

# Understanding Indonesia's gated communities and their relationship with inequality<sup>1</sup>

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## Abstract

Income inequality continues to increase worldwide and is highly visible in cities. This rising income inequality, along with the growing upper-middle class, has accelerated the development of gated communities (GC) as a desired housing for the 'successful' groups and a manifestation of how the city reproduces inequality. We analyse GC development in Jakarta and Yogyakarta, Indonesia, and offer a typology for this housing option in that country where income inequality has been growing and is now a serious government concern. While the early 2000s saw isolated GC in only a few cities, now they are developing vigorously. This article contributes twofold. First, it provides evidence on the emergence and features of GC. Second, it shows a relationship between income inequality, social differences, and GC development for upper-middle class residents in Indonesia. We argue that there is a mutually-reinforcing relationship between inequality and GC: increasing income inequality leads to higher number of GC and this material artefact entrenches 'emplaced inequality'.

## Key words

Income inequality; emplaced inequality; gated communities; social differences; Indonesia

## 1. Introduction

Income inequality has for decades figured in social science debates, the international development agenda and policy frameworks. It has recently received a boosted interest since data is showing that while worldwide poverty is decreasing in relative terms (the percentage of people living under the poverty line), the income gap is rising. Between 1990 and 2010, income inequality increased by 11 per cent in low-income countries and 9 per cent in high-income countries (UNDP, 2015).

Globalisation and economic growth benefits are not evenly distributed amongst and within countries. In the last 20 years, the groups that benefited the most have been some sectors of the middle class and the wealthiest global population (Milanovic, 2016). Wealth inequality is increasing: in 2000, the top 1 per cent had a 32 per cent share of global wealth, increasing to 46 per cent in 2010 (Milanovic, 2016). In the 1980-2016 period, the richest one per cent captured 27 per cent of total growth, whereas the bottom 50 per cent got just 12 per cent (Alvaredo, Chancel, Piketty, Saez, & Zucman, 2017). The international development agenda has also drawn attention to inequality, as seen in the Sustainable Development Goal (SDG) 10: 'Reduce inequality within and among countries'<sup>2</sup>.

Income and wealth inequalities are creating stark contrasts between and within countries. For example, 'the four richest men in Indonesia now have more wealth than the poorest 100

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<sup>2</sup> For a list of SDGs visit <https://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

million people' (Gibson, 2017, p. 1). The Gini coefficient<sup>3</sup> (widely used to measure income inequality) has increased from 0.31 in 1990 (UNDP, 1990) to 0.39 in 2018 (BPS, 2018a), with a peak of 0.41 in 2015 (BPS, 2018a). In 2016, a World Bank report on inequality in Indonesia stressed that

[R]ising inequality is creating an Indonesia that is more divided than ever before. Fifteen years of sustained economic growth in Indonesia have helped to reduce poverty and create a growing middle class. However, growth over the past decade has primarily benefited the richest 20 per cent and left the remaining 80 per cent of the population – about 205 million people - behind... (World Bank, 2016, p. 2).

Tackling inequality has become one of the priorities for the national government in Indonesia (Negara, 2017; Warburton, 2016) with the government aiming to reduce the Gini coefficient from 0.41 to 0.36 by the end of 2019 (Negara, 2017).

In this article, we present a selection of findings from a research project titled: 'How can gated communities contribute to the public good and improve the living conditions of poor residents? Gated communities and inequality in Indonesia', funded by The University of Queensland (Australia). The project aimed to analyse the contribution of GC to the public good, especially in relation to the surrounding local areas. The project used three qualitative research methods for data collection: semi-structured interviews, site observations and compilation of policy documents and other materials (photos and marketing material) on gated communities (GC). Jakarta (capital of Indonesia) and Yogyakarta (medium-sized city in Java) are the case study areas. This article is guided by three research questions, as follows:

1. What are the main characteristics of GC in Indonesia in relation to location, size, services and amenities provided and the socio-economic level of their residents?
2. What are the factors related to the growth of GC in Indonesia?
3. What is the relationship between income inequality and GC development in Indonesia?

The paper proceeds as follows: We begin by discussing some key conceptual insights from previous studies that have tackled income inequality and its manifestations in cities. We also look at past research on the development and implications of GC. We then explain 'emplaced inequality' as the conceptual lens for examining our empirical data. Following this, we touch on Indonesia's wider inequality situation based on the country's income disparities. We discuss the development of GC in Jakarta and Yogyakarta, identify a typology of GC in Indonesia and discuss how the individual and structural reasons for GC development in other countries are also apparent in Indonesia. Later we consider the relationship between GC and inequality by analysing the features of GC in Indonesia and the existing social differences between GC residents and outside local communities. Our conclusion emphasizes how the mutually-reinforcing relationship between GC, income inequality, and social differences in cities deepens 'emplaced inequality' in Indonesia. Policy-makers need to unpack the links between these issues to successfully localise and achieve the SDGs in Indonesian cities.

## 2. Theoretical insights on inequality

In 2012, Stiglitz argued that the rising inequality in the United States (US), the world's biggest economy, could be attributed to a political system 'that amplifies the voice of the wealthy [and] provides ample opportunity for laws and regulations... to be designed in ways that... enrich the wealthy at the expense of the rest of society' (Stiglitz, 2012, p. 8). Arguably, the millions of homeless people alongside many empty homes illustrate the socio-spatial impacts

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<sup>3</sup> The Gini coefficient measures income inequality and gets values from 0 to 1 (or 0 to 100) considering 0 as perfect equity and 1 (or 100) as total inequality.

of inequality in the US. Similarly, in the US and other countries, inequality manifests in how the rich live in GC.

Countries around the world provide frightening examples of what happens to societies when they reach the level of inequality toward which we are moving. It is not a pretty picture: countries where the rich live in GC, waited upon by hordes of low-income workers... (Stiglitz, 2012, p. 3).

In global South countries, Justino and Moore (2015) identify two wealth accumulation-related factors that have deepened inequality: 1) the elite domination of political and economic institutions; and 2) the elite power as political and economic 'gatekeepers' between their own populations and global institutions and markets. In Indonesia, for instance, the access to European education under the Dutch colonial regime was historically limited to the sons of Indonesia's traditional aristocracy, which perpetuated the gap between the traditional elite and ordinary people (Gerke, 2002).

Wealth inequality refers to disparities of the assets a person owns, whereas income inequality refers to differences in the money a person receives. In Indonesia, several factors account for increasing inequality. One factor concerns the income stagnation or slow growth of Indonesia's poorer population (Aspinall, 2015). The combined number of 'near-poor' and the officially tagged 'poor', who have gained significantly less from economic growth than average Indonesians, constitute half of the country's population (Yusuf et al., 2014). A second factor is the commodity boom in the 2000s, when prices and production of commodities like coal and palm oil skyrocketed, which mostly benefited the Indonesia's upper-class (Aspinall, 2015). A third reason pertains to the oligarchic politics in Indonesia, which allowed the politically influential rich Indonesians to corner the fruits of the commodity boom. The first two factors influence income inequality, while the last factor contributes to wealth inequality.

Besides the issues leading to income and wealth inequalities, some authors have identified spatial inequality (Kanbur & Venables, 2005; Todes & Turok, 2018) as a key issue. Spatial inequality can be understood as 'inequality in economic and social indicators of wellbeing across geographical units within a country' (Kanbur & Venables, 2005, p. 11), with 'added significance when spatial and regional divisions align with political and ethnic tensions to undermine social and political stability' (Kanbur & Venables, 2005, p. 2). As a dimension of inequality, it is crucial to determine how spatial inequality affects the patterns of and access to urban spaces. Thus, Benediktsson (2018, p. 404) suggests the concept of 'emplaced inequality' to capture 'a form of social inequality that inheres in place'.

Poverty and inequality conditions are linked to urban spatial patterns. The city is not just 'a static container for poverty' as it contains urban poverty and re-produces processes of exploitation and inequality (Lemanski & Marx, 2015, p. 2). Income inequality manifests in cities through housing segregation based on residents' income and also gains expression in an unequal access, use and distribution of services, amenities and resources. For example, the access to water supply is more deficient (lower pressure and fewer connections) in Jakarta's low-income neighbourhoods than in high and middle-income areas (Bakker, Kooy, Shofiani, & Martijn, 2008).

Further, real estate activities enhance urban fragmentation and social differences in the city. Land values increase as a result of private investment and the government often enables real estate investment (Justino & Moore, 2015; Leaf, 2015). In many cases, the pattern of city development presents 'secessionary networked spaces' (Graham & Marvin, 2002) that combine built spaces and networked infrastructures for affluent citizens, and leave the poor

residents' territory underdeveloped. As a result, the uneven distribution of services and infrastructure creates 'splintering urbanism' (Graham & Marvin, 2001), and 'splintering sub-urbanism' (Roitman, 2017) in the case of GC development.

The preceding discussion has shown different types of inequality. As we will show in the subsequent sections, income inequality in Indonesia influences the consumption behaviour (including housing consumption) of upper-middle class Indonesians, which contributes to increasing the number of GC in at least two Indonesian cities. This simultaneously reproduces urban inequalities. For this paper, three types of inequality are significant: income inequality, spatial inequality and 'emplaced inequality'. We shall elaborate on the notion of emplaced inequality in the next section.

### **3. Gated community development and emplaced inequality**

Gated communities became a significant artefact in worldwide cities in the late 1990s. Their development can be attributed to structural and individual or subjective factors (Roitman, 2010). Within the first group, the main factors are: growing inequalities and social polarisation (Caldeira, 2000; Svampa, 2001); increasing foreign investments and an 'imitation' of foreign models (Hirt, 2012; Thuillier, 2000; Wu & Webber, 2004); the government's withdrawal from the provision of services (Caldeira, 2000; Webster, 2001); limited housing supply alternatives for middle and high-income families (Roitman, 2013); and increasing urban crime rates (Caldeira, 2000).

The individual factors refer to the motivations of individuals and families to live in a GC. These include increasing fear of crime (Blakely & Snyder, 1997); search for a better lifestyle (less noise, more green areas and more privacy) (Svampa, 2001); search for a sense of community (Blakely & Snyder, 1997); search for social homogeneity (Low, 2003); and, search for a higher social status and social distinction (Caldeira, 2000; Roitman, 2013).

Understanding GC depends on geographical contexts; there is no single definition for this object of study. The three most used definitions come from Blakely and Snyder (1997), Caldeira (2000), and Atkinson and Blandy (2005). In an attempt to include all the different elements from these three influential studies, we follow this GC definition:

closed urban residential settlements voluntarily occupied by a homogeneous social group, where public space has been privatised by restricting access through the implementation of security devices. GC are conceived as closed settlements from their inception and are designed with the intention of providing security to their residents and prevent penetration by non-residents; their houses are of high quality and have services and amenities that can be used only by their residents, who pay regular compulsory maintenance fees. They have a private governing body that enforces internal rules concerning behaviour and construction. (Roitman, 2008, p. 8, in Roitman 2010, p. 33).

GC, as material artefacts in cities, show deepening inequalities (Borsdorf, Hildalgo and Sánchez, 2007) through a housing consumption practice that requires security devices and spatial separation between inside residents and outside local communities, between 'winners' and 'losers' (Svampa, 2001). This housing development occupies more land than other housing types due to low density, large plots and wide green areas. GC also have high and unsustainable water consumption, especially for the maintenance of green areas and sports facilities (e.g. swimming pools, golf courses). They appear as 'status symbols' in a context of increasing income inequality (Caldeira, 2000). In this sense, they are an outcome of income inequality (Atkinson, 2015), expressing the choices of the 'winners'.

However, the literature also emphasises the other direction in the relationship between GC and inequality. GC 'contribute to urban inequality by reproducing social stratification and introducing a new layer of place stratification' (Vesselinov, Cazessus, & Falk, 2007, pp. 123-124). They also 'reinforce social inequality and spatial segregation. They threaten public life by removing space and people from the public realm' (Gooblar, 2002, p. 332).

Given the foregoing insights, we argue that inequality and gating interact in a double-directional process, mutually reinforcing each other: GC increase in numbers as a consequence of rising income inequality, but at the same time they reproduce inequality in the city 'keep[ing] groups apart' (Caldeira, 1996, p. 325). Thus, we employ the notion of 'emplaced inequality' as an analytical lens in examining inequality and gated communities in two Indonesian cities. Emplaced inequality encourages the growth of, and is also reproduced by, GC. Emplaced inequality has three layers (Benediktsson, 2018)<sup>4</sup>. A material layer is illustrated through the characteristics of GC (housing typology and size, housing prices, security devices, services and infrastructure), which greatly distinguish themselves from the outside local neighbourhoods. A second layer is institutional, manifested through the existence of regulations governing life inside the GC and dictating behaviours and building features. A third layer is the symbolic dimension that can be seen through the analysis of power imbalances between 'insiders' and 'outsiders'. Here conflicts and tensions help to identify the differences in power relations (Benediktsson, 2018).

#### **4. Methodology**

This research project followed a constructivist-interpretive paradigm considering that reality and knowledge are constructed inter-subjectively; there are multiple realities; and findings emerge from dialogue between the researcher and respondents who co-create understandings (Denzin and Lincoln, 2011). Based on this paradigm, a qualitative research design, with a triangulated research strategy was developed. Three research methods were used for data collection: in-depth interviews, observations, and a collection of policy documents and other materials (i.e. photos and marketing material) on GC. The triangulation provided richer and complementary data.

Jakarta and Yogyakarta were selected as case study cities. Jakarta, the largest Indonesian city<sup>5</sup>, presents the highest number of GC (Leisch, 2002; Yandi, 2015; Herlambang et al, 2018). Yogyakarta was chosen as it is a medium-sized city and the GC phenomenon has not been extensively studied. Additionally, the project's lead researcher had already research experience in Yogyakarta and an established research network, considered 'an important way of achieving access and gaining the cooperation of interviewees' (Scheyvens et al, 2014, p. 203). This is an essential factor when aiming to interview elite groups, such as GC residents and developers, as 'gaining access to the elite... can be particularly problematic' (Scheyvens et al, 2014, p. 202). Elite groups often fail to see the value of research activities, consider their time too valuable to have 'interviews' with no financial benefits, have busy schedules and are not available (Conti and O'Neill, 2007; Scheyvens et al, 2014).

Interviews were conducted in Jakarta and Yogyakarta between September 2016 and July 2017, with stakeholders from four groups: 1) developers and GC residents; 2) outside local

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<sup>4</sup> These layers of inequality resonate with the three dimensions of space developed by Gieryn (2000): geographical location, material form and meaning.

<sup>5</sup> The population of Jakarta Metropolitan Area (Jabodetabek) is estimated in 30 million residents, whereas Yogyakarta Metropolitan Area has over 2.5 million residents (<http://worldpopulationreview.com/world-cities/jakarta-population/> and BPS, 2018b).

residents living next to the GC (local community leaders in particular); 3) local government officials; and 4) researchers. Forty-five interviews were done in Yogyakarta and twenty-five in Jakarta. To compensate for this unequal number of interviews, a workshop on GC development in Jakarta was conducted in collaboration between The University of Queensland (Australia) and Universitas Tarumanagara (Indonesia). The workshop consisted of a first session of four presentations from three different sectors: government, private sector (two presentations) and university, and a second session consisted of a public debate after the presentations, engaging members of civil society organisations and residents, in addition to these three sectors. The debate and discussion was triggered by the use of interview quotes to get viewpoints of the participants. About 50 people attended the workshop held at Universitas Tarumanagara in Jakarta on 25 April 2017.

The unequal number of interviews resulted from the difficulty to get access to elite interviewees as it requires time, trust and networking to build solid relationships. This is easier to do in smaller cities. The lead researcher of this project had already built trust and established contacts in Yogyakarta, which facilitated the access to interviewees through snowballing. This was not the case in Jakarta. The number of rejections from GC residents and developers for potential interviews was higher in Jakarta. High rates of rejection are often the case with elite interviewing (Scheyvens et al, 2014). Most interviews were conducted in English and Bahasa Indonesia by the first author with the support of local research assistants from Universitas Tarumanagara in Jakarta and Universitas Gadjah Mada in Yogyakarta who translated the conversations and initiated contact with some of the interviewees. Interview data was analysed through a manifest discourse analysis, with the construction of analytical themes that included the following categories: reasons for GC development; GC residents; GC features; social differences between inside and outside; social relations between inside and outside; problems and tensions; GC planning permits; GC contribution to the city and GC and inequality.

Information collected through marketing material and observations during visits to GC and the surrounding areas, in addition to interview data, was used to build a database of GC in these two cities, including information about the year of construction, size, location, number of houses, housing typology, services, amenities, security devices, and developers. Data from websites of real estate developers was also used to build this database.

## **5. Income inequality and consumption patterns in Indonesia**

Indonesia's strong economic development has improved urban service provision in the last two decades. The proportion of urban population without access to drinking water went down from 50 per cent in 1993 to 40 per cent in 2011 (BAPPENAS, 2012). In the same period, the access to basic sanitation in urban areas increased from a 54 per cent coverage to 74 per cent (BAPPENAS, 2012). However, there is still a significant gap between rich and poor groups' access to clean water and sanitation (World Bank, 2016). Although fifteen years of sustained economic growth have helped reduce poverty and create a growing middle class, this growth has mainly benefitted the richest 20 per cent of the population (World Bank, 2016). There are 'several pockets of exclusive residential areas' for middle and upper-middle incomes where residents enjoy 'an exclusive lifestyle, with high security and much better infrastructure and facilities' (Firman, 2004, p. 360).

Using expenditure as a proxy indicator for national income, Figure 1 shows the share in national income, which is proxied by expenditure of three income groups: the richest 20 per cent, the 40 per cent from middle-income households, and the poorest 40 per cent households. By the end of 2012, the richest group's share of income went up to 49 per cent from 41 per cent in 1999. The income share of the top 20 per cent income group has risen to

an additional 20 per cent share, while the share of the 40 per cent poorest and the middle-income households have declined by 22 per cent and 9.5 per cent, respectively in the 1999-2012 period (Utari & Cristina, 2015). This reveals that income inequality has increased with the richest group reaping the benefits from economic growth and the poor income group's share stagnating, if not shrinking, over the years.

INSERT FIGURE 1 HERE

The use of resources is also segregated by income. In 2002, the richest 10 per cent of the country's population consumed as much as the poorest 42 per cent combined, increasing to the poorest 54 per cent combined in 2014 (World Bank, 2016). Meanwhile, the consumption pattern indicates a rise of over six per cent per year (after adjusting for inflation) for the richest 10 per cent of Indonesians between 2003 and 2010 (World Bank, 2015). In the same period, the consumption for the population's poorest 40 per cent only grew by less than two per cent per year (World Bank, 2015). This disparity is seen in a strong increase in the Gini coefficient for the country from 0.31 in 1990 to 0.39 in 2018 (BPS, 2018a), as mentioned earlier. In Yogyakarta, this coefficient increased from 0.35 in 1996 to 0.44 in 2017, with a similar trend for Jakarta (0.36 in 1996 and 0.41 in 2017) (BPS, 2018a). These represent some of the highest values for the country, with most provinces experiencing increasing income inequality, even when there has been a slight decrease in the last two years at the national level from 0.41 in 2015 to 0.39 in 2018 (BPS, 2018a).

When it comes to consumption patterns, as the income of some groups rises and living standards improve, consumers' needs shift from products meeting their basic needs to those giving greater convenience (Leisch, 2002; Utari & Cristina, 2015). There is an increase in the purchase of consumer durable products and high-tech products for upper-middle groups (Rastogi et al., 2013), which counts for at least 52 million and absorbs 43 percent of the total household consumption in Indonesia (World Bank, 2017). Also, some upper-middle class Indonesians, in Jakarta for example, have been frequenting local *kafe tenda* (tented cafes), a dining area equipped with entertainment amenities (Ansori, 2009). As a constructed class and cultural space, *kafe tenda* serves as an expression of upper-middle class identity and consumption choice to 'distinguish themselves from those below them on the social scale' (Ansori, 2009, p. 92).

Further, some upper-middle-class hang out in shopping malls to project a modern, Western or urbanized lifestyle (Ansori, 2009; Gerke, 2002). While some people with middle class status could maintain this lifestyle, others who could not afford to engage in this practice resort to 'substitutional activities to give their lives a middle-class touch' (Gerke, 2002, p. 146). These practices constitute 'lifestyling' - 'the symbolic dimension of consumption and... display of a standard of living that one is in fact unable to afford' (Gerke, 2002, p. 137). This indicates that the growth of the consumer class represents higher expenditure and economic activity, and a growing aspiration to foreign living standards (Leaf, 2015).

Increasing consumption by upper-middle class groups has greatly boosted the real estate sector. For example, in Jakarta Metropolitan Area, 15 new shopping centres were built between 2011 and 2016, with nine of these constructed as part of private residential developments (Oxford Business Group, 2017). In what follows, we expand the discussion of the GC characteristics in Indonesia.

## 6. GC in Indonesia: Causes and typology

The development of GC in Indonesia started in the late 1990s in Jakarta Metropolitan Area as a consequence of a massive land development process (Winarso, Hudalah, & Firman, 2015). Only a few projects were built prior to that period. In Yogyakarta, GC development began in the mid-2000s as the real estate activity was recovering from the 1997 financial crisis<sup>6</sup>. Lately it has taken a significant increase with most gated housing projects built after 2010. In this section we review the causes of the development of GC in Indonesia and the typology of GC.

### 6.1. Causes of GC development

The current official numbers of GC in Jakarta and Yogyakarta are unknown due to two main reasons. First, similar to what happens in other countries, local governments do not register GC as a particular type of residential development. Second, the definition of a GC greatly varies among policy-makers and researchers. Nevertheless, our data collection and analysis of complementary sources revealed at least over 100 GC in Jakarta and over 35 in Yogyakarta.

In both cities, more affordable land prices in the outskirts have led to urban sprawl, converting agricultural land to residential land in an ‘uncontrolled’ process (Firman, 2004). However, while in Jakarta some of these new areas did not have infrastructure and services as they were located further away, in Yogyakarta there was a better provision as there were already peri-urban *kampung* in these areas that have mixed agricultural and residential uses. In some cases, they are in pockets in central areas. Most of them are built on former agricultural land (mainly rice fields) because GC residents want to live in ‘natural green areas’ (Hendrastomo, 2012) and because it is where land is available at affordable prices. They are surrounded by *kampung* (villages now urbanised and developed into neighbourhoods) of lower-middle class families. They are not close to the poorest areas (slum-type) in the city, which differs from the situation in other countries where there is a stark contrast between GC and the outside areas (Roitman, 2013).

In Jakarta, GC have extended to peri-urban areas, which are farther away from the central city area. This sprawl is due to the size of some residential developments that require large land areas. In this case, similar to Yogyakarta, many GC are close to lower-middle income neighbourhoods; however, contrary to Yogyakarta, there are some GC in Jakarta built right next to poor neighbourhoods, creating spatial segregation (Winarso et al., 2015).

The real estate sector in Indonesia grew from USD\$14.5 billion in 2010 to USD\$19.3 billion in 2013 and property prices rose by nearly 30 per cent in the period 2011-2013 (Oxford Business Group, 2017). Indonesia’s property prices are ‘among the least expensive in Southeast Asia’ (Oxford Business Group, 2017, p. 237). However, this real estate growth has slowed down since 2013 due to a lower GDP growth, higher interest rates and the Bank Indonesia’s drive to prevent excessive market speculation. One of the Bank’s interventions includes a ‘20 per cent luxury tax’ on houses over USD\$1.5 million and apartments over USD\$730,000 since December 2015. Thus, residential property sales slowed down from six per cent in the last quarter of 2015 to one per cent in the first quarter of 2016 (Oxford Business Group, 2017).

Since May 2015 the Indonesian government has made the restrictions for foreigners who reside in the country to own property in Indonesia more flexible. Foreigners can now buy a luxury apartment worth at least USD\$365,000 for a period of 30 years, which can be extended for a maximum of 80 years. Similarly, foreigners can own houses since December 2015. The government has also provided tax incentives to real estate investment trusts since 2015, encouraging international and domestic private developers to invest in the country (Oxford

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<sup>6</sup> Over 450 developers went out of business between 1996 and 2001 in Jakarta Metropolitan Area (Firman, 2004).



Business Group, 2017).

As seen in other countries, structural and individual factors explain the development of GC in Indonesia (Hapsariniaty et al., 2013). Several structural factors have influenced the construction of GC in the last ten years (Herlambang et al., 2018). The first is the recovery from the 1997 crisis of the real estate activity. A second factor is the devolution of political authority over spatial planning since the *Reformasi* (implemented in 2001), which enabled the local governments to approve new projects and design of local master plans and zoning regulations.

Although some authors (Hapsariniaty et al., 2013; Hendrastomo, 2012; Leisch, 2002) also refer to increasing insecurity in some cities as an explanatory structural factor for the growth of GC (third cause), this seems to be more about fear of crime (which is an individual aspect) than the actual surge in crime rates. In Jakarta, this fear of crime was significant during the 'riots' in 1998 (as a consequence of the financial crisis) that culminated in President Suharto's resignation. At that time, some groups, especially Chinese Indonesians, felt vulnerable and moved to GC (Bunnell & Miller, 2011; Leisch, 2002). However, some of these GC became a target in the riots, which occurred as a consequence of the urban poor's worsening living conditions (Firman, 2004).

Jakarta presents the highest number of crime cases in the country (43,842 cases in 2016), whereas Yogyakarta ranks in the middle between least safe and most safe cities, with 8,348 cases (BPS, 2017). However, this is just the result of Jakarta being the most populous city, as in terms of crime rate it had a medium-ranged value. The crime rate has decreased from 346/100,000 in 2006 to 181/100,000 in 2015 for Jakarta and increased in Yogyakarta from 87/100,000 in 2006 to 266/100,000 in 2015 (BPS, 2008 and 2016). Interestingly, Yogyakarta's reputation as a 'safe and quiet' city is a strong advantage for people from other cities to move there.

An interviewee commented on how some residents seek security: 'if these persons [GC residents] are working, they tend to leave their house in the morning until they finish work. So, they are seeking a safe housing area, so that they could leave their house in ease without worrying about any burglary or such. Maybe that's the first reason' (YLG2). In Jakarta, most interviewees mentioned safety as the main reason for choosing to live in a GC. According to a private developer, 'people who buy housing in GC are actually middle-income people, even higher. So, they have enough money. So, security is number one for them, especially in a big city like Jakarta and its surrounding area, Jabodetabek<sup>7</sup>... where people from all over Indonesia come with different backgrounds, different social status... So, crime is very high here. They need security' (JD1)<sup>8</sup>.

A GC resident added: 'As long as safety in this city is not really good, the GC will exist as a housing concept' (JGCR2). A government officer agreed on this but acknowledged the multiple factors influencing the decision to live in a GC: 'There are three main reasons: the first [one] is security; second is about prestige and their comfortability; and the last [one] is urban lifestyle. However, I see the first reason as the most important' (JLG1).

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<sup>7</sup> Jabodetabek refers to greater Jakarta and stands for Jakarta, Bogor, Depok, Tangerang and Bekasi.

<sup>8</sup> We refer to the interviewees according to their role and city as follows: YD: Yogyakarta Developer; YLG: Yogyakarta Local Government; YGCR: Yogyakarta Gated Community Resident; YOR: Yogyakarta Outside Resident; YA: Yogyakarta Academic; JD: Jakarta Developer; JLG: Jakarta Local Government; JGCR: Jakarta Gated Community Resident; and JOR: Jakarta Outside Resident.

The fourth structural explanation for the expansion of GC is increasing social differences and polarisation (Hapsariniaty et al., 2013). A government official argued: 'they [GC residents] don't want to be mixed with another social level' (YLG3). In Jakarta, a developer said: 'they [GC residents] want to live with their friends with similar social status'. (JD1). As similarly observed in other countries, there is an 'imitation process' (Firman, 2004) and reproduction of European and US lifestyles that is projected in foreign names given to these new developments (Herlambang et al., 2018; Leisch, 2002). Foreign investment has also increased in real estate development (Oxford Business Group, 2017), as explained earlier in this section, with new joint-ventures of domestic and international developers, representing a fifth structural reason.

Individual reasons to justify living in a GC are also important in both cities. The main reason is family investment, especially after the 1997 crisis, as investing in residential properties seems to be safer and more attractive than other financial investments (Herlambang et al., 2018; Leisch, 2002). In Yogyakarta, investment appears as the main individual justification for the development of GC. Families see GC as a safe investment, especially in cities like Yogyakarta that attract students from all over the country: 'People buy houses here because they have children studying here in Yogyakarta. So, they invest their money on buying houses here, so that after their children graduate, they could sell the house at a higher price' (YGCR1). According to interviewees, the high investment on this housing type in Yogyakarta has created a phenomenon where houses remain vacant for a long time as they are not rented and the owners live in other Indonesian cities. Unfortunately, there is no data on the number of vacant houses in gated developments; however, observations during fieldwork revealed this is a significant phenomenon in Yogyakarta.

A similar situation happens in Jakarta where investment deepens inequality (World Bank, 2015) amid a national housing backlog of between 13.5 and 15 million houses and at least 820,000 new units needed each year to respond to population growth<sup>9</sup>. A developer commented on this:

'the issue is [about the] social gap between the richest and the poorest. For example, in my project in South Jakarta, people have seven or eight houses, all expensive houses. So, there are three types of houses in my projects. One [type pertains to] houses bought by end-users, who stay there everyday, who live there, study there. [The second comprises] houses for people who only come during weekends; they work and stay in apartments in Jakarta and on weekends they go to the fringe area with fresh air. The third [consists of] houses that are owned by investors....[and] sometimes they even forget that they have houses there' (JD1)<sup>10</sup>.

The second individual reason for moving to a GC is fear of crime (Leisch, 2002), as already mentioned, based on real or perceived higher crime rates. Other individual factors have to do with lifestyle that values living in individual houses with green areas, privacy and amenities in a quiet environment (Hapsariniaty et al., 2013; Leisch, 2002). A GC resident from Jakarta mentioned having 'a nice landscape' and 'more greenery' as an advantage of this type of housing (JGCR2). The provision of amenities appears as another reason to choose to live in a

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<sup>9</sup> There are different estimates for the national housing backlog, with online sources suggesting between 13.5 and 15 million housing deficit (Global Business Guide Indonesia, 2017) and some government sources mentioning at least 11 million unit deficit and saying that this data has not been carefully monitored and therefore it is imprecise (Republic of Indonesia, 2016).

<sup>10</sup> The phenomenon of vacant houses within GC has also been documented for Buenos Aires, Argentina (Pugliese, 2009).

GC (Hapsariniaty et al., 2013). A developer from Jakarta referred to it as a 'practical' (convenient) choice: 'A GC is more practical and safer for residents. Practical means that the consumer already gets the housing when they buy, they already have facilities and security... And they have the good living environment because in a GC [GC] concept, we always take care of the environment...' (JD2).

Another significant reason pertains to getting a sense of community, social homogeneity, and social prestige (Leisch, 2002). Interviewees provided further details on this like 'we all know each other' (YGCR1) or mentioned 'prestige' (YOR2) and the need to get together as a group: 'there are social problems, so they [GC residents] choose to be united; it seems as gathering is the solution to that phenomenon – the social problem' (YA1). A developer from Jakarta stressed the importance of feeling amongst equals: 'They [GC residents] live in the GC because they feel comfortable to live within the same class with the same house, same facility and same area with fence. Even when there are some people who are richer than other, they feel they don't have any gap between them. So, I think the social aspect is stronger than [the] security aspect' (JD2). While building a sense of community can lead to cohesion among the group members living in GC, on a broader socio-spatial scale, it might contribute to group identification, a phenomenon which 'accounts for a larger share of income polarization relative to alienation<sup>11</sup> in Indonesia' (Gochoco-Bautista, Bautista, Maligalig, & Sotocinal, 2013, p. 109). An insight from an interviewee poignantly captures how GC reflect the wider inequality in Indonesia: 'Because most GC target middle [class], high-end or rich people. The low-income people cannot afford clusters because the price is high' (JGCR1).

As shown in this sub-section, GC growth in Indonesia has been associated with both structural and individual factors, echoing the insights from the literature on GC development in other countries (Section 3).

## 6.2. Typology of GC

In Indonesia, as in other countries, there is no single definition of GC. They are colloquially called 'clusters', 'housing clusters', 'complex' or 'housing complexes'. A common typology developed for Indonesian GC considers the type of access, rather than the reasons why residents decide to live there (Blakely & Snyder, 1997) or the services and infrastructure provided inside (Svampa, 2001)<sup>12</sup>. Widhyharto (2009) has identified three types of GC based on access points:

1. 'Pocket': It has only one access and is strictly controlled.
2. 'Go through' Gated Community: It has two types of access: primary and secondary. Primary is the planned entrance, while secondary refers to access points that are unplanned and appear as a response to the interaction with the surrounding area and might have different levels of control.
3. 'Open' Gated Community: There are several access points. At least one is a primary, planned access, but there might be several secondary access points, with different levels of control.

A community leader who lives outside a GC in Jakarta provided the following explanation regarding the second and third types: 'gated residences are fenced off for a security reason

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<sup>11</sup> In examining alienation in Indonesia, Gochoco-Bautista et al. (2013) build on Esteban and Ray's (1994) notions of *identification* and *alienation*. Identification refers to 'the sense of belonging and unity that an individual feels with others' (Gochoco-Bautista et al., 2013, p. 107); while alienation 'is an individual's sense of being distinct or different from another individual or group, fuelled by his [or her] notion of identification with others within his own group' (p. 107).

<sup>12</sup> The first typology is for US GC (Blakely and Snyder, 1997) and the second one is for Argentinean GC (Svampa, 2001).

and they have small gates for *kampung's* and the *complex's* [the GC] residents... they [these gates] are not guarded, but at 12:00am the gates are all locked by the [security] personnel' (JOR4).

In addition to Widhyharto's (2009) typology based on access points, our literature review, interviews, site visits and observations revealed another important distinction in Indonesian GC based on size and amenities. Thus, we identified three types based on access points, provision of amenities, and the size of the project:

1. 'Single Gated Community': A housing development where there is only one point of control for the residential complex, even if there are several entrances, and there could be (but not always) sport and social facilities within the development.
2. 'Clustered Gated Community': A group of housing clusters which share common amenities, with two points of control marked by a barrier and a security guard: a first point to enter the GC and a second one to enter the cluster, after passing the first control.
3. 'Private city': Similar to a 'clustered GC' but with more important amenities and infrastructure, even commercial facilities (shopping centre), office space and education facilities. This last type is also called 'new town' (Winarso et al, 2015; Rukmana et al., 2018); however, we prefer the term private city which emphasises the privatisation of urban space and the use of amenities as the main characteristic.

These three types of GC can be observed in Jakarta, with at least 23 private cities (or new towns) (Rukmana et al., 2018; Winarso et al., 2015). In Yogyakarta, there are no private cities yet, but there are two 'clustered GC'. Most GC in Yogyakarta are the first type ('single GC'). In Jakarta, BSD (Bumi Serpong Damai) is the most important private city, located 30 kilometres south-west of Jakarta city centre. It was initiated in 1984 and is still under construction, occupying a total area of 6,000 hectares (1,500 hectares already developed), expected to have 40,000 housing units (25,000 already built, see Figure 2) with an estimated population of 100,000 residents when completed (BSD website; Gotsch, 2009; Leisch, 2002; Winarso et al., 2015). BSD, as other private cities, has an area considered semi-private with shops and services including a convention centre, three hotels, three private universities and several private schools. In BSD, a subtle social control is maintained through security devices. Although there are no barriers to deter access, BSD is totally segregated with upper-middle and upper-income visitors, customers and residents using the area for entertaining and shopping, whereas low-income visitors are there only as workers (mainly low-skilled workers). The expansion of GC, especially the large projects in Indonesia, shows how large private developers have taken 'a dominant role in dictating the city-making process' providing 'fully formed visions of urban living' (Simone & Fauzan, 2013, pp. 286-287).

INSERT FIGURE 2 HERE

In Indonesia, similar to the situation in other Global South countries, GC residents belong to the upper-middle and upper-income groups. The housing values inside GC are only affordable for these groups. Most GC houses in Jakarta are sold from between one billion Indonesian rupiah (USD\$70,000) to five billion Indonesian rupiah (USD\$350,000)<sup>13</sup> (with some exception for higher prices), with average prices of around two billions Indonesian rupiah (USD\$140,000). Prices in the surrounding areas are usually lower than one billion Indonesian rupiah (USD\$70,000), with average values of around 500 million Indonesian rupiah

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<sup>13</sup> These prices have been taken from websites of real estate agencies in Indonesia in January 2019. These sources are [www.olx.co.id](http://www.olx.co.id), [www.99.co/id](http://www.99.co/id), [www.rumahdijual.com](http://www.rumahdijual.com), [www.rumah123.com](http://www.rumah123.com). These sources are used when prices of housing in Indonesia are given.

(USD\$35,000). In general prices in Yogyakarta (both in GC and in the outside areas) are lower than in Jakarta, with average prices around one (USD\$70,000) and 1.5 billion Indonesian rupiah (USD\$105,000). However, housing in the most prestigious GC are over five billion Indonesian rupiah (USD\$350,000). These GC housing prices are very high in relation to Indonesia's average annual income per capita in 2016 (USD\$2,817; around 39 million Indonesian rupiah) (World Bank, 2019)<sup>14</sup>. This indicates how GC growth is intimately linked to income inequality in Indonesia.

When comparing GC development in Jakarta and Yogyakarta, GC size is the main difference. In general, GC in Yogyakarta are very small compared with the size of some GC in Jakarta. In both cities, the size of a GC is related to the GC type. Single GC are the smallest, with diverse sizes. In Jakarta, single GC go from one hectare (small ones) to between 1.1 and ten hectares for medium-sized single GC. A few single GC occupy over 10 hectares. Meanwhile, private cities cover sizes from 500 hectares to over 10,000 hectares. In Yogyakarta there are several single GC that are smaller than one hectare; the medium-sized single GC are between 1.1 and eight hectares. There are no large single GC. The two 'clustered' GC have seven and 15 hectares respectively. Although this depends on local government regulations, in most cases in both cities, GC smaller than one hectare do not need to provide any social or sport amenity.

Analysing GC features helps us understand the material layer of emplaced inequality based on the physical characteristics of this housing type: closure, security devices, services and infrastructure that demarcate the differences between the inside and outside areas. Housing located outside GC in Jakarta and Yogyakarta present different characteristics than GC housing. The former has smaller plots and building areas, with a lower standard building quality. There is also a mix of residential and commercial land uses outside. Figure 3 shows housing and commercial buildings outside BSD in Jakarta, depicting tremendous differences with housing in BSD (Figure 2).

INSERT FIGURE 3 HERE

Housing prices inside GC and in the surrounding areas also differ greatly. The prices in GC are always higher than in the surrounding outside areas. Different cases showed that GC houses were 1.5 to ten times higher than the outside units, depending on land area and building size. The average values were at least twice higher within the GC walls.

The institutional dimension of emplaced inequality manifests in GC's code of conduct that regulates the housing characteristics and everyday practices within the development. Regulated practices include where residents should park their cars, what types and how many pets are allowed, and how and when social events are held. The rules also establish control over employees and visitors, clearly demarcating those who belong and live inside and those who are outsiders (regardless of being guests, employees or outside neighbours). The regulations also detail the consequences of not respecting the internal regulations, which are mainly fines to be paid to the GC governing committee.

As GC's physical structures and internal rules establish certain spatial features and control mechanisms, it is crucial to understand how they can affect the attitudes and social interactions between the GC residents and their outside neighbours.

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<sup>14</sup> The National Bureau of Statistics in Indonesia does not collect data on income. Expenditure is usually estimated as a proxy indicator.

## 7. Social differences, interactions and tensions between insiders and outsiders

Gating and the clear perimeter are key features of GC. Thus, 'gated developments have an inside and an outside' (Grant & Mittelsteadt, 2004, p. 914), which are manifested through visible physical and social differences. The latter are based on three social attributes: class, ethnicity and place of origin. In relation to class, most interviewees see GC residents as 'upper-middle class'. This is evidenced in their housing type (design, size, and building materials), which has better quality and higher economic value than the houses of the local residents outside. The latter are 'lower-middle' and 'middle-middle' class residents.

In terms of ethnicity, there is a high number of Chinese-Indonesian residents who live in GC, a phenomenon which is more apparent in Jakarta than in Yogyakarta. This finding echoes earlier accounts for Jakarta (Leisch, 2002; Gotsch, 2009). With regard to the place of origin, there is a high number of non-local people who live in GC. These include foreigners and people from other Indonesian cities. One reason for this, especially for foreigners, is their preference for GC's spatial 'order' over the organic development of *kampung*. Additionally, in the case of Yogyakarta, people from other cities invested in housing located in GC because of the city's reputation as a safe living environment and/or because they wanted their children to study in Yogyakarta.

Many interviewees referred to class and ethnicity as a singular factor and interchangeable. They also expressed the need to separate groups based on social differences, as expressed by an outside resident: 'if we are talking about people inside and outside the complex [GC], there is a difference in terms of race. People who do not belong to our race tend to avoid being near us' (JOR3).

Social differences are also seen as a 'different culture' which translates into 'different practices and values', as explained by an interviewee:

'clustered housing has never been mixed with common people. The reason, first, is the social class; they are different. People in 'complex' [the cluster] have different culture from the common people. They do not care if they know each other, but in here [*kampung*], collective work is very important. People in 'complex' always rely on paid workers that provide everything instantly... They have their own rules, their own technologies, so I don't think they can mingle with common people. There is no history [precedent] about people in 'complex' working together with common people...' (JOR2).

The differences in practices and values affect the social interactions between GC residents and their outside neighbours and manifest the symbolic dimension of emplaced inequality.

Apart from the strong social distinction between GC residents and the outside inhabitants, the physical elements demarcating each group's territories create social tensions (Lemanski, 2005; Roitman, 2013; Winarso et al., 2015). These tensions illustrate unbalanced power relations and hence they are usually minimised by developers. A developer from Jakarta mentioned:

'In the beginning of the development of PRM [name of GC], yes there were several problems with the local residents; they complained because the area was flooded, and the development messed up the area. But the developer [himself] always tries to solve the problem, and the local government (*kelurahan* team) always helps us solve the problem with local residents. After PRM was occupied, the complaint was gone and they [outside residents] seem to live in peace [now]' (JD2).

A member of the local government mentioned there were several cases of flooding in Jakarta as a result of the GC construction since the new development reduced the area's capacity for water absorption. This created problems for the outside populations (JLG1). In Yogyakarta there had been problems in relation to cemeteries as outsiders did not allow insiders to be buried in the local cemeteries as they thought insiders had chosen not to have contact with outsiders. The local government had to intervene and built a new cemetery where insiders could be buried (YLG12).

Several interviewees said there were no conflicts between insiders and outsiders, as reflected in this comment: 'We are so good to each other. If they [the outside community] happen to hear about something bad inside this GC, they will immediately come to see and help [us]... We do the same thing, if the outside people are carrying out an event or activity, we would be invited and come to join them' (YGCR1). In some cases, the lack of tensions is rooted on avoidance and limited contact between insiders and outsiders. An outsider living in Jakarta commented: 'in terms of social tension, I don't think there is any. We tolerate each other... Although there is difference between us, especially in terms of class... I don't think there is much connection... those in the lower class are not approached by those in the upper [class]' (JOR2). This insight shows how social indifference prevails over social integration or acceptance.

Most interviewees living outside GC emphasised that insiders might not interact with outsiders because 'they are busy' (JOR4) or 'because we are *kampung* people' (JOR6). This points to the perception that whereas GC residents were busy and spent most of their time outside their homes, *kampung* residents had a more relaxed way of life and mostly stayed at home or in the neighbourhood. The second quote shows the perceptions of outsiders and insiders as different social groups based on class and place of origin (city residents versus villagers in this case).

Despite the limited interaction, some leaders of the outside communities complained about a few issues regarding the new GC. The most important ones were the perimeter wall and problems with flooding. For example, in one case, outside residents complained about high GC fences and the developer agreed to lower them. In another case, outside leaders expressed concerns over a water pump construction inside the GC that could drain their ground water source and therefore had been regularly monitored.

The different socio-economic levels between inside and outside populations affect unbalanced power relations: 'local people have limitations... Their [our] economy... is low... [We have] low income... whereas people who live in clusters are richer. So, if they want to make it gated, what can we say? We can't say anything. As a local resident, I want to interact with inside community members, but there is the gate and the security guard, so I can't do anything' (YOR1, community leader who lives outside a GC). Some outside residents also cited the unbalanced power relations as reasons why they did not complain when there were GC-related problems. Even if the interviewees were community leaders, they did not know where to lodge a complaint or who to talk to.

Most interviewees agreed there is not much social interaction between insiders and outsiders. The leader of a *kampung* outside a GC said:

'[The] outside community has a monthly gathering... BH's [the GC] residents also have a monthly gathering. I have never been invited to their gathering, whether it's me going there or their leader coming to ours. Only if there's an offering [for Islamic celebration] ... we ask for donation [and] they usually donate... Then, if there is a

funeral of someone inside, they would inform me or any local people from outside' (YOR1).

This lack of interaction can also trigger negative feelings among the outsiders who are used to more collaborative and collective daily routines. One local government officer explained:

'Here... where Javanese traditions remain, people usually blend and socialize very much. Even in the *kampung*, people usually give others food, etc. This doesn't happen between the inside and the outside people; if we're talking about the exclusive [GC] ones, right? So, the outside people tend to accuse the newcomers. For example, if there's a bunch of waste outside, the outside [group] would accuse the people inside for throwing trashes carelessly, etc... It's like the people outside are having a negative thinking towards these people inside ...' (YLG4).

The biases and adverse perceptions arising from rare social interaction between insiders and outsiders resonate with how Ansori (2009) frames class as a cultural project, which comprises individual attitudes, beliefs and behaviours that rely on the formative capacity through social learning and social interaction (Ansori, 2009; Liechty, 2003). Thus, everyday interaction and joint activities (or the lack thereof) could deepen social differences, which are often portrayed as an offshoot of a broader economic class divide.

In relation to joint activities, insiders and outsiders only attend together one or two annual religious events in the local mosques, as explained by a developer (YD1). In Yogyakarta, most GC do not have a mosque inside the perimeter and therefore their residents need to use mosques in other areas of the city or those outside their neighbourhoods. A resident explained: 'We go to the mosque outside the GC, the mosque that belongs to the local community. There are two of them, one is in front of this GC, and the other located at the back of this GC' (YGCR1).

A Yogyakarta local government officer shared two reasons on why some GC have no mosques inside their premises (YLG3). First, some of them are of small size, so they are not required to build a mosque inside. Second, sometimes developers do not want to limit their options by targeting only Muslim residents; they also think that a mosque is disturbing because of the constant noise of prayers. In this sense, the presence of a high number of Chinese Indonesian families in Jakarta's GC, contrary to Yogyakarta's case, might explain the lack of mosques inside the residential estate. Further, ethnic differences could explain the lack of interaction, as expressed by a community leader outside a GC in Jakarta: 'There is no social relationship [between insiders and outsiders]. Because the majority of DMB [name of GC] is non-Muslim and of Chinese ethnic origin. But there are some Muslim [residents] and .... [they] have a good relationship and social connection to people here' (JOR6).

A local government official in Yogyakarta mentioned the lack of mosques inside GC as a potential element fostering opportunities for social interaction between insiders and outsiders (YLG3). His colleague added: 'this [lack of mosque] has also encouraged some interactions between the local community and the newcomers, because the activity in the mosque is not only to pray, there are also other religious activities that could encourage interactions. So even though there are no interactions, at least the local community knows that this person or that person is from the cluster, and the other way around; even if they don't know their names' (YLG4). A local leader living outside a GC also recognised that the mosque might be the only space that facilitates this interaction: 'residents inside are often praying in the local mosque located in the *kampung*, because the GC has no mosque. Even more, they usually give a lot of money for the mosque development. So, I think, they are



interacting in that way. So, if we are good, they would be good to us too' (YOR2). In Jakarta, the situation is different because there are more mosques inside the GC; there are also more non-Muslim GC residents, as previously mentioned.

Another option for interaction is mediated by the provision of job opportunities. Some outside residents work in GC as gardeners, cleaners, maids, and security guards. Some interviewees see this as a mutual convenience: 'I have one guy, he is also a security [guard], he picks up my kids from school. So, we need them [outsiders] and they need us [insiders] too' (JGCR3). This economic relationship for the provision of services has also been identified in Santiago de Chile (Salcedo & Torres, 2004). Although it might encourage social interactions between insiders and outsiders, this operates on strong power disparities between the employer (insider) and the employee (outsider). These create social differences, tensions and power imbalances, which correspond to the symbolic dimension of emplaced inequality.

## **8. Conclusion**

Income inequality has increased in Indonesia leading to inequality of opportunities materialised in the uneven access to housing for different social groups. As a manifestation of income inequality, GC have significantly influenced Indonesian cities as high-income families prefer this housing type as dwelling spaces. As we have shown in the foregoing discussion, there are structural and individual factors behind GC development and growth in Indonesia. There are important differences in the types of GC, especially since those with more important provision of inside amenities create a stronger impact on inequality.

Using the emplaced inequality lens, we have shown how cities reproduce processes and outcomes of income inequality. GC's material, institutional and symbolic elements increase social differences and tensions between various groups, which foster inequality. This creates a two-way relationship between GC and income inequality where both phenomena reinforce each other.

The material dimension of emplaced inequality manifests in differences in the housing quality, size and prices in GC and in the outside local areas. Additionally, the sport and social amenities in 'clusters' or 'private cities' reflect the uneven access to services and the different consumption patterns of inside and outside residents. This unequal allocation of services and the differences in the provision of infrastructure inside and outside show 'splintering sub-urbanism' patterns (Roitman, 2017). Similar to other countries, GC location in peripheral areas does not create opportunities for social interaction with existing outside residents. Conversely, their sudden occupation of the peri-urban space changes the social composition and creates social tensions as social differences and inequality are visibly manifested. This phenomenon leads to spatial inequality as well as social segregation at a reduced scale (Sabatini and Cáceres, 2004, Roitman, 2013).

While the outside neighbourhoods have a more organic structure, GC have a clear institutional structure (institutional dimension of emplaced inequality) that provides order through guidelines and security guards enforcing these rules. Inevitably, these institutional internal codes structure the behaviour of GC residents and shape their limited interaction with the outsiders. The symbolic elements of emplaced inequality are perhaps the subtlest yet the most powerful ones, as the opinions and perceptions of the other groups and the tensions and conflicts arising from the development of GC exacerbate social differences and entrenches inequality. As a constructed class and cultural space, GC epitomize the upper-middle class identity and consumption choice to distinguish their status from those below them on the socio-economic scale (Ansori, 2009). This mutually-reinforcing process

constitutes an emplaced inequality heavily rooted in city territories.

Indonesian planners and policy-makers need to pay attention to how GC growth in peri-urban areas may constrain land availability for other uses. As the country endeavours to provide new housing for all social groups, land becomes a contested resource required to reduce the housing backlog. Government officials and policy-makers should take a hard look at how the surge in the GC construction could undermine efforts to realize the New Urban Agenda promoted by the United Nations due to an unequal distribution of resources such as land and the encouragement of inequality and exclusivity. Inclusionary housing and planning instruments need to be developed to counteract the GC's secessionary impact and to contribute towards achieving SDG10 ('To reduce inequality within and among countries') and SDG11 ('To make human settlements and cities inclusive, safe, resilient and sustainable') in particular.

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