

Analysis of The Economic Gap The Community of Citraland Surabaya and The Surrounding Region

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ABSTRAK

Salah satu kota satelit di Surabaya adalah Citraland yang telah berdiri sejak tahun 1993 sebagai salah satu perusahaan real estate terbesar di Surabaya. Berkembangnya kota satelit yang identik dengan perumahan mewah tersebut memberikan dampak tersendiri yaitu terjadi kesenjangan dengan wilayah di sekitarnya. wilayah dan disparitas ekonomi (Adisasmita, 2005). Pada dasarnya pembangunan perumahan memberikan dampak kesenjangan ekonomi terhadap masyarakat di sekitarnya. Selain itu, juga menimbulkan kesenjangan kesejahteraan yang semakin besar antara kelompok berpenghasilan rendah dan tinggi yang diukur dengan ketimpangan pendapatan. Metode yang digunakan dalam penelitian ini adalah studi pustaka. Hasil penelitian ini terdapat tiga faktor yang menimbulkan kesenjangan ekonomi yaitu pertama, adanya kesenjangan yang tinggi terkait pendapatan masyarakat desa dengan perumahan; kedua, adanya perbedaan gaya hidup sehari-hari; ketiga, perbedaan kondisi geografis/lingkungan tempat tinggal.

ABSTRACT

One of the satellite cities in Surabaya is Citraland which has been established since 1993 as one of the largest real estate companies in Surabaya. The development of satellite cities which are synonymous with luxury housing has had its own impact, namely there has been a gap with the surrounding area. region and economic disparity (Adisasmita, 2005). Basically housing construction has an impact on economic disparities in the surrounding community. In addition, it also creates an increasingly widening welfare gap between low and high income groups which is measured by income inequality. The method used in this research is literature study. The results of this study are three factors that cause economic inequality, namely first, there is a high disparity related to the income of rural communities and housing; second, there are differences in daily lifestyles; third, differences in geographical conditions/environment of residence.

Kata kunci

Kota Satelit, Ekonomi, Kesenjangan, Pendapatan Perkapita

Keywords

Satellite City, Economy, Gap, Income per capita.

Introduction

Gap is a subjective thing, so that each family or individual in it who has different guidelines, goals, and ways of life will give different values about the factors that determine the level of inequality (Tuheteru & Mahfudz, 2012). The problem of inequality is a problem of justice, which is related to social problems (Sukmana, 2005)

The development of economic activities starting from the central business district (CBD) which tends to develop outwards, either diffusively or by leaf frog, has resulted in the growth of satellite cities as new residential locations. In Indonesia itself, the development of the satellite city itself is very rapid. This rapid development is due to the fact that in terms of planning it is more of a compact city and sustainable city concept that prioritizes comfort and convenience.

A satellite city is an area that has an urban nature and this area provides the carrying capacity for city life. Satellite cities are formed as a result of developments that occur within the city core. According to (Schnore, 2006), satellite cities are small industrial centers that function as production cities. An independent city is a city that grows from economic activities that agglomerate in a harmonious manner where there is adequate carrying capacity of the natural environment and built environment. In (Aprillia et al., 2021) opinion, housing development encourages socio-economic changes for people in the surrounding environment

From year to year Surabaya has a population growth of 0.63% per year. With a total population in 2014 reached 3,161,733 people. In addition to the increasing population, the per capita income of the city of Surabaya in 2013 also increased by Rp. 97.338.000,- compared to the previous year of Rp. 79.125.000,-. This has an impact on increasing people's purchasing power, including housing (BPS City of Surabaya, 2014).

One of the satellite cities in Surabaya is Citraland which has been established since 1993 as one of the largest real estate companies in Surabaya. The development of a satellite city that is synonymous with luxury housing has its own impact, namely there is a gap with the surrounding area. One of the satellite city areas of Citraland is the West Surabaya area, which is an expansion of residential areas in Surabaya which initially developed from the North Surabaya/Central Surabaya (Red Bridge area) then to the South Surabaya area (Simpang, Keputran, and Darmo areas) and continues to grow until to West Surabaya. The construction of housing areas is carried out in cooperation between the city government and Perum Perumnas and private developers (Fikriyah, 2013). In addition, the construction of this Satellite City has an impact on the economic disparity in the population around the Citraland area. According to (Setiawan, 1975) research, he explained that building high fences in the yard and fortifying residential areas is not the right solution. In fact, the resulting effect will further widen the social gap between the new settlement community and the community around the settlement (kampung) which will eventually increase vandalism.

One of these gaps is evidenced by the presence of several slum settlements around the satellite city area (Local Regulation Of Surabaya City No 7 Year 2010, n.d.). In rural areas there is still minimal green open space, in some villages there are still no fields or parks (RDTRK UP Wiyung). Not only that, the economic tension is also caused by the significant difference in income between the residents of the housing and the villagers. This was also expressed by (Dustmann et al., 2016), through their research, in the development of housing development there is an increasing tension in welfare between groups subject to low and high as measured by income inequality. The disproportionate rise in income inequality following housing also contributed to perceptions of continuing inequality increases in Germany. This research activity was conducted to examine the phenomenon of socio-economic disparities between the Citraland Surabaya area and its surroundings. The contribution of this research to the development of social science is to broaden insights regarding economic disparities that exist in the social or community environment.

Method

The method used is library research which uses books and other literatures as the main material related to the object of research or the beginning of library data. The sources used include: text books, scientific journals, statistical references, research results in the form of theses, theses, dissertations, the internet and other relevant sources (Anwar, 2016). The technique used in data collection is the collection of literature data, namely materials that are coherent with the objects of discussion in question (Arikunto, 2011). The data in the literature is collected and processed by: Editing, Organizing, Finding research results. Data analysis in this literature research is content analysis, namely research that is an in-depth discussion of the content of written or printed information. Or content analysis is a research technique to make inferences that can be imitated and valid data by taking into account the context (Krippendorff, 2004). The data used by the researcher is data on the number of Citraland investments in Surabaya from sources that are considered credible, also accompanied by data on the development of real estate development in West Surabaya. In addition, the cultural diversity around us can also cause social symptoms such as negative foreign cultural imitations, juvenile delinquency and so on (Sadono, 2001).

Result and Discussion

1. Real Estate Development in West Surabaya

The presentation of research results may be completed with tables (without outside borders) or charts/pictures with writing in the middle position, with 1 space, 10 font, and referring to the equation/symbol.

The development of Surabaya as a real estate area began in the 1990s when eight investors bought 6,305 hectares of land in East Surabaya and West Surabaya in the

1990s (Rei Jatim, 1990). Areas that are developing as the first real estate areas in Surabaya are the East and West Surabaya areas. Both areas are planned as residential areas. The area of West Surabaya which was developed as a residential area in the period 1970-1990 is the area of Darmo, Babatan and Lidah Kulon (Direktori Realestate Indonesia 2006-2007, 2006).

The second stage of real estate development is the period 1991-2000. Developments during this period were closely related to macroeconomic conditions. Referring to the implementation of Law No. 4 of 1992 concerning housing and settlements, it makes it easier for investors to come to Surabaya. Planning for the development of a new city in the suburbs of Surabaya in the 1990s became a visionary plan for investors. Following table 1 are the details of the real estate area that was developed in the 1970 to 1990 period;

Table 1. Realestate Area in West Surabaya Period 1970-1990 and Period 1990-2000

No.	Period 1970-1990			Period 1990-2000		
	Name of Realestate	Development Year	Large (ha)	Name of Realestate	Development Year	Large (ha)
1	Darmo Permai	1973	300	Graha Family	1991	280
2	Darmo Indah (Darmo Grande)	1973	125	Bukit Darmo Golf	1991	126
3	Darmo Satelit Town	1974	175	Citra Raya	1993	2000
4	Darmo Harapan	1975	30	Pakuwon Indah	1993	400
5	Babatan Indah	1976	20	Galaxy Bumi Permai	1993	200
6	Darmo Sentosa Raya	1985	40	Laguna Indah	1994	560
7	Lidah Kulon	1989	20	Dian Permana	1995	60
8				Bukit Villa Mas	1998	45
9				Darmo Hill	1999	40

Source: Processed from data from the REI East Java Directory, Journal of Architectural Engineering Dimensions Vol. 28, No.2, 2000

The table above shows that the Citra Raya real estate area, which began to be developed in 1993, has the largest area, namely 2000 Ha, among other real estate in Surabaya. This shows that the destination Citra Raya, which is currently changing its name to CitraLand, has great prospects in the property sector, especially residential areas. The concept initiated by Ir. Ciputra is developing housing with various

facilities, both school facilities, residences, sports and shopping, so of course it requires a large enough land area. Evidently, the concept is still developing and the network is getting wider. The change initiated by CitraLand was able to create an attraction for immigrant residents in Surabaya. The current population in Ciraland has reached 11,000 families in 28 years from 1993-2022.

2. Citraland Area Development

Citraland is one of the fastest growing residential areas in West Surabaya. In 1989, PT Ciputra Surya, Tbk has become the pioneer of the development of 'City Mandiri' in West Surabaya. The company's first project in Surabaya was Citra Raya Estate, which opened in 1993. This real estate is located on an area of 2000 hectares and is the largest real estate development project in East Java.

This real estate is known as The Singapore of Surabaya where the area is a clean, modern and green city like Singapore's. In addition, this area is also supported by various facilities such as golf courses and family clubs, international schools, shopping centers and others.

Table 2. CitraLand Area Development

No	Year	Development
1	1993-1994	In 1993, Ciputra launched Citraland City, a project with a development scale of 2,000 ha. Starting with building a golf course and its facilities called Ciputra Golf. Ciputra Golf is the onlu one Night Golf in Surabaya with 18 holes with a valley and lake concept. IPAM was built, educational facilities namely Surabaya International School (SIS). In addition, there was the construction of the first residential area (1994).
2	1995-2002	Change the name of Citraland City to Citraraya Kota Mandiri. The construction of educational facilities (Seoklah Ciputra), the first commercial area in JLLB (Ruko SNU), Koramil, Modern Market, Gwalk Culinary Center which has become a culinary icon in the city of Surabaya. In addition, there is also the construction of a Family Club with various sports facilities as facilities for Citraland residents.
3	2003	Change of name from CitraRaya Kota Mandiri to Citra Raya "City For First Class Living". The opening of new areas in the Raffles Garden and Royal Park clusters, as well as repositioning the tagline to become Citraraya The Singapore of Surabaya with a green, clean and modern concept of development. After this repositioning, sales have increased significantly since the establishment of CitraRaya.

4	2004-2008	Change of name to CitraRaya "Singapore of Surabaya". The construction of Singapore icons was carried out to strengthen the tagline of The Singapore of Surabaya, Living in clean, green and modern city. In 2004 the CitraRaya gate was built which was designed with a dynamic concept, named the Dynamics Gate. In addition, new educational facilities were built, the Citra Berkat School and several other icons.
5	2009-2021	Change of name until now to Citraland "The Singapore of Surabaya". The transfer of the modern market to a larger and more complete size to meet the needs of the residents. In 2013 the operation of the Orthopedic and Traumatology Hospital in the Dinamika Gate area added to the facilities

Source: <https://citralsurabaya.com/about-us/>

The development of the CitraLand area covers four sub-districts in West Surabaya, namely Lakarsantri, Sambikerep, Made, Jeruk sub-districts, and is currently expanding to Pakal sub-district. Judging from the data from the Investment Board, the amount of initial development investment in Surabaya by highlighting the Golf development reached Rp. 59.830.000.000,- in 1996 and Rp. 31,609,450,000,- in 1997. Following are the details of CitraLand's investment for Golf Course development;

Table 3. CitraLand Investment for Golf Course Development 1996 and 1997

Year	Type of Capital	Amount (in Rupiah)
1996	1. Fixed Capital	
	a. Land Purchase and Maturation	Rp. 14.400.000.000,-
	b. Building	Rp. 39.050.000.000,-
	c. Machinery/equipment	Rp. 2.780.000.000,-
	d. Other	Rp. 2.100.000.000,-
	2. Working Capital	Rp. 58.330.000.000,-
	Investment Amount	Rp. 59.830.000.000,-
1997	1. Fixed Capital	
	a. Land Purchase and Maturation	Rp. 16.709.450.000,-
	b. Building	Rp. 7.635.000.000,-
	c. Machinery/equipment	Rp. 5.515.000.000,-
	d. Other	Rp. 800.000.000,-
	2. Working Capital	Rp. 950.000.000,-
	Investment Amount	Rp. 31.609.450.000,-

Source: processed from the data in the attachment to the Letter of Approval from the Minister of State for Investment Funds/Chairman of the Investment Coordinating Board concerning the Expansion of Domestic Investment No: 29/II/PMDN/1997

Figure 1. Citraland Area Map



Source: <https://citralandsurabaya.com/>

Income inequality can be interpreted as the difference in economic prosperity between the rich and the poor. Inequality or disparity between regions is a common thing in regional economic activities. Some of the reasons for this are differences in the content of natural resources and differences in demographic conditions in each region. This difference makes the ability of a region to encourage the development process also to be different. This is what usually contains the terms developed areas and underdeveloped areas.

Economists generally recognize three measures of economic inequality: wealth, income, and consumption. The issue of economic inequality includes economic equality, equality of expenditure, and equality of opportunity (Todaro & Smith, 2003). From an economic perspective, social phenomena that occur in society can include poverty, unemployment, population problems and so on (Maipita, 2014). The same thing also happened to the area around Citraland Surabaya, where several areas directly adjacent to the Citraland residential area clearly saw the gap. The phenomenon of the gap is shown in three aspects of the gap.

a. Community Income Gap

Inequality is a condition where there are differences in economic growth between regions and are dominated by differences in economic growth, poverty, education, health, and low community accessibility to socio-economic infrastructure (Basri, 2002). The income gap that occurs between the people of Citraland and the surrounding area is seen from the phenomenon of the type of work they have. In the local community around Citraland, on average, they have jobs as traders and laborers. While the residents of the Citraland area themselves are average entrepreneurs. This triggers the income gap. In addition, the large number of residents of each region does not match the income earned. The comparison of the number of households is shown in the table 4

Table 4. Comparison of Number of KK and Land Area

Land Area	Region	Number Of KK
17,73 km ²	Lakarsantri	19,058
25000 Ha	Citraland	11,000

Source: Citraland Data and BPS Statistics

Based on the comparison of the number of households and the area of land above, it shows that the Lakarsantri Region and its surroundings are densely populated areas. Of course this is the livelihood of the community is quite diverse with various amounts of income. Judging from the average livelihood of the lakarsantri residents who are traders, employees and laborers, of course the average income has not reached the Surabaya UMK. This is compared to the land area owned by the Citraland area, which is 2500 ha with a total family of 11,000, of course the population is not too dense.

In addition, according to the World Bank, income inequality can be measured by calculating the percentage of people's income from low-income groups compared to the total income of the population. The following is a table of gaps based on their classification;

Table 5. Gap indicators according to the World Bank (World Bank)

Gap Classification	Income Gap
High Gap	40% of the population has low income and receives < 12% of total income
Medium Gap	40% of the population is low-income and receives 12% - 17% of total income
Low Gap	40% of the population has low income and receives > 17% of total income

Source : World Bank

Based on the gap table 5 and based on observations of the income gap around the Citraland area or the Lakarsantri Region, Pakal and its surroundings are in a moderate gap where 40% of the population with low income still receives +12% of the total income received each month.

b. People's Lifestyle

Based on the theory of social inequality, that one of the societies where inequality or inequality occurs is the difference in lifestyle. This difference is based on the status of work owned by the community. In the Citraland area, the average employment status is a large-scale entrepreneur, besides that the inhabited population is from the Chinese group. So of course the daily lifestyle will be much different from ordinary people who have job status as small traders, employees or laborers. This can be seen from the style of dress to shopping. In the Citraland area, the real estate sector has provided schools with international standards, as well as

modern markets in the area. So that residents of housing do not have to go far to go to activities or shopping. Meanwhile, the Lakarsantri community and its surroundings still have traditional markets and private or state schools with local levels.

c. Geographical Conditions of Citraland and Surrounding Areas

Citraland Housing is a residential area built since 1993, where this area has the concept of a modern residential area. There are various facilities in it, ranging from international schools, universities, modern markets, culinary centers to swimming pools. This area is also known as “elite housing” because of its attractive arrangement and greenery. In addition, the land area is 2500 hectares, of course the house is in the form of a modern minimalist house. In contrast to the area around Citraland, because it is not a housing concept, the residents' houses seem untidy, as well as the shoulder of the road which is filled with street vendors. This regional governance creates a gap between the Citraland area and its surroundings.

Conclusion

Based on the results of the above article, the economic gap that exists in the Citraland Surabaya area with the surrounding areas that are directly adjacent such as the Lakarsantri, Pakal and other sub-districts, is the difference in population income between these regions which results in a gap. This is due to the different professions of the residents, where on average the residents of Citraland are large-scale entrepreneurs, while the residents in the surrounding areas are mostly small traders, employees and/or factory workers. In addition, other reasons that trigger the emergence of economic inequality are lifestyle factors and demographic conditions. This is due to different professions and incomes, so the daily lifestyle will also affect. Meanwhile, geographical conditions are seen from the layout of the area which is much different from the surrounding area. This is indicated by the comparison of the population and land area that is not appropriate. In the lakarsantri area, the number of families is 19,058 with an area of 17.73 km², which means that it is densely populated. Meanwhile, in the Citraland area, the number of households is 11,000 with an area of 2500 Ha.

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