

# **Modernization in the Development of a Town and Community – Based Management Strategy of Slum Areas: A Case Study: Urban Slum Areas of Sangatta, East Kutai Regency, Indonesia**

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## **Abstract**

*This article aims to analyze the modernization of urban development and community-based management strategies of slum areas. Modernization of urban areas in Sangatta through the construction and development of new functions contribute positively to the process of urbanization and social changes. The development acceleration in Sangatta is characterized by a dualistic economy through the dominance of urban space by capitalist reproduction, conditioning marginalization and poverty because of non-optimal spatial articulation. This article used quantitative and qualitative approaches (mixed methods). The data were obtained through observation, documentation, and surveys using questionnaires on several respondents of Sangatta urban population. Modernization of development is parallel to changes in space utilization of Sangatta urban areas, conditioning the development of slum areas, urban poverty, and marginalized communities, because of helplessness and lack of access of the society on space reproduction resources and adaptation on the function of urban space in Sangatta.*

**Key words:** *Land Use Transformation; Modernization of Development; Changes in the Use of Space; Space Reproduction; and Management Strategies of Urban Slum Area.*

**JEL classification:** *O18, Q15.*

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## **INTRODUCTION**

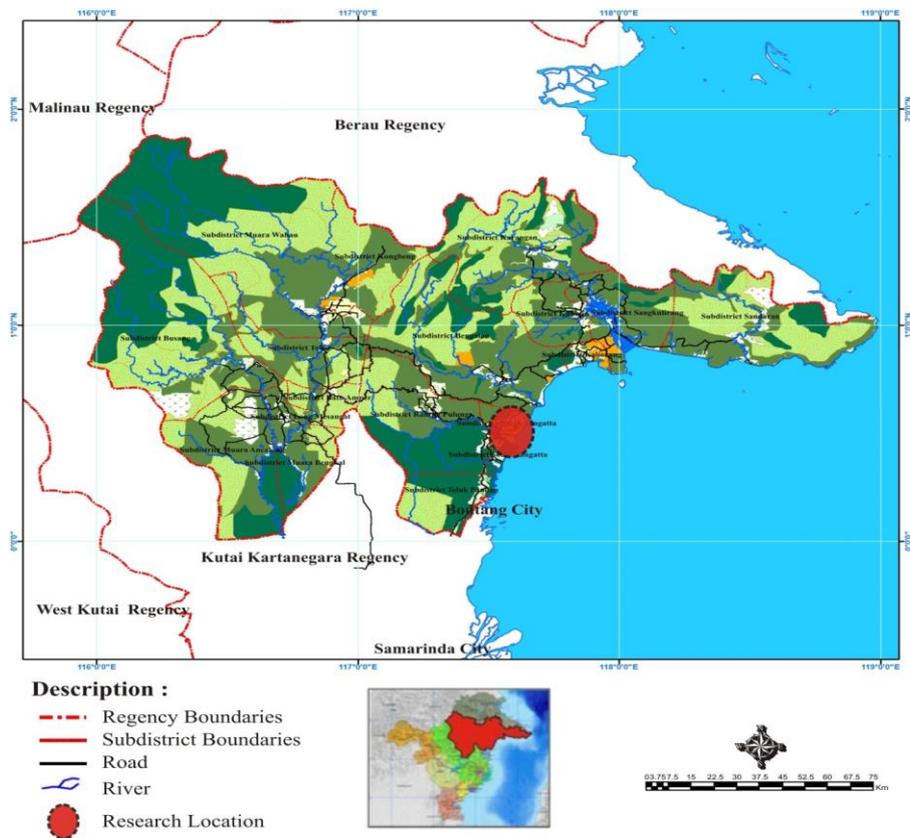
Development of residential areas in urban spatial perspective, in relation to the pattern of urban space, indicates that the development of urban areas is an integral system, attached to the presence of urban slum areas. Slum is defined as housing that is unfit for habitation, as represented by the following indicators: (1) irregularity of the building, (2) high building density, and, (3) inadequate quality of buildings and facilities and infrastructure. That is, the use of space in urban slum areas is often in a space that is not according to its function or not in accordance with the pattern of urban space established in the spatial planning. Urban areas dominated by settlements are positively associated with the presence of the slum areas. The development trend of urban slum areas in Indonesia is on river banks and coastal areas that should cater to the needs of green open spaces, on land that is not in accordance with the squatters. This illustrates that the existence of slum areas is positively associated with the presence of low-income people—those who are not able to buy and rent a house as

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price of land or buildings is quite high, and the choices and rationalization actions taken by them are to occupy empty spaces in urban areas.

Modernization of urban areas in Sangatta is characterized by the development of urban activities, among others are the new settlement areas, commercial areas, industrial estates, offices, service areas, hospitality areas, and banking areas. This phenomenon illustrates that space in urban areas of Sangatta is no longer developed based on production activity but has evolved towards urban space reproduction. That is, modernization and acceleration on the development of urban areas is characterized by the presence of economic activities, which tend to evolve towards a dualistic economy, namely formal economic activities on one hand and the informal economy on the other. This condition occurs entirely due to the process of spatial articulation that is not optimal in terms of space reproduction (Surya, 2010). This phenomenon becomes the motor of growth of urban slum areas in Sangatta. Therefore, it is assumed that the existence of urban slum areas will require the support of community-based management strategies on an ongoing basis (physical, economic and socio-cultural).



**Figure 1.**The Map of Sangatta as the Research Subject  
*Source:* Observations and Satellite Image of Sangatta (2015)

## **1. RESEARCH METHOD**

The purpose of this study is to give an understanding that modernization in the development and changes in the use of space urban areas in Sangatta is characterized by dualistic economies (formal economy on one hand and the informal economy on the other), and that articulation of spatial is not running optimally characterized by imbalanced space reproduction, development of urban slum areas inhabited by marginalized communities and groups of the poor. The ontological assumptions made are related to the existence of dominant slum areas inhabited by the poor and the marginalized that will require community-based management based on the physical condition of the environment, economy, and socio-cultural. Thus, this paper is directed to analyze the development of modernization, changes in the use of urban space, and strategies to manage the slum areas which are community-based in nature. In keeping with the focus of the study, then this article is naturalistic, holistic, and phenomenology, Creswell (2012). Thus, the approach chosen is a combined approach of quantitative-qualitative, i.e. a study on the quality of data, to assess and analyze the conditions and situations associated with the modernization of development, on changes in the use of space, as well as on management strategies of the slums specifically. The goal is to understand and explore cases appearing by describing the phenomenon related to modernization of urban area development, the process of urbanization, the unoptimal spatial articulation, the imbalanced control of space reproduction, marginalization and poverty as well as community-based strategies to address slum areas, associated with arising events and critical incidents, by describing them in-depth, detailed, in certain contexts, and holistically.

## **2. DISCUSSION**

Modernization of urban area development in Sangatta undergoes an accelerated process after the Regency was expanded from its parent (Kutai Regency) which initially was only as the capital of the regency. There are three symptoms that appear in the dynamics of urban development carried out since 1999, related to the function and position as a center of activities, namely (a) accelerated development of strategic functional urban areas of Sangatta, among others, the function of trade and industry, (b) the existence of slum and squatter areas as well as planned settlements, facilitated by the housing developers, and (c) development of infrastructure to support relationships among and between towns and urban areas in different regions.

The phenomenon of urbanization and migration which took place in urban areas of Sangatta in its capacity as the capital of the Regency ran in parallel with the increase of population. The total population of Sangatta until the end of 2014 were as many as 100,990 inhabitants with an average density of 28 inhabitants/ha. The increased population indicated that land conversion took place with high intensity. Since 2000 to 2015, the accelerated development of urban areas was characterized by the presence of new centers and new activities, among others the development of centers of commercial or economic activities, the development of industrial areas, office areas, residential areas, and some other activities or functions. The new functions occupy approximately 3,609.60 hectares of the land or 98.71% of the total area of 3,656.90 hectares of Sangatta. From the perspective of spatial dimension, differences in the control of reproduction of urban space are associated positively to the ownership of residential facilities, and this ownership is determined by the ability of the local economy. That is, the accelerated development of urban areas through a process of

modernization of the development has been followed by changes in the utilization of space which contributes positively to the gap of urban services in different regions, characterized by differences in infrastructure services, socioeconomic facilities, and urban settlements. Differences in service in different regions of urban areas then recondition the different characteristics, morphology, and typology of urban areas, which are highly determined by the location of centers of in Sangatta. Hariyono (2010) states that areas are developed in the urban areas adjacent to each other, and then extend from downtown to the suburbs. Findings on the field show that spatial development of urban areas that tend to be linear in Sangatta City is characterized by the presence of the corridors of major roads of urban areas. That is, the tendency of changes in space utilization is more towards the development of new residential areas, industrial areas, and commercial economic activities integrated with the presence of the main roads of Sangatta.

Changes in the structure and pattern of spaces in Sangatta are fully conditioned by modernization of development, supported by technology and the progress of urban transport. Both become the determining factors accelerating the development of urban areas in Sangatta, through the allocation of functions of new activities, running parallel to the dynamic development of slum areas inhabited by marginalized groups and the poor. Kolip and Setiadi Elly (2011) mention that poverty experienced by the people of Indonesia has nothing to do with mentality and nature but due to the process of impoverishment. It can be concluded that the existence of the poor who inhabit the urban slum areas of Sangatta is fully conditioned due to the inability of adaptation to the functions of space and reproduction in an urban spatial articulation. The urban space utilization in Sangatta is presented in Table 1 below.

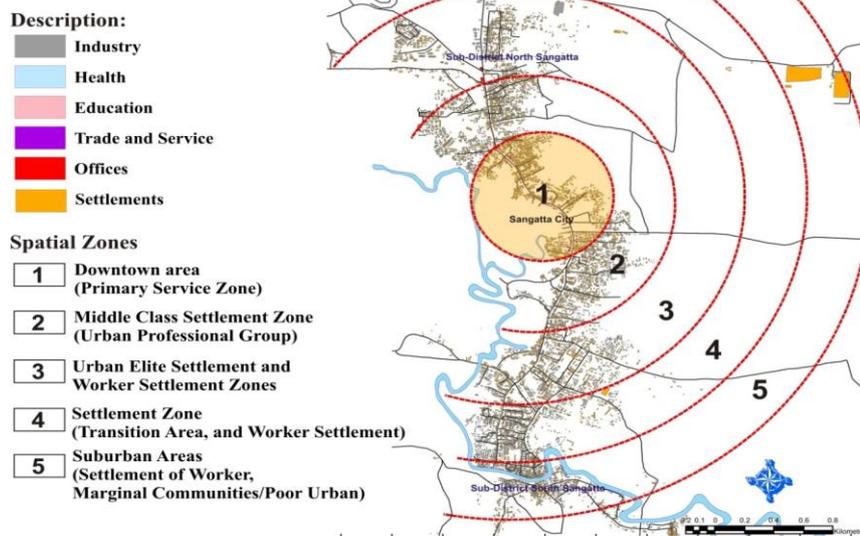
**Table 1. The Utilization of Space in Sangatta in 2014-2015**

No	Utilization of Space	Land Areas (Ha)	Percentage (%)
1	Offices	202.43	5.54
2	Trade and Services	31.39	0.86
3	Education	8.33	0.23
4	Health	15.05	0.41
5	Religious buildings	1.23	0.03
6	Settlements	3345.05	91.47
7	Industry	6.12	0.17
8	Vacant Land	3.69	0.10
9	Infiltration and border rivers	35.82	0.98
10	Lake	3.15	0.09
11	Field	1.91	0.05
12	Green Open Space	1.55	0.04
13	Sociocultural	1.20	0.03
	<b>Total</b>	<b>3.656.90</b>	<b>100.00</b>

Source: Observations and Satellite Image of Sangatta (2015)

Table 1 shows that the dominant utilization of space is for urban settlements by approximately 3345.05 ha, trade and service by 31.39 ha, industry by 6.12 ha, and office buildings by 202.43 ha. The changes in space utilization is very significant, from completely agricultural land towards urban industrial, associated positively with the increase of population, population density, and building density, as the effect of urbanization and migration factors. Findings show that changes in space utilization in

Sangatta are towards spatial zones and the establishment of economically social area based on service centers.



**Figure 2. The Spatial zones of Urban Areas in Sangatta**  
 Source: Observations and Satellite Image of Sangatta (2015)

Figure 2 shows the spatial zones of urban areas in Sangatta on the existence of residential areas are based on proximity to the primary, secondary, and tertiary service centers. That is, the settlements formed show the difference of social classes of the community economically, and are associated positively to differences in classification and characteristics of the community. Classification and characteristics of community based on spatial zones are presented in Table 2.

**Table 2. Classification and Characteristics of Community Based on Spatial zones**

No	Distinguishing Parameter As Identifier	Characteristics of Community Based On Economy Status		
		Urban Elite Community	Middle Class Community	Poor or Marginal Community
1	2	3	4	5
1	Reproduction mastery of space and modes of Production	<ul style="list-style-type: none"> <li>• High</li> <li>• Complex and is supported by modern technology</li> </ul>	<ul style="list-style-type: none"> <li>• Low</li> <li>• Simple, moving toward a more modern one</li> </ul>	<ul style="list-style-type: none"> <li>• Low</li> <li>• Relatively simple and traditional, limited use of technology</li> </ul>
2	Adaptation against Changes in the Function of Urban Space	<ul style="list-style-type: none"> <li>• High, and has the power of capital and the tendency towards domination of mastery of reproduction of urban space</li> </ul>	<ul style="list-style-type: none"> <li>• Low, capital is built over family relationship and other forms of relationship</li> </ul>	<ul style="list-style-type: none"> <li>• Low, capital is built individually based on patron and client relationship</li> </ul>

No	Distinguishing Parameter As Identifier	Characteristics of Community Based On Economy Status		
		Urban Elite Community	Middle Class Community	Poor or Marginal Community
3	Settlement patterns	<ul style="list-style-type: none"> <li>• Modern, well-organized and fairly high urban access (proximity to the primary service functions of the city)</li> <li>• Complete facilities and self-contained infrastructure for housing</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent, has direct access to the main roads of the town</li> <li>• Sufficient infrastructure and facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Temporary, with low quality materials and access to the town's main street is limited</li> <li>• Limited infrastructure, services, and facilities</li> <li>• Environmental pollution is high enough</li> </ul>
4	Economic System and Patterns of Employment	<ul style="list-style-type: none"> <li>• High Capital</li> <li>• A combination of several business units, as power production</li> <li>• Relationships between classes</li> </ul>	<ul style="list-style-type: none"> <li>• The company as a business unit and production power, but is still limited</li> <li>• Employer-Worker is egalitarian, leading to transition</li> </ul>	<ul style="list-style-type: none"> <li>• Subsistence economy</li> <li>• Family members as labor</li> </ul>
5	Technology Mastery and Investment	<ul style="list-style-type: none"> <li>• The use of modern technology for efficient production activities</li> <li>• Investments In quite large amount and is dominant, supported entirely by the banks.</li> </ul>	<ul style="list-style-type: none"> <li>• Simple Technology Leading to the use of Modern Technology</li> <li>• Utilization of a limited number of investments including capital utilization</li> </ul>	<ul style="list-style-type: none"> <li>• Simple, technology is not yet aimed at efficiency but is more on service</li> <li>• Utilization of a limited number of investments including capital utilization</li> </ul>
6	Capital Ownership	<ul style="list-style-type: none"> <li>• Consisting of several business groups in one management</li> </ul>	<ul style="list-style-type: none"> <li>• Individuals within family business group</li> </ul>	<ul style="list-style-type: none"> <li>• Individual and family (patron and client relationship)</li> </ul>

Source: Primary Data (2015)

Table 2 illustrates that the process of formation of spatial zones contributes positively to changes in social systems and economic systems of Sangatta urban communities. There are significant differences to the five distinguishing parameters, as an identifier based on the classification and characteristics of the community in relationship with spatial zones of urban areas formed, namely mastery of space reproduction and means of production, adaptation of communities to changing functions of urban space, settlement patterns, economic systems and employment patterns, mastery of technology, and investment and capital holdings. The differences as identifiers in the dynamics of urban communities have a tendency towards differences in social system, social structure, and patterns of social

relationships built. Giddens (2010) states that society itself is a social system. Different social systems can be entirely 'in' the society, or it may break through the 'outer side' and the inside, thus forming the diversity potential relationship patterns between the totality of the community and inter-community system. The inter-community system is not a piece of the whole totality, and typically includes forms of relationships of different people. That is, patterns of social relationships are likely to be awakened when the economic system develops pattern of labor relations directly, and vice versa—pattern of relationships within the social system has no direct connection if it does not have a pattern of labor relations economically and socially.

Marx (in Damsar and Indrayani, 2013), says that there are three types of commodity circulation experienced by mankind throughout history, namely (a) a commodity exchanged directly with other commodities—in which actors of social interaction are able to control their behavior; (b) the commodity exchanged into money, then the money is exchanged again with the commodity-- actors use money as a means of conversion; and (c) in a capitalist society money is used to buy a commodity, and the commodity is sold to earn money—money used in a capitalist society has made commodities exchanged without the presence of the actors at the same place and time. Adaptation of Marx's ideas in the social and the economic system of society is formed, showing the difference mastery of space reproduction based on the classification and characteristics of the people fully conditioned due to the formation of urban spatial zones in Sangatta. Findings from the field show that space and urban land is used as a commodity to be exchanged. There are three interpretations proposed related to the system of economic and social relations based on the classification and characteristics of the community in relation with spatial zones formed. First, it is a joint venture of production of the urban elite in the business management system, conditioning the domination in the control of space reproduction in the urban areas of Sangatta. That is, that the space or urban land is considered as a commodity to be exchanged, so that it becomes the capital or the strength of production and reproduction. The strength of production and reproduction through business activities developed characterized by commercial economic activities dominated by community urban elite is positively associated with capitalization of urban space that the business of space reproduction ends to take the forms of exploitation and expansion to gain profit and economic benefits by involving the use of labor and modern technology. Second, the production process run has a tendency towards the involvement of power in the exploitation and expansion of economic activities. Findings from the field show that the pattern of the cooperative relationship moves toward mastery of reproduction of urban space as an economic activity. That is, the pattern of connections and relationships formed is demonstrated through the ability to influence and the determining superstructure in this case is politic and ideology so force power is also dominated by elites of urban areas and tends to weaken at the level of the power structure for the middle class and the marginalized communities. Third, it is the extensive ability of capital and business networks, indicated by the pattern of relationships between elements of space reproduction, with the trend moving toward economic globalization intertwined with one another, and also with the system of rotation of capital which tends to not only involve the business sector but also the sector lines.

The phenomenon of urbanization in urban areas of Sangatta is generally conditioned by the existence of economic activities of commercial and industrial areas. The economic activities are parallel with the growth of residential areas, thus becoming the motor of urban space utilization changes in Sangatta from time to time. Childe (Ritzer, 2013), states that the emergence of the first cities encourage and expand trade, a development that transform cities that are culturally uniform and isolated into a cosmopolitan metropolis. Urbanization in urban areas of Sangatta is positively associated to the development of commercial centers of economic activities, trade areas and industrial areas causing changes in utilization of urban space and encouraging agglomeration of the functions of economic activities. Dahuri and Nugroho (2012), state that there are three types of economic agglomeration, namely (a) internal economy agglomeration, (b) inter-industry linkages, and (c) economy localization. Findings from the field show that the development of trade and industrial activities in urban areas of Sangatta has become the motor of economic agglomeration internally linked to the function of the growing space—the function of settlements, banking services, and hospitality services. It can be concluded that the internal economic agglomeration in Sangatta reconditions the dynamics of economic activities and the impact is very significant to change the use of space and is the evolution towards integrated system of urban activities

Changes in the utilization of space then raise new issues in the dynamic development of Sangatta, be it physical or environmental, economic, and social factors characterized by the presence of urban slum areas. With all the complexities that arise today in urban areas of Sangatta, an understanding that the reproduction of urban space in Sangatta not only gives a positive value for the development of urban areas in terms of growing economic productivity, but also gives new issues in the context of spatial zone of Sangatta, must be fully realized. Findings from the field indicate that urbanization and development of economic activities in Sangatta contribute positively to the increasing need for land for new residential areas and various socio-economic activities, which, if not balanced and controlled, will have an impact on the quality of urban living environment. Susilo Rachmad, K.D. (2012), states that there are two approaches in environmental management systems, namely (a) an individual approach--environment depends on individual behavior, and (b) that environmental damage cannot be separated from the pattern of social structure and social system which is formed by individuals or groups that interact. This means that urban areas of Sangatta are dynamic, they grow and change, conditioned as a result of the convergence of the different interests of individuals and groups of people in social structures and social systems. The changes in the characteristic of urban environments run parallel on the changes in utilization of urban space in Sangatta. The changes in space utilization of Sangatta urban are the results of the stronger control of space reproduction by the capitalist sector (owners of capital). Surya (2010), states that the city will be dynamic in its development in the context of production and reproduction that spatially they will largely depend on the power of capital and the process of urbanization. It can be concluded that urbanization on the one hand will encourage efforts to increase economic productivity and the corresponding relationships between urban space, but on the other hand it will result in urban problems related to spatial dimension, namely environmental degradation, economic system of the marginalized communities, poverty and social problems that require treatment through equitable and sustainable urban development policies.

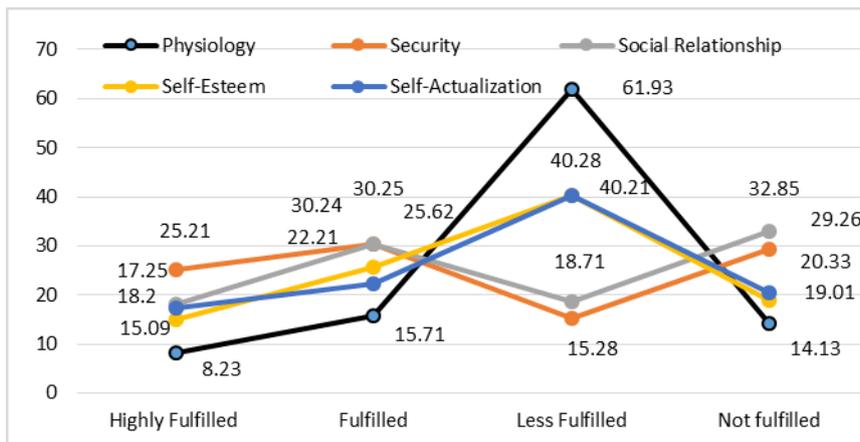
### **3. MODERNIZATION OF DEVELOPMENT, URBAN POVERTY AND SLUM AREAS**

The development dynamics of Sangatta based on the history of the town are basically created and conditioned through the process of empowerment and utilization of natural resources. This process begins with the development of industrial zones and trade centers, for improving the welfare of society. Mardikanto, et al. (2014), explains that there are three aspects in the context of the implementation of development, namely (1) development, a process that is done by many parties in an effort to continually improve the quality of life of the communities and individuals as members of the society, (2) in order to achieve the desired objectives, development activities continue to exploit the technology chosen, which is believed to be the "best" in the sense of effectiveness and efficiency, and (3) the development goals are to improve the quality of life of the communities and individuals as members of the society, with the understanding on efforts to comply with and or solving a problem that will be faced or have been perceived by development actors. These three aspects if adapted in the context of the development of urban areas in Sangatta indicate that the acceleration of development implemented currently has the focus and objectives within the framework of improving the welfare of society and the improvement of quality of life of urban communities through efforts to use natural resources. The process is performed through the modernization of urban development by utilizing spatial and physical engineering as well as support the development of urban transport infrastructure which is more adequate.

The modernization of development process is understood as a process of transformation of the dynamics of society and the changes at the micro level of the community with all the problems that arise. In the perspective of the development of urban areas of Sangatta experience cingutilization of space through physical spatial manipulation process conditions the social change from traditional society (agricultural rural) and then move toward a modern society (industrial urban) in all its aspects. This fact illustrates that modernization is a directional change and is based on a plan (social planning) and conditioned as a result of changes in space utilization of Sangatta urban areas. Rostow (Mardikanto et al., 2014) in association with the stages of growth linear models states that the development is associated with changes in agrarian society with a traditional culture to a rational society focusing on the industrial and service economy.

Community dynamics conditioned due to modernization of urban development of Sangatta then condition the difference in terms of satisfying the basic needs of society. The fulfillment of people's need hierarchy departs from the hypothesis that inside every man there is a need hierarchy, Maslow (Hariyono, 2010). Level of human hierarchy needs is measured using five main indicators, namely (1) physiological (primary needs), including clothing, food, shelter, sex and well-being of individuals; (2) a sense of security: covering a sense of the physical work and future security; (3) social (affective), covering the needs to be accepted by others, a sense of respect, excellence and participation in an activity, (4) self-esteem, including factors such as the internal rewards such as autonomy, and achievement, and external rewards such as status, recognition, and attention; and (5) self-actualization, referring to the urge to be a person in accordance with the skills, including growth, achievement, and self-fulfillment. Adaptation of the concept of Maslow's theory related with the dynamics of urban communities in Sangatta conditioned due to

modernization and development of urban space utilization changes is presented in the following figure 3.



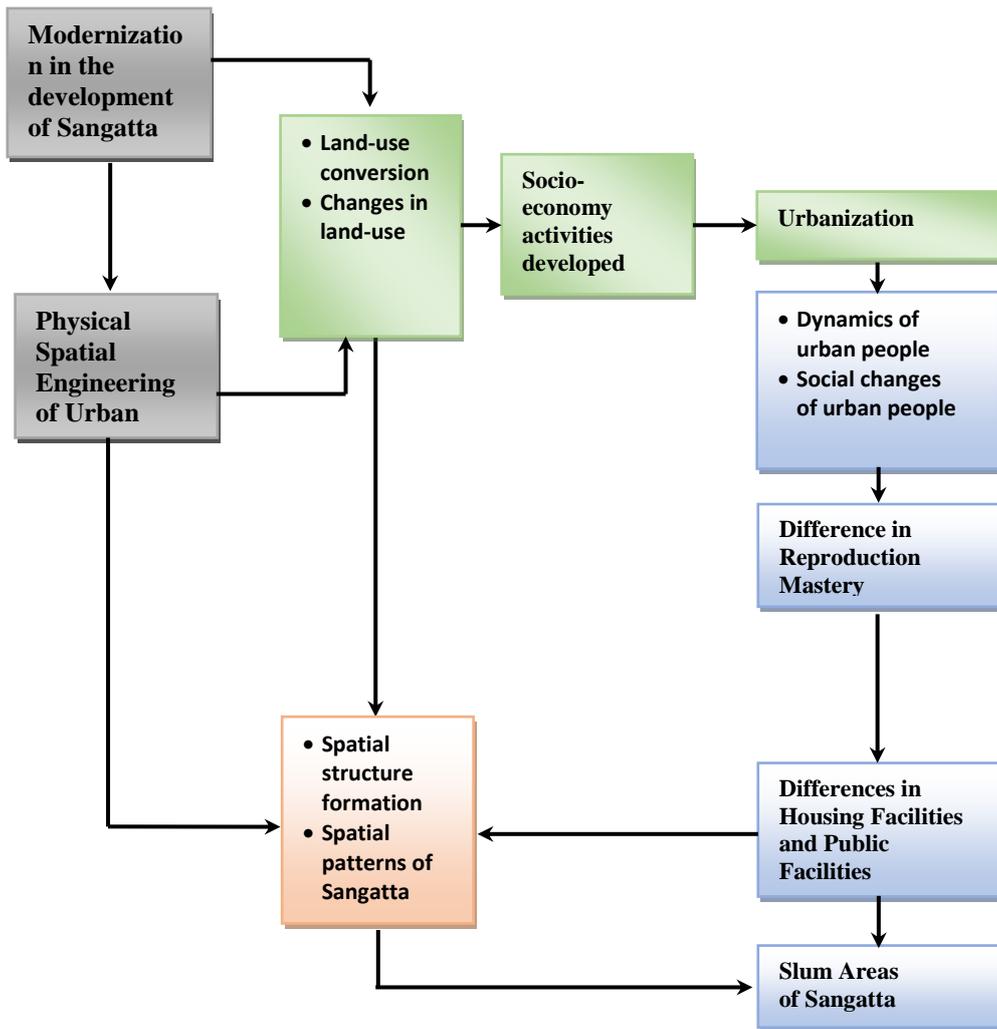
**Figure 3. Relationship of Modernization of Development and Land Use Change with Fulfillment of Hierarchy Need of Urban Communities in Sangatta**

Source: authors

Figure 3 shows the difference in the fulfillment of hierarchy needs, conditioned as a result of modernization and changes in the use of space in Sangatta urban areas. Some interpretations proposed related to the fulfillment of hierarchy needs of urban communities in Sangatta are as follows. First, modernization and development of urban space utilization changes in Sangatta showed that only as much as 23.94% of the people were able to meet their physiological needs, and then the rest 76.06% were not able to meet their physiological needs. That is, modernization of development and changes in the use of space in Sangatta urban areas does not contribute directly and positively to the physiological needs of society. Second, the relationship between modernization and development and changes in the use of space in Sangatta urban areas illustrates that as many as 55.46% of respondents stated that their need of security was fulfilled, and the rest 44.54% of respondents stated that their need was not fulfilled. That is, modernization of development and change in space utilization is associated positively to fulfilling the needs of public security, especially for formal workers working in the functions of urban economic activities. Further, the marginal and poor urban communities in Sangatta, especially those in informal economic activities, felt that their security was threatened related to the illegal status of settlements (does not match a predetermined allotment). Third, modernization and development of urban space utilization conditions the ongoing pattern of social relations in the economic sectors and social relations between individuals and groups is conditioned due to the process of urbanization. A total of 48.44% of respondents said that social relationships and social relations built due to economic activities have been met. That is, communication and economic relations are reciprocity and running properly. Findings from the field show that for groups of people who work on the functions of the urban informal economic activity, patterns of social relationships have a tendency towards working relationships and relationships between social workers. Furthermore, as many as 51.56% of respondents said that their need was not meet. That is, the pattern of social relations

economically among the marginalized urban poor have a tendency towards a pattern of cooperation that are mutualism and social relations formed are reciprocal. Findings from the field show that this condition takes place exclusively in urban slum areas in Sangatta City as an effort by the marginal to maintain their existence.

Fourth, ongoing development and modernization in the use of space also shows differences in meeting the needs of self-esteem of urban communities in Sangatta. A total of 40.71% respondents mentioned that they felt proud to be citizens of Sangatta, and while the rest 59.29% of respondents said they did not. That is, pride as the residents of the urban area of Sangatta is only felt by some groups of people, especially by groups able to achieve economic opportunities and self-existence. The majority of society and in particular the marginalized groups and the urban poor have not felt the fulfillment of self-esteem completely; this condition occurs as a result of limited capabilities and expertise, so recondition to adapt to the growing functions tend to be difficult. Fifth, modernization and changes in urban space utilization also contributes to the fulfillment of self-actualization needs in urban communities. A total of 39.46% of the respondents mentioned that their self-actualization has been fulfilled, while the rest 60.54% said the vice versa. That is, modernization of development and changes in the use of space do not directly contribute to the economic development efforts of individuals, especially in marginal communities and the urban poor. The differences in economic activities are then growing towards the sharpening of social economic strata of urban society in Sangatta City, and a very significant influence on differences in wealth and ownership of residential facilities. That is, the development of urban settlements in Sangatta condition three things that run parallel with the existence of functions of urban space. First, it is the planned settlement areas supported by good facilities and infrastructure and in direct contact with the main centers of urban activities in Sangatta. These residential areas are predominantly inhabited by the higher income groups (high class), with a self-contained residential property and luxury. Secondly, it is planned residential areas with residential patterns including facilities and infrastructure, located in the transition area. Workers of formal urban (middle class) predominantly inhabit these residential areas. Third, it is residential areas not organized, that tend to be sporadic with conditions of limited service and infrastructure (urban slums). They are predominantly inhabited by low-income communities (marginal communities and the urban poor) located in the areas along the river and the urban functional areas of Sangatta. Thus, it can be concluded that the formation of the spatial zone in the urban area of Sangatta is formed by two main activities, namely commercial economic activities and industrial functions. Both of these functions are closely related to natural resources, particularly in the mining sector, thus becoming the significant attracting factor of urbanization and the determinant factor of the development of urban areas in Sangatta. Trading and industry functions in urban areas of Sangatta run in line with the existence of the settlement areas, whether planned or unplanned. Schematically, the process of formation of the structure and pattern of spaces in Sangatta in connection with the development of urban settlement areas is presented in the following diagram.



**Figure 4. Relationship of Modernization and Establishment of Space Structures on Urban Slum Areas in Sangatta**

*Source:* authors

From Figure 4, some interpretations can be proposed. First, modernization in Sangatta performed through spatial physical engineering has become the driving force for conversion of land use and changes in urban space utilization, marked by the construction of the functions of socio-economic activities. The process is then conditioned the intensive process of urbanization in the urban area of Sangatta and contributes positively to society and the dynamics of social change in urban communities. Second, changes in the utilization of space are followed by the construction of the new functions of activities in urban areas of Sangatta, dominated by the functions of trade and economic activities leading to a shift in production facilities to the space reproduction, and differences in mastery of reproduction based on segmentation of urban communities as well as differences in the ability to adapt to

the new functions. Third, differences in reproduction mastery of space and ability to adapt to the functions of urban space in Sangatta condition the difference in public residential facilities, as well as differences in infrastructure to support urban services. The process reconditions strata differences and status of society in the dynamics of development of urban areas and is associated positively to the process of structure formation and pattern of spaces in Sangatta. Fourth, incompetency and poor access to reproduction mastery within a growing dualistic economic model reconditions the urban poor in a marginal position leading to growing slums in urban areas of Sangatta.

#### **4. CHARACTERISTICS AND CONDITIONS OF URBAN SLUM AREAS IN SANGATTA**

The dynamics development of urban areas in Sangatta indicates that ongoing development conditions various new problems in the dynamics of the society due to changes in space utilization and urbanization. There are three interpretations that may be proposed in the process of development of urban areas in Sangatta to related to the presence of urban slum areas. First, the development of urban areas is characterized by dualistic economic activities (formal and informal). Second, changes in the means of production to reproduction of space dominated by capitalism. Third, sharpening stratification and status thrive community towards society groupings based on income, reconditioning disparity of urban services in different regions. These factors become determinant for the development of urban slum areas in Sangatta and the driving motor is urbanization progress itself. Findings from the field illustrate that the emergence of slums in urban areas is also conditioned by several factors, namely: (1) the weak control on the use of space and the development of urban spaces due to poverty; (2) weak urban management, in terms of integration in the implementation of development programs; (3) community involvement in development which is not performed optimally and participatory; and (4) the integration of urban poverty alleviation and treatment of urban slum areas have not been effective and the trend is still partial.

Mardikanto *et al.*, (2014) explains that the development should actually be intended to improve the quality of life of every individual and society, and not sacrifice human to achieve development goals. It means that every community has the right to live and prosper as well as meet their basic needs, one of which is the fulfillment of residential facilities that meet the standards and requirements of health and basic infrastructure facilities and residential areas in one unit. Findings from the field suggest that the residential property that is currently developing in urban areas of Sangatta recondition segmentation of society based on income and has a significant influence on the formation of the urban space pattern of Sangatta. Thus, for those in marginal and poor position, the dominant pattern of residential growth is located on the river banks of Sangatta.

The formation of slums in relation with the dynamics of development of Sangatta is associated positively to the ongoing urbanization and modernization of urban areas in Sangatta. Due to limitations and the inability of society to adapt to the growing functions of space, reconditioning groups of people who want to find a better life with all their limitations both in terms of expertise, skills, and educational background is the factor that supports the development of slum areas in Sangatta. It is also conditioned as a result of urbanization characterized by an imbalance between the number of people with the government's ability to provide new settlements, so the alternative left is for these people

to continue their life with all the limitations and burdens, leaving them to live in places they do not have the ownership on. This process then reconditions the formation of a slum area on the riverbanks of Sangatta that actually should be an area that must be protected. Srinivas (2012), mentions that the growing of slums is caused by internal conditions, namely cultural factors, religion, place of work, place of birth, length of stay, housing investment, building types, as well as external factors, namely land ownership and government policies. It means that internally the existence of slums is fully influenced by the inability and helplessness of the community in accessing economic resources as a result of changes in the functions of space, putting them in a marginal position. The external factors are due to urbanization and weak control of urban development, resulting in urban slums along the river, influencing the quality of the urban environment.



**Figure 5. Characteristics, Typology, and Conditions of Urban Slum Areas in Sangatta**  
*Source: authors*

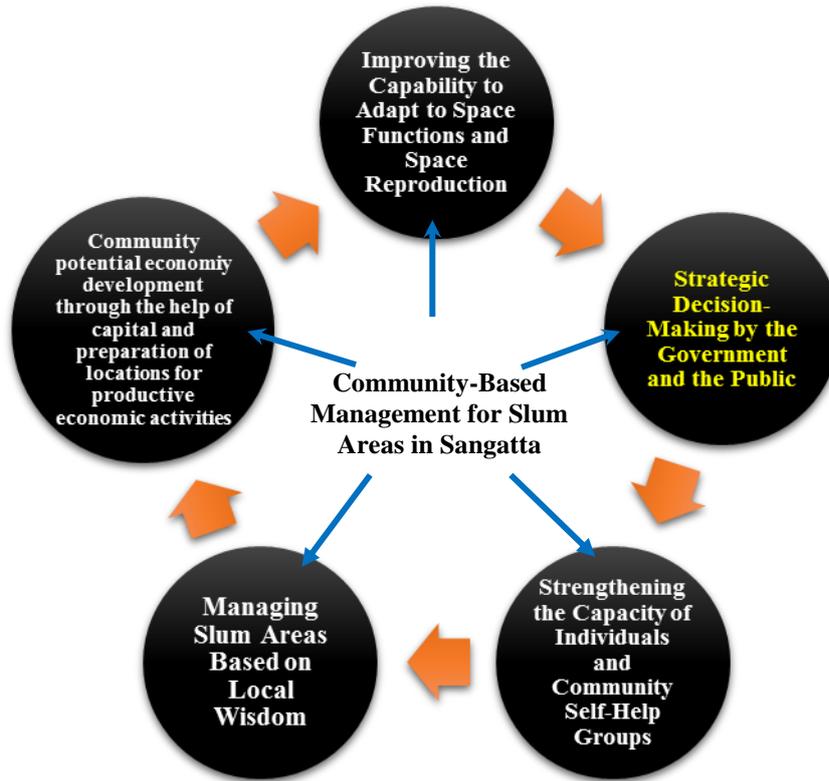
Figure 5 shows that the direct impact on the existence of a slum area in the spatial dimension of Sangatta is sanitation and waste management. The location and position of slum areas along the river directly causes pollution of surface water quality. Without such good control, the condition will lead to degradation of the quality of urban living environment from time to time.

#### **Community-Based Management Strategy for Slum Areas**

The phenomenon of urban slum area development, conditioned as a result of modernization of development and changes in the use of space, as well as imbalanced reproduction of space, will continue to grow in the dynamic development of urban areas in Sangatta. Findings from the field show that the existence of a slum area is now predominantly inhabited by urban people, the poor and marginalized. This condition, in the context of handling of slum areas in relation with the spatial dimension of Sangatta, will be associated with the physical or environmental aspects, economic, socio-cultural, and institutional and government policies. Findings from the field show that the existence of urban slum areas inhabited by marginalized and poor communities are more affected by similarities in life, social system, social behavior, and the process of acculturation that develop in the

dynamics of urban communities in Sangatta. This condition gives the understanding that the potential built in the community is strong enough as a basis for the development of human capital and social capital in urban systems of Sangatta. Coleman (2011), states that social capital is a collection of resources inherent in family relationships and the social organization of communities and is useful for cognitive and social development of children or youth. Social capital in communities that inhabit the slum areas of Sangatta is built based on a system of values and norms based on the relationship of authority and trust among members of communities. Thus, management of urban slum areas shall be associated with human capital and social capital as a complete urban system. This means, the basic concept of management of urban slum areas must be associated with a variety of aspects, among others spatial aspects, physical aspects or environmental aspects of the infrastructure of basic services, economic aspects, socio-cultural aspects (social capital and human capital), institutional aspects, development policy in favor of marginalized communities and the poor, as well as the involvement of community participation in the development and management of urban slum areas. Social capital and human capital owned by the communities who inhabit the slum areas will essentially be the power and the potential to mobilize the people in support of management of urban slum areas in Sangatta. Coleman (2011), explains that social capital is created when the relationship between people changes to facilitate action. Soetomo (2013) confirms that management of social problems can be performed through several forms, namely joint action to improve the quality of life, the provision of social security to the citizens, and settlement of social conflicts. That is, the mechanisms and procedures for management of urban slum areas in Sangatta shall consider the human capital and social capital simultaneously and be used to mobilize the community in the development process and in particular on addressing community-based management of the urban slum areas. The concept of community-based management of urban slum areas in Sangatta is illustrated in the following scheme.

From Figure 6, some interpretation can be proposed related with management of urban slum areas in Sangatta. First, the arrangement of urban slum areas in Sangatta is based on local wisdom. This means that the arrangement of urban slum areas will require consideration of the plurality of society as potential for the modernization process of the urban areas. The principle of pluralism is based on the idea that the heterogeneity of people in the slum areas has undergone acculturation from the origin; thus, the values and norms have changed from the traditional values towards culture industrial urban areas and the patterns of social relations are built based on basic principles to live together within the framework similar economic opportunities. Martono (2014) mentions that there are 5 negative impact of social changes that need to be observed, namely (a) increasing poverty, (b) higher unemployment rate, (c) increasing crime rate, (d) social conflict, and (e) increasing individuality. Thus, the concept of structuring urban slum areas in Sangatta must be based on building indigenous communities in a slum environment based on common principles to live together, after undergoing a process of inter-cultural unification. Togetherness is then translated through residential settlement patterns that are integrated with the preparation of facilities and supporting infrastructure as a single residential unit that is physically and environmentally sustainable.



**Figure 6. Community-Based Management of Urban Slum Areas in Sangatta**

*Source: authors*

Second, it deals with the development of the economic potential of the community through the help of capital and preparation of locations for productive economic activities through a partnership. This means that the arrangement of urban slum areas will require economic sustainability for communities in the slum areas. The pattern of development of economic activities of the community must be built through capital assistance, guidance on technology mastery to find innovations and must be built through a partnership of business and assumption that the community as part of socio-economic system of urban is growing dynamically. In this context, it is understood that the welfare of the community will increase if supported by enough expertise and skills. Thereby, the economic welfare of the community can be achieved if there is a business that develops creativity fully supported by technology and business partnership. Gidden (2010) mentions that the social system exists as reproduced practices and therefore the concept of the system requires the concept of reproduction. As practices are reproduced, the social system has no interest for itself, the reproduction process is full of possibilities and based on the activity of the actors. This means that the society requiring higher levels of achievement will generally result in vibrant entrepreneurs and further generate faster economic growth. Thus, the economic sustainability of the community will be developed along with the development of modernization and change in space utilization of Sangatta urban area.

Third, it deals with strengthening the capacity of individuals and non-governmental groups towards space function and reproduction of urban space. This means that the arrangement of urban slum areas will run parallel to population dynamics, and reproductive dynamics of urban space will always be a contested arena. In this context, it is understood that changes in the means of production to the reproduction of space will continue to evolve over time, and this shall not be a repeatable process. It is then important to make efforts to protect spaces for marginal communities and the poor living in slum residential areas. This protection is needed as a form of adaptation of society to exist in the dynamic changes in the functions of urban space. Therefore, the representation of elite space is too dominant in spatial practices and daily representational space, Lefebvre (Ritzer, 2012). In this context, it is understood Sangatta urban areas in will be dynamic in their development, that changes in space utilization will run parallel to the adaptive capacity of the society to the functions of the new spaces.

Fourth, it is about strategic decision-making (government and public). This means that the existence of the poor and marginalized in urban slum areas shall not be seen as an urban problem, but as a potential to participate in development through participation, in the sense that the concept of urban development is placed as alignments. Summer (Salusu, 2014) states that there are four philosophical connection of decision-making of a strategic outside group. These include (1) ethical accountability of strategy designers on how to integrate organizations with different needs and demands, (2) accountability of the organization, that organization is an instrument to create better society, (3) social responsibility, referring to pluralistic role, that the strategic group is encouraged to eliminate the accusation that the products and services given are not good or less suited to the wishes of the people, and (4) judgment role, strategic ethics, that the organization leaders acting as arbitrator of conduct for the opposing parties.

Fifth, it deals with strengthening the capacity of the individual and community self-help groups. This process is defined as a process of development through community empowerment mechanisms. Development is understood as a process of societal change, and one of the expected changes is on attitude and behavior. Increasing community participation both qualitatively and quantitatively is one manifestation of a change in attitude and behavior, Soetomo (2010). This means that increasing the capacity of individuals and community self-help groups through a participatory process in the management of slum areas in Sangatta will encourage the process of change, in terms of attitudes, behaviors, and responsibilities of society towards the implementation and post-implementation of the development as a form of social responsibility and social sustainability.

From the afore-mentioned discussion, some of the proposed strategies related to management of urban slum areas in Sangatta, taking into account external factors and internal factors as part of the urban area development dynamics, are as follows:

1. Managing urban slum areas based on local wisdom, which is supported by the development of adequate infrastructure and integrated system of urban activities in a sustainable manner.
2. Controlling the slum area in riverbanks and water catchment areas through the preparation of green open space as a forum for social interaction among residents and

inter-urban people, followed by securing border rivers in a strict and integrated urban land management program in a sustainable manner.

3. Developing the potential of the local economy, by structuring and preparing representatives location as well as integrated systems of urban economic activities supported with the help of capital, business development, and production for the poor and marginalized through a partnership in a sustainable manner.
4. Developing the adaptive capacity of the poor and marginalized to change the functions of urban spaces through productive utilization of the potential labor force and independent and sustainable entrepreneurial development.
5. Strengthening the capacity of individuals and groups of marginalized communities and the poor through community empowerment and increased community participation in urban development, within the framework of rights and obligations to develop the community.
6. Making strategic decisions, referring to the fulfillment of the basic needs of society under the principle of equality within the framework of controlling domination on reproduction mastery of urban space sustainably.
7. Establishing and developing urban areas in Sangatta City, under the principle of equality and justice through the distribution patterns of socio-economic activities and basic infrastructure in terms of reducing disparities in different regions of urban services.

## **CONCLUSIONS**

From the discussion above, the conclusions drawn are as follows:

Modernization of urban areas in Sangatta, followed by the construction of new functions of activities, becomes the motor of urbanization and migration, associated positively to changes in utilization of urban space. The changes in utilization developing into a dualistic economic model (formal and informal) are characterized by the dominance of mastery of space reproduction, recondition of zone formation, spatial structure and pattern of spaces of urban areas in Sangatta based on economic classes of society, which shows the difference in classification, characteristics, and ability of ownership of residential facilities in the dynamic development of Sangatta. The low society access on reproductive control of urban space and the weak adaptation of society on the functions of spaces bring an impact of marginalization and poverty, causing growing slums in urban areas of Sangatta.

Slum areas developed in Sangatta inhabited by marginalized communities and urban poor have similar characteristics socio-culturally, marked by the process of acculturation and leading to the formation of the social system based on similar principles to live together in a unity of slum areas. This process is characterized by quite strong human capital and social capital as a whole community becoming the basis and the potential for mobilizing public resources through participation in the process of managing a slum area which is community-based and local wisdom based.

Community-based management strategies of slum areas in urban areas of Sangatta are implemented through five main principles: structuring the slum areas based on local wisdom, developing the economic potential of the community by utilizing capital, and preparing productive economy locations through partnership, increasing the adaptive capacity of society to functions of space and space reproduction, decision-making in favor of the marginal community and urban poor, as well as strengthening the capacity of individual and community self-help group.

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