

DIGITALIZING A NEW CAPITAL CITY: THE INDONESIAN EXAMPLE

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Abstract

Moving a capital city never can be considered as a trivial act. Even more when the new city has to be created ex-nihilo. In Indonesia, President Joko Widodo (Jokowi) announced on August 16, 2019, his decision to transfer the "Mother City" or "Ibu-Kota" to the island of Kalimantan (Borneo). The congestion of the capital city (1), the intense and regular flooding of Jakarta (2), the absence of volcanoes (3) support the choice. This highly political decision also covers strategic, economic and social considerations. A time delayed by the COVID-19 pandemic, the bill presented to parliament in September 2021 reinvigorates the presidential vision, sets 2024 as the completion date and establishes at 489 trillion Indonesian rupees (approximately 46.31 billion USD) the budget for transfer. The abandonment of Jakarta foreshadows a real reconfiguration of the national territory. The current paper intends, after looking at how Indonesia proceeds to bring into the “digitalization map” its “outer islands”, to focus on Nusantara, as the “capital to be build” will be called. Located in the third largest island in the world, lightly populated, with limited available local competences on information technology, networks and energy supply to be developed (4), it constitutes an “*extreme case study*” on how digitalization can be conducted.

Keywords:

Indonesia; Capital city; Mother-city; Jakarta; Kalimantan; Territorial Development; Economic Intelligence; Digitalization, Information Technology, Networks

“The idea to move the capital city appeared long ago and exists since Sukarno’s era. In fact, the idea always comes up during each presidential term, but it has never been decided or discussed in a planned and mature manner. (...) Moving the capital involves great details of planning in choosing a location based on a geopolitical and geostrategic plan including the readiness of funds and infrastructure. But God Willing, I believe if we plan it well, we will accomplish this great idea.”

With these few sentences, Jokowi gave substance, exactly one month after his election for a second and final term, to an ambitious project, unparalleled in the archipelago. At the end of a clever communication process of which Joko Widodo has the secret, where each date is of particular importance, the page of the former colonial capital was about to be turned. In the presidential declaration, the geopolitical and geostrategic aspects are put forward. The decision also follows a logic of domestic policy as it is fully in line with the candidate's roadmap. It thus acts as a second part of the development of the “Outer Provinces”; these forgotten provinces of a growth long centered on the islands of Java and Bali, and to a lesser extent on Sumatra.

In 2016, the President had already initiated the “Ten New Bali” project aiming at making tourism the first source of income unrelated to hydrocarbons (5). Foolish bet or wise decision, Joko Widodo will be passed on to posterity as the founding father of a city he only conceives of as “*The best on Earth*”; a real hub of innovation, green industries, the smart city of the 21st century (6). As a skillful politician, with the experience of a businessman acquired during his early years, Jokowi knows how to give the Indonesian nation directions and challenges. As we were able to measure on the spot, some Indonesians doubt the country's ability to find the required financing. They consider this ambitious project only as a new mean for financial and business circles close to the President to monopolize the wealth associated and the resources of Kalimantan areas, which is moreover in a hitherto protected environment. For others, he has a long-term vision and enjoys sharing it with his fellow citizens: they deeply believe in the unifying momentum and economic growth that this project can generate.

As a wise man, Joko Widodo, was able to postpone the inauguration of the future capital to the mandate of his successor.

The new “Mother City”, we learned during a speech on the eve of the seventy-fourth anniversary of Independence (August 16, 2019), would be located on the island of Borneo. The three provinces of Central, South and East Kalimantan were entered in the register of possibilities. Ten days later (August 26, 2019), when addressing the nation from the presidential palace, Jokowi announced that a territory of the latter, located at the confluence of the kabupaten of North Penajam Paser and Kartai Kartanegara had been selected.

Numerous displacement of capitals took place over centuries. Never an archipelago as vast, populated and complex as the Indonesia of the 21st century was concerned. Geopolitical, geostrategic, economic, financial, environmental, security, health and social dimensions compete for primacy in this relocation which, obviously, foreshadows a total reconfiguration of the Indonesian territory, an upheaval of economic and power centers, migrations of large-scale populations. A decision probably unthinkable if it had been made by anyone other than a president from Java.

By choosing to move the capital of the Indonesian archipelago, President Joko Widodo has made a remarkable entry into historical geography: the name of the city to be born will be associated with him forever. Jakarta has only been the mother city for 56 years of an archipelago controlled by various empires and sultanates over the past centuries: the city does not enjoy any sacredness in the hearts of Indonesians. Symbol of independence, it also recalls the Colonial era. Turning the page on Jakarta also means projecting Indonesia into the 21st century and closing the books of Soekarno and Suharto in a country where more than 40% of the population is under 25.

This decision establishes Jokowi as a master of game theory. He applies it to both economics and politics. No one can blame Jokowi for his inaction. As a fine connoisseur of his fellow citizens, he chooses the moment when the province of Jakarta is no longer controlled by his relatives to move the capital while validating the pharaonic project called “*No regret measures*”. All those who will be required to remain in the “*Sinking city*” will be grateful to him for having attempted this ultimate and costly strategy. It will be the same for investors, Dutch, Korean or

others; construction companies; motorway managers and all stakeholders in public-private partnerships.

He also honors an electoral program geared towards the development of all the provinces of Indonesia. But take care to select one of the largest and richest in the archipelago, still largely untapped. As is Jakarta, one can imagine that Kaltim (Kalimantan Timur, the province of East Kalimantan), a large contributor to the national balance of payments, will have to finance the gigantic works to come. The region has the capacity.

By settling in a sparsely populated province, the government, political bodies distance themselves from the moving masses and from political, social and religious demands.

A vast migratory program will have to be put in place. It should allow the selection of new comers on the model of Putrajaya.

However, the project seems disproportionate and largely under budget, made more complex by archipelagic constraints, distance, logistical aspects, and the virtual absence of local skills. The environment in which the new capital is to be built, the forest, is downright hostile. Of course, there are no volcanoes, but the terrain is seismic, increasing construction standards and costs. The lack of roads and insufficient energy require the prior construction of infrastructure. A fantastic windfall for local and foreign companies.

Indonesia struggles through ambitious plans to connect the whole archipelago. Palapa Ring Barat (PRB) – 2256 kms of optical fiber – and Palapa Timur Telematika (PTT) - 8454 kms as a whole of which 50% underwater optical fiber, 45% terrestrial optical fiber and 5% high speed) demonstrate that communications are considered as a serious way to open up the inland territories. In Kalimantan, the huge dimensions of the island, the harsh environment make things even more complicated. With limited available local competences on information technology, networks and energy supply to be developed (4), it constitutes an “*extreme case study*” on how digitalization can be conducted. The recent improved role of BRIN (Badan Riset dan Inovasi Nasional) in fostering education, research, mobility and smart vision is a key to “Vision Indonesia 2045”. To develop artificial intelligence (AI) and enter into the “digital and communication age”, Nusantara Indonesia could be a fantastic booster even though there are major risks to fail.

So how, without betraying commitments to respect the environment, eco-design and ubiquity, design this modern city in a single mandate? Sixty years later, Brasilia looks back on Kubitschek's impatience, planning errors and the enormous financial outlay. A utopia whose effects on the growth of the country and the region have partially remained at the forecast stage. The construction of the capital, close to the Malaysian border, could revive memories of a bygone era if suddenly demographic pressure was exerted in Sarawak. It is also making it a new target for transnational terrorists who until now viewed Borneo as a fallback and transit zone. Finally, the huge investments that we foresee in order to bring this project to fruition could lead China, in its Silk Roads strategy, to offer to invest in the area.

Unless the constitution is amended, this term should be the last for President Joko Widodo. Also, the failure of the transfer project could not be his but that of his successors; provided, of course, that he does not, like Kubitschek, persist in wanting to inaugurate the capital before 2024.

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