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CLARKE URBAN SYSTEMS  
Management Economics Planning Engineering

Australia  
Box 423 GPO Sydney 2001  
15 Albion Ave Sydney 2021  
Telephone (02) 311543

Indonesia  
P.O. Box 15  
Denpasar } address  
for reply

Associated Offices in  
Washington DC, USA  
Jakarta, Indonesia  
Melbourne, Australia  
and in Singapore

Denpasar  
27 December 1980

The Executive Director  
United Nations Centre for Human Settlements (Habitat)  
Box 30030  
Post Office  
NAIROBI, KENYA

Dear Sir:

Re: Indonesia: Long Term Urban Development Strategy (LTUDS)  
Draft Project Document INS/78/059/A/01/56

In the last week of November, I visited Jakarta from my base in Bali to discuss the above proposed UNDP Project with several relevant UN and Indonesian officials and with a number of foreign advisers currently working on related subjects with various Ministries and Departments.

A copy of the draft Project Document was given to me by Mr Jan W. Swietering, Assistant Resident Representative at U.N. Jakarta, and another copy was given to me by Indonesian officers of Direktorat Jenderal Cipta Karya.

On December 3, I telexed my interest in serving on the Project direct to your office in Nairobi. I attach hereto a copy of that telex together with an updated copy of my G.V. My most recent UNDP Individual Consultant Registration (PI3) form was lodged with Mr Abbas Faridad at UNCTD, NYC, in September this year.

In the eventuality that UNCHS may decide to sub-contract the work of the core team to a consultant firm, I wish to register the interest of my firm Clarke Urban Systems in being short-listed to receive an Invitation for Proposal. We are registered with the World Bank and the Asian Development Bank, but I believe that our UNDP registration is some years old. I would appreciate receiving the relevant forms for completion and return to you.

UNCHS is presumably fully informed concerning the situation in Jakarta relevant to this Project. Indeed, Mr Swietering told me of certain specific criticisms of the draft Project Document which he had transmitted to your office. However, it may be that the following notes and observations of mine could be of some minor assistance to your officers. My comments reflect the situation in Jakarta as I observed it during the last week of November.

The central problem in national urban development strategy is that of achieving institutional cooperation and coordination: first in the definition of problems, the setting of objectives, the framing of policies and the selecting of priorities for action, together with the allocation of resources to tackle those priorities; and later, in the continuing implementation and adjustment of the strategy as a whole.

Indonesia is not showing any sign of proving an exception to this general rule. For example, officers of the powerful Ministry of Home Affairs (Dalam Negeri), which controls and operates regional and local government throughout the nation, are puzzled and offended by the fact that their Ministry is only mentioned once in passing in the Draft Project Document (p 10), and even then is incorrectly or confusingly referred to. Dalam Negeri officials believe that city and regional planning is inseparable from regional and local government, and therefore regard the rather isolated and academic physical planners in Cipta Karya's Directorate of City and Regional Planning with some (albeit subdued) impatience. Dalam Negeri is building its own Directorates of Urban and Regional Development within its own Directorate General of Public Affairs and Regional Autonomy. Dalam Negeri's own Directorate of Urban Development is already well advanced with the development of a comprehensive human settlements information system, having recently produced a number of workmanlike reports using consultants from the Bandung Institute of Technology, copies of which I was able to give to the Cipta Karya Director of City and Regional Planning who had previously been unaware of them. Dalam Negeri is also preparing to launch a large scale education and training programme (internationally aided) through, I believe, eight training institutions spread throughout the nation to serve the staff needs of regional and local governments, including, it is understood, the education and training of staff needed for urban and regional development planning and administration. Dalam Negeri's urban and regional development officers express the hope that sooner or later their logic will prevail, and the present functions of Cipta Karya's Directorate of City and Regional Planning will be transferred to Dalam Negeri.

The Draft Project Document does not honour, even in passing, the name of any other Ministry, Department or Directorate - not even BAPPENAS. This could make the work of the Study Team more difficult than usual in winning the assistance, confidence and active participation of powerful bodies controlling essential elements of any national urban development strategy, including, for example:-

Bappenas  
Nat.  
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Finance, Law, Taxation, Transmigration, Employment, Industry, Agriculture, ~~Registration~~ Communications, Transport, Roads, Social Services, Census, Land Registration and, of course, Regional and Local Government.

The Study Team's most delicate and difficult task will be to stimulate, in the minds of a goodly number of Ministers and their heads of Departments and Directorates, a commitment to the concept of an overall urban development strategy, a resolve to strive for the passage of new legislation on land law and land use control law, the shaping of effective institutional roles and administrative machinery, all of which together can achieve the effective coordination of strategies, policies and projects the implementation of which will be spread between many different Ministries and Departments, between different Directorates within each Department, and between different levels of government.

The techniques for achieving trans-sectoral participation in the Project are, therefore, of major concern. It appears that the Project Document in its present draft form gives insufficient encouragement or guidance for the active participation and assistance of key Ministries and Departments. It is suggested that the stern, short but rather general injunctions of Section J Para 2 and Section K Para 1 (p 29) will not prove sufficient to ensure the desired result. This is particularly the case in view of the editing of the remaining 35 pages of the Draft Project Document, in which no Ministry, Department, Directorate, Agency or Project is mentioned substantively, save only the Ministry of Public Works, its Directorate General Cipta Karya, and the latter's Directorate of City and Regional Planning (Direktorat Tata Kota dan Daerah - DTKD).

A case can be made for the view that DTKD is potentially the ideal Indonesian Government agency to administer the Project. DTKD is a small office, without any specific administrative line function, with no legal power, no capital spending and consequently no power base. It could therefore provide a neutral meeting ground for other authorities with opposite attributes.

Relevant people, including the present Minister for Public Works, are re-defining the function of DTKD as that of an internal consultant to other government authorities. The Minister has called DTKD a "planning kitchen", apparently recognising that it can only prepare plans for others to implement, as a kitchen prepares meals to be eaten elsewhere.

As such, DTKD will find itself in the same position as any other consultant: the only influence it can have must come through its own diplomatic and professional skills, both yet undeveloped.

It is heartening to note that the quality of the professional work of the Jabotabek Metropolitan Region Planning Team has managed to win the respect of the DKI Jakarta officers responsible for the planning and management of urban development in the capital city government, despite the location of the team in DTKD offices, the lack of Indonesian nationals in the team, and the very limited time that the Director DTKD and the Director General Cipta Karya have been able to spare for this project.

It also augers well that the new Director of TKD, Ruslan Diwiryo, has considerable diplomatic skill, and also enjoys direct and frequent personal access to the Minister for Public Works, himself an enthusiast for concepts of regional planning. Ruslan also enjoys considerable autonomy within Cipta Karya; the Director General, Radinal Mochtar, gives the impression of devoting all his energies to the engineering, construction and capital spending activities of the other Cipta Karya Directorates, and also to his work in BAPPENAS; this leaves him little time to participate very actively in TKD projects, many of which, in any case, are undertaken on behalf of other "clients" as are, for example, the planning of transmigration settlements.

The capacity of Indonesia to supply national ~~personnel~~ staff in the number and of the quality demanded by the large volume of internationally aided projects, is of course limited. While the Government's practical ability to contribute most of the national experts called for on page 32 of the Draft Project Document must remain doubtful, it is most heartening indeed that Ruslan Diwiryo was able to inform me that he intended to secure the services of Sugijanto Soegijoko as Indonesian Project Coordinator. Sugijanto is a Ph D in Planning from M.I.T. now back at I.T.B. I have known Sugijanto since 1958 and it is hard for me to imagine a more qualified person to contribute to the success of this Project. Sugijanto has recently served Dalam Negeri as their consultant on their proposed national human settlements information system, and so appears to enjoy the confidence of that most important authority also.

With respect to most of the other national professional staff, I would suggest that consideration be given to amending the Draft Project Document so as to call for the provision of one each by a number of nominated Ministries and Departments. Such people could be seconded to the Project on a full or part time basis with a number of objects in mind:- first that they contribute their professional skill to the Project; second that they contribute their knowledge of, and access to, their parent authority to assist the Project; and third that they report back to their parent authority on the evolution of the Project as it may affect that authority. This semi-formal, semi-informal arrangement, properly handled, could succeed in making the Study Team "multi-sectoral" as well as "multi-disciplined". Certainly, the formal acknowledgement in the Project Document of the importance and relevance of specific Ministries and Departments other than Public Works, and the offering of an opportunity for each such authority to be kept informed of the Project by one of their own people, should do much to create confidence in and respect for the Project by a wider circle of more influential people than would otherwise be the case.

This cooption or secondment of middle level professional officers from other authorities would supplement, not replace the "intersectoral consultative body" to "provide assistance and guidance to the Directorate of City and Regional Planning" called for by Section J Para 2 on page 29 of the Draft Project Document. However, the on-going participation of such officers inside the Study Team would certainly do more than any formal "consultative body" to "secure inputs" and "secure the cooperation and participation of relevant sector agencies, and provincial and local authorities" in accord with the hopes expressed in Section K Para 1 on the same page.

I assume that UNCHS has received very specific assurances from Indonesian authorities at the highest level, to the effect of guaranteeing the effective performance of the "intersectoral consultative body" comprised of high level representatives of "every government department or agency with a significant interest in the development of the project" who will advise, guide and support the small and uninfluential Directorate of City and Regional Planning of the Department of Public Works, and who will either "approve policy recommendations" (K 1) or "obtain the requisite sectoral and inter-sectoral approvals" (J 2).

In the absence of such specific assurances, professionals with experience in Indonesia, or with experience of inter-departmental committees in advanced economies, would prefer to see the membership, powers and duties of such a body more precisely prescribed in the Project Document. Otherwise there is grave danger that it will only be formed and meet at the end of the Project, or perhaps not at all; and that if and when it does meet, it will prove to be so large as to be unwieldy, or comprised of middle level officers unable to give or to deliver specific assurances.

Consideration could be given to limiting membership of the body to say, the three most relevant and most powerful Ministries - possibly Finance, Home Affairs and Public Works - with a high level ~~BAPPENAS~~ "President" as Chairman - possibly from BAPPENAS, or from the President's Office. Ministerial representatives might be preferred to Departmental nominees. The Director TKD might be nominated in the Project Document as "secretary" or "Executive Officer" of the body. One might also expect to see the body referred to ~~the~~ Part III of the Project Document "SCHEDULE OF MONITORING, EVALUATION AND REPORTS".

Turning finally from the institutional to the technical aspects of the Draft Project Document, I must report that I and other professionals I have spoken to in Jakarta, believe the suggested professional/technical work programme to be unwieldy, over-complex and over-detailed in a generalised way, and yet lacking recognition of specific Indonesian problems, and specifically relevant policies, projects and programmes, many of

WHICH have been strongly sponsored by international agencies (e.g. World Bank) and by many bilateral donors.

Reality would oblige the Study Team to cover such policies, projects and programmes; the Draft Project Document would oblige the Team to go through the motions on a host of peripheral matters.

The objectives of the Project need re-examination with a view to achieving a limited, but more sharply and clearly defined, set of Outputs. There is also a need to reduce the number of expatriate professionals and the total of their man-months, to render the Project capable of practical administration under current conditions; and to increase the probability that the volume of ideas and paper they generate can be absorbed. This would probably result in a reduction in the overall cost of the Project; or alternatively, would enable the impact of inflation over the next four years to be absorbed within the existing money sums, allowing a more effective Project to be produced by less people in a lesser total number of man-months.

The Draft Project Document's list of desired Outputs on pages 3 and 4 does include the basic essential elements of a Long Term National Urban Development Strategy, those numbered 1.1, 2.2, 6 and 7 :-

"Updated Spatial Strategy" (1.1) and "Identification of prevailing and future hierarchical system of settlements" (2.2)

"Guidelines for the allocation of public funds for urban development and for the preparation of urban development programmes" (6) and "Investment Proposals" (1.4)

"Model for long range administration and realization of the I/NUDS" made up of:

" Proposed revised legal framework;  
Proposed institutional framework; and  
Guidelines and manuals." (7)

Outputs 8 (improved national information system) and 9 (training of national personnel) are instrumental but essential, and are properly listed as major Outputs. Indeed, the proportion of the Project budget allocated to them could well be increased.

However, the remaining matters draft-listed as Outputs are normal matters requiring some greater or lesser degree of survey and investigation in the ordinary course of achieving the essential Outputs listed above.

To attempt the systematic and comprehensive review and updating of "the master plans and other types of city plans prepared so far in Indonesia" together with the review and updating of the "21 Regional Development Plans", in the



of an already formulated and agreed "National Urban Development Strategy" would appear to be not merely pointless, but also impossible to execute without sacrificing the major objectives of the Project. Most of the existing city plans are do not merit further examination. The scale and nature of a systematic review of all previous regional and city plans is such that it should properly be attempted as a long term continuing process to be commenced immediately following the adoption of a National Strategy, and carried out to the maximum possible degree by national professionals employed as either staff or consultants by regional and local authorities, under the supervision of whatever national authority is finally deemed most appropriate. A further point worthy of mention is that all plans remain paper concepts in the absence of effective laws and administrative machinery on land ownership, registration of ownership, procedures for taking land for a public purpose, the control of land use etc, and in the absence of effective administrative cadres at local levels throughout the regions, as well as in the absence of public funds for all except the highest priority projects selected by the national government.

Certainly the Study Team must quickly review previous city and regional planning efforts in order to understand and summarise their weaknesses. Certainly it would be ~~proper~~ to require the Study Team to illustrate the effects of their recommended strategy by reviewing and updating one city plan and one regional plan as part of the "Guidelines and Manuals" required by Output 7.5.

The Urban Structures Studies are normal and necessary types of studies for a Project of this nature. In some circumstances, in some countries, the ill-named "Urban Tensions Studies" might also be necessary. The Project Document in draft form states that social tensions in Indonesia are "growing"; an unwarranted assumption unsupported by any evidence quoted in the Document, and a most undiplomatic and potentially provocative assumption as well. The Indonesian Government, and ordinary Indonesian professionals, understand only too well the causes and possible outcomes of urban tensions; any expatriate professional with any sensitivity understands them well enough after living and working in Indonesia for a relatively short period. The root causes are that the great majority are very poor; that formal jobs are scarce compared with the number wanting them; and that government expenditures cannot begin to supply even basic urban infrastructure to a majority of the urban population; and that mobilisation of the energies and savings of the majority to build their own houses is inhibited by the absence of relevant laws, institutions and administrative machinery. The World Bank sponsored KIP and S&S programmes are an initial step in meeting these causes of urban tension: They may be seen as a "holding action" pending the formulation of the kind of national urban strategy which could emerge from this Project.

A perusal of newspapers in Indonesia, and some acquaintance with one or more government authorities, reveals the Government's sensitive awareness of the manifold latent causes of possible outbreaks of urban tension, and its constant striving to channel all energies into constructive programmes of all types (particularly social programmes) combined with its strong policy of discouraging unhelpful or provocative speculation. The \$300,000 allocated for an "Urban Tensions Study" could be far more constructively spent on other aspects of the Project.

With respect to the proposed Urban Migration Studies, it should be observed that any such studies would have to await the publication of results of the 1980 Census if they were to add anything significant to present understanding. It should also be noted that in view of the overwhelming gap between potentially available funds and existing needs for urban infrastructure, the only possible national urban policy will be one which aims to reduce and discourage rural-urban migration to the maximum possible extent. It will therefore be less important for the Study Team to re-research and re-project urban migration as such, than to analyse in depth the potential effect of various types and degrees of policy on reducing rural-urban migration. Thus the greater part of the Study Team's effort should be put into item 4.2 on page 13 of the Draft Project Document, and the design of the migration work programme should reflect this policy oriented emphasis.

The Urban Transportation Studies called for in the Draft Project Document (para) appear to be more seriously overblown. This Project should not set out to re-do transport research and planning already done (as for example in internationally aided projects by Bina Marga) and does not need to go into the extra-ordinary catalogue of details outlined on page 14. For a national urban development strategy, the Study Team could well restrict itself to the reviews of the major matters listed at the bottom of page 13 of the Draft Project Document, together with a review of the cost and financing implications of the major policies and plans referred to. It is an unfortunate oversight that nowhere in the draft is reference made to the costs or financing of transport.

With respect to transport, as with migration to the cities, the absolute scarcity of public finance relative to urban demand, is likely to lead to a national policy of reducing needs and demands for non-essential traffic, and concentrating transport investments on projects deemed most beneficial to economic development. In this type of context, it is difficult to imagine why the Project should devote any resources to examining the question of the economic effects of building or not building a heavy rail rapid transit system in a large city.



It would seem that the achievement of the Project's basic and essential Outputs would be facilitated if the \$400,000 allocated for transport studies were deleted, and the UNDP contribution of staff and consultants rearranged to provide the services of one urban transport economist for a period of between 8 and 12 man months.

The activities suggested under "Immediate Project Objectives 3 and 4" on pages 14 to 16 of the Draft Project Document are the core of the Project. The resources devoted to them should be increased, particularly in respect to support services for translations, typing and filing. Any such increases can be more than compensated for by severe cuts in budgets for reviews and updatings of particular detailed plans, and for studies of urban tensions, migration and transport.

The Project's studies of the legal foundations of a National Urban Development Strategy need to be strengthened. The major blockage to effective urban development action by existing institutions is the lack of registration of land ownership, lack of security of tenure for those willing and able to build their own modest housing, the lack of any clear legal definition of the "public purposes" for which land may be taken by government, and the general absence of the most basic legal and administrative machinery for dealing with land questions of all types, and massive urban land speculation in particular. This is perhaps one of the most significant, but least publicised, conclusions to emerge from a review of the recent work of the World Bank sponsored Jabotabek Metropolitan Region planning team. Particular reference may be made to "A land and land use policy for Jabotabek" Jabotabek Report Number T/7, October 1979, by Samuel A. Sharer, published by the Directorate of City and Regional Planning of the Ministry of Public Works, Republic of Indonesia (foolscap, softbound, xeroxed, 98 pp plus approximately 130 pages of Appendices including English translations of legal texts and commentaries).

The preceding notes and observations are a summary of my own views, the formation of which has been assisted by discussions with a number of expatriate professionals currently working on related projects in Jakarta, and with a number of Indonesian government officials.

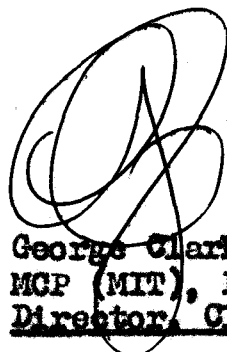
Acceptance in principle of some or all of the points I have made would entail consequential amendments to the proposed staffing and budget for the Project. The principle I would bear in mind in making such amendments is that the total number of expatriates should be kept to the essential minimum. A lesser number for a longer average period is a desirable objective, because each separate expatriate requires heavy logistic and psychological support as well as financial support if he or she is to perform well, and each requires a considerable settling in or familiarisation period before becoming fully effective.

I trust that my comments will be accepted as a sincere attempt to be constructive and helpful to UNCHS. I realise that to many of your officers, much of what I have written will appear to be, in the words of the proverb, "teaching grandmother to suck eggs". It may well be that my comments will arrive after UNCHS has already taken action to edit and refine the Draft Document in the light of official comments received from the Indonesian authorities.

In conclusion, I would wish to emphasise that in the difficult field of professional assistance to developing countries, I do not believe that I have any monopoly of wisdom; it may well be that because of circumstances and considerations beyond my knowledge and experience, the present Project Document is well adapted to its purposes.

I remain,

Yours faithfully,



George Clarke  
MCP (MIT), Dip TP (London) FRPI, FRAP  
Director, Clarke Urban Systems

Enclosures:

Copy of Telex to UNCHS dated 3.12.80

Curriculum Vitae