houses beyond the stage of the drawing board (Indisch Verslag 1931, II:182).

The central and local governments never intended to bear the brunt of the costs of housing and as a rule did not pay up the capital stock in full. Consequently, the capital stock was insufficient for the purpose for which the corporations were established and additional funds had to be found. The form of a company with limited liability was chosen to enable each N.V. Volkshuisvesting to borrow money on the capital market. It could negotiate low interest rates, because the central government guaranteed repayment of the loan. Using state funds to guarantee the repayment of loans on the capital market seemed a more efficient use of scarce state funds than to pay the full costs of construction work, as had been done by the gemeentelijke woningbedrijven. Over 2,500 houses were built by the joint N.V. Volkshuisvesting corporations up to 1932 (Flieringa 1930:139, 142; Gerritsen 1924; Indisch Verslag 1933, I:333-5). Unfortunately, the Depression of the 1930s halted further construction work. The overall impact of public housing was very small in view of the number of houses of the gemeentelijke woningbedrijven and N.V. Volkshuisvesting corporations compared to the total housing stock. Its share was only six per cent in the most favourable case, Semarang, and less than one per cent in Batavia (Colombijn 2010:330).

If building volumes in colonial Indonesia were unsatisfactory, the extent to which lowest income groups were reached was even more disappointing. Kampong Sekip in Medan revealed the discrepancy between the ideal and
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reality of building for the poor. Nonetheless, the municipal housing authorities established in the 1910s had at least the advantage that they could cross-subsidize houses with low and high rents. Moreover, a possible deficit could be made up from the total municipal budget. Neither of these options was open to an N.V. Volkshuisvesting, which was managed as an independent company, accountable to its shareholders. The requirement that projects be profitable severely restricted the potential target group of an N.V. Volkshuisvesting. After all, it was almost impossible to build houses for the lowest income groups, which could compete on the rental market with houses in the informal sector. Public housing was only cost-effective in the income bracket above the lowest income groups. As a rule therefore, the N.V. Volkshuisvesting corporations offered fewer houses at the lowest rents than the municipal gemeentelijke woningbedrijven had done. The requirement that the N.V. Volkshuisvesting corporations had to run at a profit came under attack from some urban administrators, who felt that this requirement conflicted with the stated aim of the corporations (Cobban 1993:894). Their misgivings, however, did not result in a policy change, with the partial exceptions of Semarang and Surabaya.

The designs provide further evidence that colonial public housing was not seriously tailored to suit kampong people, or indigenous people for that matter. In a paper presented at the 1922 congress on public housing, renowned Dutch architect and urban planner, Thomas Karsten (1922:36), lamented the ‘unindigenous’ (oninlandsche) designs of what were nevertheless described as indigenous types of public housing. He criticized European architects for ‘standard designs [that] were thought out on the drawing board, without looking around in the kampong’ (Karsten 1922:54). The designs employed a front gallery, wide corridors and rooms of equal size, but what was really needed for indigenous people was one large room. If an indigenous family could afford more space, a small room or merely a lean-to to receive visitors was the first priority, plus a small bedroom for the children. Karsten wrote this before the N.V. Volkshuisvesting corporations had been launched, but 13 years later H.E. Boissevain (1935:6) reached a similar conclusion in retrospect: the N.V. Volkshuisvesting corporations did not have any real insight into the housing needs of their target group. In sum, colonial public housing was too expensive for the lower incomes, too small to make much impact and of a design that was impractical for the lower incomes.

During the Depression of the 1930s, the corporations ran into trouble because their income declined (rents decreased and houses stood empty), while the costs of interest payments invariably remained high. The difficulties of the corporations were only overcome because the central government remitted debts in 1936, but no new construction work was undertaken. In 1939 the Commissie voor de Kampongverbetering (1939:50) summed up the situation of the various N.V. Volkshuisvesting corporations. The exploitation
of rental houses had proven risky during the Depression, and state funds were locked up in assets. It would be better to sell off the houses and use the money raised for new construction work. This plan made sense, but before decision makers could take it into consideration, the Second World War put a spoke in the wheels.

The N.V. Volkshuisvesting corporations would all survive the Japanese period, but came out of the occupation decrepit. After Independence the corporations were steadily liquidated, one by one. However, as late as 1960 the N.V. Volkshuisvesting Surabaya was, judging from its annual report, still standing although its income was barely half the expenditures.2 The N.V. Volkshuisvesting Makassar was liquidated that same year or in 1961. At that time the administration was in a jumble; the Director knew neither the number of houses the corporation still owned nor the identity of all occupants.3 Probably the other N.V. Volkshuisvesting corporations were phased out in a similar way.

The Japanese period

The Japanese did not invest much time and effort in public housing. A widely publicized shifting of a kampong in Cirebon had the character of public housing. Another kampong was built near the bus station in Bandung to absorb new migrants to the city (Asia Raya, 22-6-2603, 9-9-2603; Djawa Baroe, 9-1-2603).

More was said than done during the Japanese times. In November 1942 the 16th Army (entrusted with military administration of Java) set up a think tank with the somewhat misleading name Kyûkan Seido Tyôsa Linkai or Panitia Adat dan Tatanegara Dahoeloe (Committee for Tradition and the Organization of Government). It brought together the crème de la crème of Indonesian nationalism (Soekarno, Hatta, Ki Hadjar Dewantara (Suwardi Surjaningrat), Oto Iskandar Dinata, and others) as well as top Japanese officers. The Committee talked about such issues as unemployment, education, public health, food, and clothing. Housing as a topic was accorded less priority and it was addressed in the Committee’s last meeting in October 1943.4 The whole brainstorming session took place against the background of

2 Arsip Surabaya, Box 299, no. 4932. N.V. Volkshuisvesting [Surabaya], Laporan tahunan 1960.
4 National Archives, The Hague, Netherlands Forces Intelligence Service (NEFIS) en Centrale Militaire Inlichtingendienst (CMI) in Nederlands-Indië, nummer toegang 2.10.62, inventarissnummer 2241, Meeting Kyûkan Seido Tyôsa Linkai/Panitia Adat dan Tatanegara Dahoeloe, 5-10-2603 [1943]. I am grateful to Shigeru Sato for pointing out the existence of this document to me and to Margaret Leidelmeijer for locating it in the National Archives. See also Kan Pô 1(7) 2602.
the economic hardship engendered by the war situation. In the most explicit reference to the war, Chairman Saito remarked that it was practical to build using cheap, non-durable material at a time in which houses ran the risk of being destroyed in air raids.

Kijai Hadji Mas Mansoer opened the debate by drawing attention to the dire housing situation of the indigenous people. The solution to the problem of how to build many houses cheaply was standardization of design and mass production of building elements at central places. Mansoer sketched the outlines of a ‘house that is cheap and healthy’ (roemah jang moerah dan sehat). The ground plan (10x14 m) was based on a colonial middle-class dwelling (with different rooms for different functions, and a veranda), for a family of five persons. The houses had to be built from cheap, and easily available materials, in other words (under the war conditions) from non-durable material. In contrast to the colonial villas, walls had to be made from plaited bamboo or the pulp of recycled paper. The use of cement and nails should be avoided. Soekarno, the second speaker, elaborated on Mansoer’s ideas.

Hatta offered two other ideas. The first was to found associations, which would sell dwellings to ordinary people through a hire-purchase system; such associations could be modelled on similar associations in colonial times, which however had only served the middle class. The second proposition was to establish an association of engineers and other technical experts with formal education, emulating the recently founded association of medical doctors. Hatta, not very familiar with Japanese, suggested: ‘Association of bla-bla… in Java (I do not know the word)’ (perkoempoelan Djawa... Kai (saja tidak tahoe namanja)).

Oto Iskandar Dinata analysed the poor sanitary condition of urban kampongs, which was attributed to discriminatory colonial policy. Kampong improvement was one solution and if need be kampongs had to be demolished first to allow for a more spacious rebuilding.

The Japanese members of the Committee had the final word in the meeting and although their ideas would remain totally inconsequential in terms of implemented policy, it is interesting to note how they looked at the issue. They led the discussion in a different direction. Matuura recounted that Indonesian students who visited Japan were surprised that there were no kampongs. The reason was, he explained, that there was no colonial power, which pushed the indigenous people into the urban fringe. The Dutch villas in Indonesia stood empty, but if Indonesians were to occupy them, Matuura asserted, they would worry about how to pay the electricity, gas, and water bills. So, the first requirement for improving the living conditions was to instil a sense of thrift in the Indonesian population. As it was, when Indonesians earned a higher hourly pay, they tended to become lazier instead of saving the extra income.
Kitazima took Matuura’s criticism one step further and lashed out at the Indonesians, who he claimed, were deficient in skills, knowledge (especially in mathematics), and thrift. The aspiration of Indonesians was to become civil servants, not traders. Therefore no indigenous middle class had developed, whereas the strength of the middle class determines the strength of a nation. We could blame the Dutch or the war situation for the poverty, Kitazima argued, but ‘the biggest blame was attributed to the Indonesians themselves’ (kesalahan jang terbesar itoe didjatoehkan kepada pihak Indonésia sendiri).

One wonders how the Indonesian committee members felt about these insulting words. To a certain extent, however, Indonesian nationalists shared with Matuura and Kitazima – as with the preceding Dutch overlords – a paternalistic attitude towards the lower class. They believed they knew what was best for the masses. Mansoer, Soekarno, and Hatta all remarked that craftsmen needed to attend training courses because they lacked expertise, especially in the design of ‘healthy’ housing (to control pests, malaria, and tuberculosis) and vernacular architecture. Oto Iskandar Dinata recommended a publicity campaign via newspapers, radio, and face-to-face meetings to acquaint people living in kampong with building plans for acceptable dwellings. There was, however, also a major contrast with the former colonial overlords. The focus of the entire debate was on low-income groups, or ‘rakjat djelata’ (proletariat). The debate did not lead to any concrete policy goal, let alone action.

The idea of public housing in independent times

The discussion was resumed at the seminal Congress on Healthy Public Housing (Kongres Perumahan Rakjat Sehat), held in Bandung on 25-31 August 1950, which marked the start of public housing in independent Indonesia, both in a symbolic and practical sense. Administrators from all provinces, cities, and towns and technical experts congregated to discuss the housing needs of the young republic. Six papers were presented, five by Indonesian experts and only one by a Dutchman. The participants also made field trips in Bandung and they could study an exhibition of photographs.5

The spirit at the congress was that the housing situation of the less well-to-do masses could finally be improved now that colonial interests no longer predominated. In a paper by Soeandi and Soekander, the minimal requirements of a house were sketched, taking constructional, economic, social, hygienic, and pedagogic factors into account. This imagined minimal house was made up of a main building of 36 m² and an annex of 17.5 m². The main building consisted of a living room, a dining room, and two bedrooms, and

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the annex contained a kitchen, bathroom, and toilet. This house, Soeandi and Soekander underscored, was a dwelling quite distinct from the house with a floor space of 15 m$^2$, once designed by Thomas Karsten for Kampong Mlaten in Semarang. The Dutch had only looked at public housing from an economic perspective. A person who from childhood has to live in a house that is too small and unhealthy, the two authors stated, ‘will have a sense of inferiority (minderwaardigheidscomplex [Dutch in the original text]). It was apparently this characteristic the colonizer wished to inculcate in the spirit of the colonized people.’ Fortunately, the Indonesians were independent now and had to shake off this feeling of inferiority as quickly as possible. Size was not the only aspect that mattered, houses also had to promote health. A healthy house (rumah sehat) should be equipped with sufficient openings for air circulation and allow some sunlight to enter. The second condition of a healthy house was a floor made of tiles or concrete, which could be swabbed down every day (Antara, 13-11-1952/A).

The ideas voiced at the congress clearly echoed the broad outline of a public housing policy sketched by the Indonesian nationalist leaders in the Japanese-Indonesian joint Committee for Tradition and the Organization of Government. The intention behind the goal to build for the poor was serious and it had already been articulated in the Committee’s meeting of 5 October 1943. The floor plan of a healthy house designed by Soeandi and Soekander had been sketched by Kijai Hadji Mas Mansoer, albeit in less detail. The Congress on Healthy Public Housing of August 1950 drew three conclusions. First, technical standards following the ideal sketched by Soeandi and Soekander were set with the aim of constructing houses that were healthy in both a physical and social sense. Second, the local government had to take the lead in the construction of large numbers of houses that met this minimal standard. There was a sense of urgency in this respect, because, while the state sat by idly, squatters were building new insalubrious houses. Pictures of unhygienic living conditions in kampongs testified to the squalor. Besides, people would be dissatisfied with the government if new houses were not built rapidly. (The latter point was reminiscent of the political argument for kampong improvement in colonial times.) Third, seemingly in contradiction to the second point, the local housing strategy should be executed by a system of a co-operative housing association (bouwkassysteem), which would act more decisively than the official bureaucracy with its hands tied by red tape. The central government should provide financial support to kick-start

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6 ‘[…] akan mempunjai rasa kurang harga diri (minderwaardigheids-complex). Sifat inilah jang rupanja oleh sipendjadjah dikenhendaki pada djiwa rakjat jang didjadjahnja.’

7 Kota Besar Semarang 1952:125. Another indication the Indonesians wanted to shed the Dutch connection was an exhibition of American housing, displayed in the prestigious Hotel des Indes preceding the congress (Antara, 26-6-1950/B).
the co-operative housing associations and deposits by potential clients would subsequently enlarge local funds. One week after the congress a delegation of participants presented the conclusions to President Soekarno, and a few months later a follow-up letter recapitulated the main recommendations.\(^8\)

The enthusiasm of the time and the rapid acceptance of the new discourse on healthy houses was reflected in the plan of Medan to sell 106 hectares of land to citizens who wanted to build healthy houses as well as in the optimistic statement by the Mayor of Surabaya that he would make his city a model city with good housing by building 10,000 healthy houses for the people. The Ministry of Public Works and the Indonesian Parliament pledged support in October 1950.\(^9\)

In many ways, the Congress on Healthy Public Housing was right, of course, but economic constraints dampened the enthusiasm and brought lofty ideals back to reality with a bump. For instance, the administration of Semarang built 55 houses according to the prescriptions laid down by the congress with the assistance of a central state subsidy, but had to admit that the rents were affordable for ‘only middle-class people’ (lapisan menengah sadjalah). Therefore, the municipality built another 54 cheaper houses for the lowest income groups from its own budget, but lamented that lack of funds prohibited the construction of more houses needed for hundreds of other low-income people (Kota Besar Semarang 1952:125). At the same time, Palembang sold off its first ‘people’s housing’, because at a price of Rp. 57,000 they were too expensive for public housing (Antara, 8-9-1952/A). Likewise, the first houses built in Surabaya with central state support were criticized as being ‘mini villas’, beyond the means of the poor (Dick 2002:214).

Among other things the post-colonial villa-type design made an ironic comment about the colonial society. The ideal house according to the guidelines of the Congress on Healthy Public Housing, the drawing of a house that adorned the proceedings of the congress, and the first houses actually built according to the guidelines would have been considered a ‘European type’ of house in colonial times. This fact suggests that the designation ‘European’ and ‘indigenous’ type of house refers to costs and quality and not to a specific ethnic design (Colombijn 2010:123-33, 337).

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Financing post-colonial public housing

The question of how to finance the fine, but frightfully expensive, villa-like healthy houses preoccupied the Indonesian government from the outset. The concept of the Co-operative Housing Association, or Jajasan Kas Pembangunan, formed the answer sought by government policymakers to the shortage of funds. The concept was first launched at the Congress on Healthy Public Housing of August 1950, probably by the financial genius Soemitro Djojohadikoesoemo, about to be appointed as Minister of Trade and Industry, who had written a paper dealing with the question of how to finance housing.10

The concept was made official state policy by a decree promulgated in 1952. People who wished to put aside money for a house could deposit their savings in such an association. The central government provided the starting capital for a Jajasan Kas Pembangunan to build the first houses and the savings of the members ensured that the capital of their Jajasan was replenished. Ideally, the financing and construction cycle would be repeated endlessly (Dick 2002:215; Herlambang 2004:31). The Jajasan Kas Pembangunan replaced the N.V. Volkshuisvesting, but was financed in a different way. Capital came from the central government and members of the local Jajasan Kas Pembangunan. The houses were to be sold and the money from the sales was to be reinvested. In theory the profit from the sales and the deposits of the members guaranteed that far more houses could be built than had been done by the colonial N.V. Volkshuisvesting. The N.V. Volkshuisvesting, after all, had rented out its houses and used the rents mostly for the upkeep of the houses and not to invest in new construction work.

An important step was the establishment of the national Djawatan Peroemahan Rakjat (soon spelled Djawatan Perumahan Rakjat, People’s Housing Department) in 1951. The Djawatan Perumahan Rakjat allocated state funds, where possible through the local Jajasan Kas Pembangunan. From the outset the Djawatan Perumahan Rakjat was also encumbered with the tasks of collecting data about the housing demand, setting building prescriptions, solving technical problems, drawing standard designs, launching new ideas about general housing policy, and finding answers to the question of how to finance construction.11 In short, it also served as a think tank.

The Jajasan Kas Pembangunan fared differently in various cities. Jakarta had a Jajasan Kas Pembangunan as early as 1952 (Antara, 17-3-1952/B; Berita Indonesia, 12-3-1952). By 1954, no fewer than 10 Jajasan Kas Pembangunan had been founded in East Java, but only the Co-operative Housing Association

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of Jember had actually built any houses at that time. The Jajasan Kas Pembangunan Surabaya was the last one to be founded in East Java, but one year after its creation it already counted 500 members and had built 30 houses of Rp. 30,000. The next year, 1956, the number of houses built doubled. However, a first crack in the mirror appeared when in the same year the Jajasan Kas Pembangunan Surabaya decided to raise the price of the remaining building sum by 20 per cent ‘to cover administrative costs’, which predictably roused a storm of protest from its members who were still waiting for a house (Antara, 4-8-1954/A, 26-9-1954/A-B, 25-12-1955/A-B, 27-7-1956/A).

The Jajasan Kas Pembangunan Palembang formed a special case in the sense that it was almost wholly financed by the Standard Vacuum Oil Company (Stanvac). The company donated Rp. 500,000, and stood surety for a loan from a bank. Moreover, the oil company lent Rp. 1,200,000 interest-free, but this amount was earmarked for the construction of houses for its own personnel. Later the company donated another Rp 400,000. Not surprisingly, the Jajasan Kas Pembangunan in Palembang was accused of building only for Stanvac. Presumably for this reason, in 1956 the Jajasan Kas Pembangunan Palembang was established anew, this time without the close tie to Stanvac (Antara, 19-12-1952/A, 19-12-1953/A, 19-4-1956/A; Berita Indonesia, 22-3-1954).

In sum, the Jajasan Kas Pembangunan evoked different responses. The administration of Makassar and several places in East Java seemed to establish one only in response to pressure from the central Djawatan Perumahan Rakjat; in some places the founding of housing associations was no more than a symbolic gesture. According to Johan Silas (2005:12), 200 Jajasan Kas Pembangunan were established in the space of two years and it is unthinkable that they all actually built houses. In other places, however, specific parties recognized the potential of the Jajasan Kas Pembangunan to help solve their own housing problems and were eager to control the associations, for instance, Stanvac in Palembang and some local administrations.

The result of public housing in the 1950s

In order to assess the success of the public housing policy of the 1950s it is necessary to give an idea of the shortage of housing at the time. The shortage was enormous, due to the ravages of war, lack of private building initiatives and most of all large-scale migration to the cities. To give an idea, in 1951, the city of Bandung was short of an estimated 40,000 houses to accommodate people whose houses had been incinerated by the rebels of the Darul Islam movement. Jakarta was the city with the largest estimated shortage of houses, 70,000 dwellings in 1949. Mayor Sudiro of Jakarta remarked at a press conference in 1955 that the shortage of housing formed the most serious problem he
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Public housing in post-colonial Indonesia faced (Antara, 24-3-1950/B, 21-10-1951/A-B, 9-1-1955/A-B). Dutch diplomats in Makassar reported that the need for housing in that city was as pressing as everywhere else in Indonesia.\(^{12}\)

How many houses were actually built by the state after the transfer of sovereignty? The houses financed by the Djawatan Perumahan Rakjat provided very little relief for the overstrained urban housing market, even if we assume that all the houses financed by the Djawatan Perumahan Rakjat were built in the towns and cities (Table 1). After a flying start in 1951, the year of the Department’s inception, the number almost doubled and peaked the next year, 1952, but thereafter sank to a mere 900 houses in 1954. This number was very small compared to the houses built by the private sector. For instance, in 1954 the Djawatan Perumahan Rakjat financed 900 houses, while the private sector applied for 5,400 building permits in Surabaya alone (Antara, 15-2-1955/A).

Table 1. Number of houses financed by Djawatan Perumahan Rakjat, 1951-1954

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<td>Houses built</td>
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<td>2,234</td>
<td>1,259</td>
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<td>25.5</td>
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The obvious explanation for the declining building volume despite all good intentions is the quick reduction in the central government’s contribution to the Djawatan Perumahan Rakjat. Even in the top year, 1952, actual expenditure fell short of the Rp. 30 million budgeted and in 1953 actual spending was Rp. 7 million less than the budget (Antara, 16-10-1951/B, 16-7-1953/A). The reduction in state expenditures on housing was even larger when inflation is taken into account. The Djawatan Perumahan Rakjat complained that 0.1 per cent of the Indonesian state budget was spent on housing, compared to, for instance, 2 per cent of the Dutch national budget (Indonesia Raya, 23-2-1954). To put the scale of these investments in housing into perspective, the simultaneous construction of Jalan Thamrin, the 4-km stretch of road connecting the city centre with Kebayoran, cost Rp. 15 million to build; the total 1953 budget of the Ministry for Public Works was Rp. 688 million (Antara, 22-12-1953/B, 16-2-1955/B). At the end of the day, we can conclude, housing was not a top priority of the central government.

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The devastating effect of relentless inflation is not only apparent in Table 1, but also haunted individual building projects. The Ministry for Labour increased the initial budget for the construction of 110 houses in Tanjung Priok from Rp. 3.3 million to Rp. 5.4 million to fill holes in the budget produced by rising prices. In case the budget for a project was fixed, the number of houses built was lowered to balance the budget. For instance, when Rp. 1.8 million proved insufficient to build 100 houses in the port of Surabaya, the plan was first scaled down to 58 houses, and eventually probably no more than 48 were actually built. By the time the full building programme in the port of Surabaya was terminated, in 1953, a mere 113 of the envisaged 450 workers’ houses had been built (Antara, 17-12-1951/B, 1-4-1952/A, 27-7-1952/A-B, 5-5-1953/A).

Inflation was especially ruinous for the local Jajasan Perumahan Rakjat, because to their horror members of the associations noticed that their savings evaporated without returning any concrete result; shocked they no longer deposited savings in the co-operative (Keijser 1994:80; Silas 2005:12). Eventually, rapid inflation eroded the funds available and brought public housing to a standstill.

The more the hard conclusion became inescapable that it was impossible for the state to build houses for everybody, the more the state retracted into a policy of serving only its own civil servants. The state’s move to reserve public housing predominantly for its own civil servants had already begun shortly before the transfer of sovereignty. Already in 1949, the government decided to distribute 1,400 houses in Kebayoran, originally meant for low-income residents in general, to its civil servants.13

The changed focus in public housing was accompanied by an almost imperceptible shift in the way the state presented the housing crisis: from estimates of the general shortage of housing to estimates of the number of new dwellings needed for civil servants. For instance, in 1950 the Jakarta administration calculated that 4,800 out of 6,000 planned new houses were required for civil servants (but at least it still mentioned the total number of new houses required). Two years later, the administration in Surabaya merely counted the number of houses necessary for civil servants: 2,500. By 1953 and 1954, the housing problem was also being debated exclusively in terms of the shortage of houses for civil servants in Medan, Palembang, Makassar and Manado (Antara, 26-9-1950/A, 11-12-1952/A, 13-3-1953/B, 13-2-1954/A). By the time people were moved to make room for the Asian Games in Jakarta, in 1962, it seemed quite natural that the state built houses only for relocated civil

servants (at kampong Slipi) and not for other displaced residents. 14

Some officials served their own interests quite blatantly. The first four houses built by the Public Works Department of Makassar were meant for the four urban planners. 15 The construction of 10 military officers’ houses in Semarang was financed by the sale of 6,000 ‘mutual assistance letters’ (surat gotong rojong) to soldiers of the garrison (Antara, 19-10-1955/A). The privates were given this unique opportunity to show their solidarity with their commanders starting from 5 October 1955, the tenth anniversary of the Indonesian armed forces.

Nevertheless, it is too easy to depict the prioritizing of civil servants merely as selfishness. Many civil servants had to lodge in hotels for want of a private dwelling and the costs to the state were substantial. According to one estimate, the state spent Rp. 12 million annually on hotel costs in Jakarta alone, or Rp. 35 million in all of Indonesia (Antara, 13-2-1954/A, 28-4-1954/B). The bill was more than double the total budget of the Djawatan Perumahan Rakjat for that year. At least as late as 1959 civil servants occupied 302 rooms in two hotels in Jakarta (Perkampungan Asian Games 1959). The problem of how to house all civil servants had been exacerbated by the merger of the Dutch colonial and republican bureaucracies in 1949 and the failure to execute the repeatedly professed goal to reduce the number of civil servants (Feith 1962:83, 305). Outside the national capital civil servants were also put up in hotels. In Medan, 600 civil servants lived in 200 hotel rooms and 400 rooms in guest houses, which cost Rp. 15-20 per official per day. This came down to almost Rp. 4 million per year in 1953. Three years later the same number of civil servants still lived in hotels and guest houses; the annual hotel costs equalled the construction cost of over 200 modest houses (Antara, 13-3-1953/B, 15-3-1956/A, 29-8-1956/A). In sum, the expenditures on hotels of the past three years would have been enough to build houses for all the civil servants who lived in hotels in Medan during those three years. In other words, the investment in the construction of houses for civil servants would easily have been recovered.

The argument that building houses for civil servants was necessary to reduce hotel costs could not be applied to another state policy that favoured civil servants. This other policy accorded civil servants preferential treatment when the state began to sell off its housing stock in 1955; it concerned 4,800 houses in Java and Madura. 16 In Jakarta, the occupants-civil servants had the

16 The timing is conspicuous; were political parties in government trying to buy the votes of civil servants in the 1955 elections?
first pick of the government houses for sale. Other civil servants who did not occupy any of the state houses had second choice, taking precedence over occupants who were not civil servants. Presumably, the latter were required to leave when a civil servant desired the house. Civil servants could acquire the houses by a rental-purchase system, and the professed aim was to raise funds for new construction activities and to cut down on the maintenance costs of rental dwellings. A national regulation pertaining to this was issued in 1955; only civil servants who had been employed for at least 10 years were eligible. What is more, when civil servants paid in instalments over 20 years, inflation made their monthly repayment trifling compared to the value of the house. Incidentally, selling municipal houses to non-civil servants by the authorities was illegal, but did occur. The Head of the Housing Authority in Bandung (Bagian Perusahaan Perumahan Kotabesar Bandung) and an accomplice were arrested for accepting bribes of between Rp. 1,000 and Rp. 3,000 for the sale of 14 municipal houses to non civil-servants (Antara, 28-12-1956/A).

Whatever the professed aim of the sale of state houses may have been, the reality was that civil servants were offered the chance to purchase houses at a low price. Howard Dick (2002:215) has remarked of the public housing initiatives in Surabaya: ‘The rate of construction hardly made a dent in the overall housing shortage, but it eased the housing crisis for an expanding government bureaucracy and the armed forces’. On balance, this assertion applied to post-Independence public housing in other cities as well.

To round off the story, at the same time as public housing policy shrank to the question of how the bureaucracy could house itself, some people continued to worry about how the government could help the masses. The government gradually found a solution, at least on paper, for the lack of state funds for construction: it laid increasingly more stress on the responsibility of the people at large to help resolve the shortage of housing. In the eyes of the policymakers, the Jajasan Kas Pembangunan therefore had the task of mobilizing the ‘oto-aktiviteit’ (self-help) of the people (Antara, 21-8-1952/B, 7-11-1952/B, 8-1-1954/A, 4-8-1954/A). Fortuitously, the appeal to the people was also in tune with the then prevalent post-revolutionary discourse on co-operatives and mutual assistance (gotong royong) as defining features of the Indonesian nation. The policy of aided self-help housing came down to leaving the people to solve their own problems. And so they did. Squatting became arguably the most common way of finding a dwelling in cities in the 1950s (Colombijn 2010:207-24).

Conclusion

In this article I have tried to look at public housing in the early 1950s, taking the perspective at least some Indonesians must have taken at the time: by looking at the achievement of the 1950s using the preceding colonial times as a yardstick. The impact of decolonization on public housing was small, partly because the role of public housing itself in the provision of housing was marginal, both before and after Independence. Public housing even played a minor role in the segment of the market in which it was strongest: lower middle-class housing. Financial constraints put severe limits on what was achieved by whichever of the three financial systems that were tried out: gemeentelijke woningbedrijf; N.V. Volkshuisvesting; and Jajasan Kas Pembangunan. The financial constraints ruled out the chance that public housing reached all layers of society.

Ann Stoler has argued that the colonial venture was a middle-class affair; the elite flocked to the support of those Europeans who failed to keep up middle-class appearances and thereby damaged the prestige of the colonial overlords (Stoler 1989:149-53). She could have included public housing in building up her case, despite the efforts of Surabaya, Semarang, and, with less determination, some other municipalities to build dwellings for coolies and other low-income indigenous people. Looking at the record of the gemeentelijke woningbedrijven and N.V. Volkshuisvesting corporations she has a point. The target group of both institutions usually consisted of people with a middle-class lifestyle and formal education, who lacked the income to rent a middle-class house on the free market. In most towns people who, according to the municipal administration, by income and lifestyle ‘belonged’ to the kampong were not targeted for public housing; their housing situation should be upgraded by kampong improvement, which in the view of colonial (and post-colonial) administrators was a different matter. In practice, a disproportionate number of beneficiaries of the public housing policy were lower-ranking civil servants, often, but certainly not exclusively, of European or Eurasian background.

After Independence, there were two logical options about what should be done with this institute, which favoured lower middle-class Europeans, open to the Republican government: either to abolish public housing or to broaden its target group. I do not know whether the government ever formulated the question of what to do with public housing in this way. What is certain, is, at the seminal Congress on Healthy Public Housing of 1950, the professed target group was widened to include the whole urban population of Indonesia and the ideal standard for public housing was raised to the middle-class type of dwelling, in contrast to the degradingly small houses from colonial times. The Socialist Party of Indonesia, then a major opinion leader, framed this practical goal within a broader philosophical context, foreshadowing Amartya Sen’s...
famous definition of development as freedom. In 1952 the Socialist Party of Indonesia declared that ‘[e]ach human being should be really free to fully develop his life and all his potentialities. Socialism will […] create those conditions in which material conditions will not any longer constitute an obstacle for progress and development’ (Socialist Party 1952:14). This also entails ‘the right to decent housing’ (Socialist Party 1952:18).

However, economic reality soon caused a divergence from the initial revolutionary and optimistic ideals. Limited state funding, gradually eroded by inflation, required austerity measures and public housing construction subsided again in the mid-1950s. The more it dawned on the administrators that they were unable to build for the masses, the more they restricted public housing to a policy of housing civil servants. While the professed target group was broadened after the transfer of sovereignty, the target group actually reached was narrowed down even more than in colonial times exclusively to civil servants.

I wonder, by the way, what impact the failed housing policy made on the nationalist leaders of Indonesia. At first, the former colonial overlord was the significant Other that helped the nationalists to build a positive image of themselves as leaders who truly improved the lot of the masses. I assume that the later recognition on the part of the nationalist leaders that public housing in the 1950s was after all hardly a bigger success than colonial public housing may have been a blow to their self-image and forced them to question their own identity as a successful replacement of the Dutch.

The whole story of public housing in the 1950s can be summed up by the concept of the ‘revolution of rising expectations’. This concept was in vogue in the 1960s, and means that in many post-colonial states general welfare improved, but popular expectations of rising welfare (or income) increased faster. A revolutionary atmosphere was created when the gap between the actual situation and expectations became too large, either because real growth increasingly fell behind more rapidly rising expectations, or when real improvements temporarily stayed away while expectations continued to rise.18

The disillusionment about unfulfilled expectations was perhaps best formulated by Vice-President Mohamad Hatta. In 1956 he observed ‘a feeling of dissatisfaction […] everywhere’. ‘The gap between the actual state of affairs and our expectations is so great that in disgust people are apt to overlook the constructive things that have actually been accomplished’ (Hatta 1970:95).

If the concept of a revolution of rising expectations indeed adequately describes the state of (public) housing in Indonesia in the 1950s, one wonders whether the housing situation contributed to a general feeling of disappoint-

18 Davies 1962; Oberschall; Taylor 1982. An alternative version, formulated by Daniel Lerner, emphasized the role of the mass media that induce people to think they could lead other, more modern lives than they actually did (Hornik 1977).
ment and frustration in the 1950s and partly caused – as predicted by the concept of rising expectations – the (counter)revolutionary violence of 1965. Perhaps. We lack, however, data to establish with some certainty a causal relationship that goes beyond speculation. It is safer to postulate a more direct relationship between rising expectations in the early 1950s and a revolutionary, pro-active willingness to occupy land for squatting in the 1950s.

I have not found evidence that political parties exploited popular discontent with public housing to mobilize the masses. Public housing invariably ranked at the bottom of lists of policy goals of political parties, or was ignored altogether (Socialist Party 1952:18; Mortimer 1974:42, 53; PNI 1970:163). Too few people benefited from public housing and parties could build, and indeed attempted to build, a bigger constituency by championing the cause of the squatters (Colombijn 2010:219-21).

Although the revolution of rising expectations with regard to public housing was not translated into direct political action, the concept is a powerful means to capture the general feeling about public housing at the time: great expectations about the new dawn followed by disappointment that nothing really changed in post-colonial times (see also Schulte Nordholt in this issue). Nonetheless, despite the empty rhetoric of the concepts of a ‘rumah sehat for everybody’ and ‘self-help housing’, one difference with colonial times was the fact that the administration at least professed a responsibility to house the whole population. In colonial times, ordinary Indonesians had very little to expect from public housing at all.

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