

Howard W. Dick. *Surabaya, City of Work: A Socioeconomic History, 1900-2000*. Athens: Ohio University Center for International Studies, 2002. 476 pp.

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Of all the countries in Southeast Asia, Indonesia would appear to provide the most fertile ground for the study of provincial cities. The sheer size and diversity of the archipelago as a whole and of its various regional centers as well, one might suppose, would draw economic and social historians, if not anthropologists and political scientists, to examine the varying fates of Medan and Makassar, Semarang and Surabaya, or Samarinda and Banjarmasin. Yet compared to scholarship on the neighboring Philippines, the study of provincial cities and their hinterlands in Indonesia remains in its infancy. Nothing in Indonesian studies has shone a candle to the histories of Iloilo and Bacolod, Legaspi and Cebu, Cotabato and Davao that were already beginning to fill library shelves in the early 1980s.¹

With democratization and decentralization in Indonesia at the turn of the twenty-first century, however, belated efforts on this front were to be expected, and Howard Dick is amply well suited to serve as the pioneer of this new trend. An economic historian well known for his earlier work on the Indonesian interisland shipping industry and on regional development in East Java during the Suharto era, Dick comes to the study of Surabaya with a strong appreciation of the broader international, national, and regional contexts in which the city experienced the twentieth century, and with considerable skill in his use of comparisons and counterfactuals.² Writing in the wake of the Asian economic crisis and the fall of Suharto, and perhaps with some self-consciousness about his more Panglossian earlier work on the New Order, Dick is also highly sensitive to questions of social welfare and inequality in his treatment of the city and the lives of its inhabitants over the past one hundred years. The result is a carefully crafted, richly documented, and highly illuminating study of Indonesia's second city. This thoughtful book sets a very high standard for the new urban studies emerging in scholarly work on Indonesia.

Like William Cronon in his classic study of Chicago,³ Dick situates the emergence and growth of Surabaya against the backdrop of its hinterland, paying close attention to the geographical and historical circumstances that favored the city over alternative urban centers on Java. Surabaya, Dick argues, emerged by the end of the nineteenth century as the leading port and most populous city of Java thanks to the privileged access it enjoyed to the interior via the Brantas and Bengawan Solo rivers, and to its

¹ See, for example, various essays in Alfred W. McCoy and Ed. C. de Jesus, eds., *Philippine Social History: Global Trade and Local Transformations* (Quezon City: Ateneo de Manila University Press, 1982).

² See, especially, Howard W. Dick, *The Indonesian Interisland Shipping Industry* (Singapore: Institute for Southeast Asian Studies, 1987); and Howard W. Dick, James Fox, and Jamie Mackie, eds., *Balanced Development: East Java in the New Order* (Singapore: Oxford University Press, 1993).

³ William Cronon, *Nature's Metropolis: Chicago and the Great West* (New York: W.W. Norton, 1991). See also: Sven Beckert, *The Monied Metropolis: New York City and the Consolidation of the American Bourgeoisie, 1850-1896* (Cambridge: Cambridge University Press, 2003).

uniquely sheltered harbor, which made Surabaya much more attractive a port than either Batavia or Semarang, its closest competitors at the time. With first the Cultivation System and then the 1870 Agrarian Law spurring sugar cultivation (and settlement) along the river valleys flowing into Surabaya, and railways constructed by the 1880s tightening the links between the city and its hinterland, Surabaya evolved into the leading commercial center of the Netherlands East Indies and one of Asia's most vibrant—and cosmopolitan—ports.

Dick carefully chronicles these boom years, when the city hosted the companies who owned and managed the private estates of East Java, as well as the trading houses, banks, and insurance companies that served them. The growth of this European community in Surabaya spurred a real estate boom (facilitated by the eviction of tenant farmers and *kampung* dwellers in many parts of the emerging city), as well as efforts to improve public health and law and order on their behalf. The city also experienced a modest phase of proto-industrialization, with the steamboats in its harbor, the sugar mills on its outskirts, and the railways connecting the city to its hinterland requiring local provision of repairs and replacement parts.

Yet the boom was inevitably followed by a bust. Already in the 1920s, the land frontier in East Java was closing, and Surabaya's excessive dependence on sugar was limiting the prospects for continued growth. Thanks to the opening of new private estates (mostly tea and rubber) in West Java, and the expansion and centralization of the colonial state under the auspices of the Ethical Policy and the "Forward Movement" in the Outer Islands, Batavia had begun to overtake Surabaya by this time. With the Depression of the 1930s, Japanese occupation and Revolution in the 1940s, and then the trade restrictions and nationalizations of the 1950s and early 1960s, Surabaya's recovery and return to such a growth pattern was forestalled by almost half a century.

Beginning in the 1970s, the onset of such a recovery was already in evidence, and by the late 1980s and early 1990s Surabaya had reemerged as a strong second city to Indonesia's Jakarta, now resurrected as a hub for export-oriented industrial production. Surabaya's advantages over other cities, Dick argues, once again owed much to its hinterland, with rising incomes in rural East Java (attributed by Dick largely to the Suharto regime's "Green Revolution" programs to boost rice productivity) and elsewhere in the archipelago giving rise to a growing market for goods manufactured or marketed by companies operating in Surabaya. By the mid-1980s, the greater Surabaya area, encompassing neighboring Gresik and Sidoarjo, was thus poised to attract investors seeking lower land, labor, and other costs than those available in the increasingly packed "Jabotabek" conurbation centering around Jakarta. The 1990s saw this East Javanese industrial corridor swell with new factories, spilling over from the industrial estate areas early established on the outskirts of the city into neighboring districts and beyond. As in his earlier work, Dick is keen to point out the key role of domestic, rather than foreign, investment in this growth pattern, but he also highlights the significance of foreign bank lending and company subcontracting in the late-Suharto era of deregulation and financial liberalization.

Not unlike the growth during the era of rising sugar exports from East Java at the turn of the twentieth century, export-oriented industrialization on the eve of the

twenty-first gave rise to major new developments in urban society. As in the early 1900s, the late 1980s and early-mid 1990s saw the emergence of a real-estate boom led by major Jakarta-based developers like the Ciputra and Dharmala groups, with *kampung* dwellers facing eviction (*penggusuran*) to make way for new factories, residential subdivisions, golf courses, and other establishments servicing businessmen and the middle class. As in Surabaya in the era of the Ethical Policy, the New Order also saw the unfolding of government schemes for the improvement of public health, education, and law and order. But even more than in the Surabaya of the late-colonial era, the New Order saw the widening of inequalities in the city during this period of rapid economic growth. Here Dick succeeds not only in extracting considerable substance from available statistical data on levels of income, education, health, and welfare, but also in illuminating somewhat more subtle forms of social (and spatial) inequality exacerbated by the rise of the automobile and air-conditioning in the city during the long New Order years.

Dick's narrative thus draws to a close with the end of the second boom and the onset of the second bust with the Asian economic crisis of 1997–98. For Dick, the late-colonial period and the New Order era thus show crucial similarities—"authoritarian rule, capitalist development, and an expanding middle class" (p. 461)—while the intervening period punctuating his account appears as a protracted hiatus, filled with a rapid stream of political events, but characterized by prolonged economic stagnation. After this long hiatus, it seems, Surabaya reverted to form:

As markets were liberalized, not only for commodities but also for capital, labor, and land, a familiar kind of society reassembled itself in accordance with capitalist market forces like iron filings around a magnet. Probably without being conscious of the parallel, the New Order found itself reinventing the past, not as colonialism, for rule by an ethnic minority was no longer an option, but as an authoritarian state serving as a handmaiden to capitalist economic development. (p. 468)

Viewed in this light, the two boom periods provide clear, coherent narratives for the economic historian, with the intervening decades lacking in commensurate positive content. Detailed accounts of land and labor disputes in both periods notwithstanding, the effect is to depict the two booms as the natural product of the free flow of market forces within a given geographical context providing comparative advantages in terms of key factors of production. Against this backdrop, the book essentially casts the economic history of Surabaya as bracketed by "politics" during the mid-century years stretching from the Depression to World War II, the Revolution, and the early post-independence Sukarno era. Thus perhaps the most unfortunate—and incoherent—passage in the book is Dick's description of the anti-communist pogroms of 1965–1966:

For the survivors, it seems, as elsewhere in Indonesia, to have been cathartic, a release from fear but also a blood sacrifice. It completed a cycle of violence that had begun in 1945 with the Revolution and the Battle of Surabaya....With hindsight it may be judged that Sukarno's romantic ideal of continuing revolution—like that of his contemporary Chairman Mao—was essentially destructive, a license for escalating violence. (p. 107)

By contrast with this depiction of the Sukarno era as one characterized by irrational violence, Dick's account of Surabaya's two boom eras tends to downplay—or simply to take as given—the political circumstances and institutions that made certain patterns of capitalist development possible. To be sure, Sukarno and the PKI (Partai Komunis Indonesia, Indonesian Communist Party) shared Dick's sense that economic liberalization would allow for the reconstitution of a (neo)colonial society run by market forces "like iron filings around a magnet," albeit with greater apprehension and antipathy. But since Karl Polanyi, scholars of economic growth have also appreciated the crucial role of politics in making possible the expansion of market relations, while acknowledging that every period of market expansion sets in motion a countermovement of sorts that works against and eventually undermines the marketizing trend. Recast in this light, the efforts of Sukarno and the PKI in the era of "*Ekonomi Terpimpin*" (Guided Economy) might be seen less as pathological aberrations than as natural outgrowths of the earlier period of capitalist development and as (desperate, defensive, and ultimately self-defeating) attempts to prevent its resumption in neocolonial guise. In a similar vein, the local and national leaders of the New Order regime might be seen less as following the natural dictates of a reviving market economy than as acting on political imperatives preceding—and enabling—the restoration of a dynamic, capitalist growth pattern.

But the strengths and weaknesses of economic history in Indonesian studies are not simply those of the author of this fine study, but rather symptoms of larger problems and challenges facing scholars of the country's history and society. In the Philippines, after all, the persistence, with minor interruptions, of oligarchical democracy from the early twentieth century has rendered amply self-evident the intertwined nature of economic, social, and political history, whether of city, province, or nation. The story of the powerful Lopez dynasty is a story of Iloilo, Bacolod, and Negros; a story of sugar plantations and mills; bus companies and publishing houses; commercial banks and electric companies. The story of the prominent Osmena clan is likewise one of Cebu's powerful Chinese mestizo elite; of commodity chains (coconuts and corn) linking Cebu to its hinterlands; of Cebu as a hub for interisland shipping and industrial growth.⁴

In Indonesia, by contrast, a very different pattern of class and state formation has prefigured a historiography sharply divided between the "political" and the "economic." Local history is a very rich field in Indonesian studies, with an abundance of studies of the Revolusi in various parts of the archipelago, like William Frederick's richly detailed study of Surabaya (on which Dick relies quite heavily).⁵ Yet such studies tend to trail off in the 1950s, with the Revolusi and subsequent "regional rebellions" as a natural *terminus ad quem*, and the successes and failures of "national integration" as an underlying theme.

⁴ See, for example, Alfred W. McCoy, ed., *An Anarchy of Families: State and Family in the Philippines* (Madison: University of Wisconsin Center for Southeast Asian Studies, 1993).

⁵ William H. Frederick, *Visions and Heat: The Making of the Indonesian Revolution* (Athens: Ohio University Press, 1989).

Today, as market circuitries and political party networks connect “local” Indonesians to the “Center” in ways previously achieved by a highly centralized, authoritarian state, a new kind of local history is urgently needed. Alongside the careful mapping of macroeconomic and demographic changes in various localities in the archipelago, scholars must begin to trace the patterns by which economic and political power intersect and are aggregated at various levels of Indonesian society. The very nature of this nexus of state and capital, after all, is crucial not only for the promotion of democratization, but also for prospects for economic development in the years to come.

Already in the 1980s, scholars had begun to provide a fairly clear picture of such patterns at the village level, especially on Java,⁶ and by the 1990s fragments of the puzzle had come into view at the level of the *kabupaten* (regency) and the *propinsi* (province).⁷ Highly illuminating studies of various aspects of urban life were also produced for cities as varied as Bandung, Medan, and Solo.⁸ But students of Indonesia are left wondering about the “new regional elites” about whom we hear so much but know so little: cliques of retired Army officers, old aristocracies, *konglomerat local* (local business moguls), and *preman* (gangster) groups who are said to be so prominent among—and “behind”—the local machine politicians of the archipelago. These characters are almost invisible in Dick’s account of Surabaya’s economic history and that of its hinterland, despite their deep involvement and undeniable importance in shaping the regional pattern of growth—and distribution of its benefits—during the New Order boom years.⁹ Perhaps as such characters become more prominent and their significance more self-evident in the years to come, the author of this excellent study will see fit to revisit the urban, suburban, and rural landscapes he has so carefully and colorfully portrayed, and to shed new light on the questions that still remain in their shadows.

⁶ Hans Antlov and Sven Cederroth, *Leadership on Java: Gentle Hints, Authoritarian Rule* (Richmond, Surrey: Curzon Press, 1994); Gillian P. Hart, Andrew Turton, and Benjamin White, eds., *Agrarian Transformations: Local Processes and the State in Southeast Asia* (Berkeley: University of California Press, 1992); Jonathan Pincus, *Class Power and Agrarian Change: Land and Labour in Rural West Java* (New York: St. Martin’s Press, 1996).

⁷ Burhan Djabier Magenda, “Surviving Aristocracy in Indonesia: Politics in Three Provinces of the Outer Islands” (PhD dissertation, Cornell University, 1989); Michael Sean Malley, “Resource Distribution, State Coherence, and Political Centralization in Indonesia, 1950-1997” (PhD dissertation, University of Wisconsin at Madison, 1999); James William Schiller, *Developing Jepara: State and Society in New Order Indonesia* (Clayton, Victoria: Monash Asia Institute, 1996).

⁸ Joshua David Barker, “The Tattoo and the Fingerprint: Crime and Security in an Indonesian City” (PhD dissertation, Cornell University, 1999); Suzanne April Brenner, *The Domestication of Desire: Women, Wealth, and Modernity in Java* (Princeton: Princeton University Press, 1998); Loren Stuart Ryter, “Youth, Gangs, and the State in Indonesia” (PhD dissertation, University of Washington, 2002).

⁹ On the local politics of industrialization in the greater Surabaya area, see, for example, Douglas Anton Kammen, “Time to Strike: Industrial Strikes and Changing Class Relations in New Order Indonesia” (PhD dissertation, Cornell University, 1997); and Anton Lucas and Arief W. Djati, *The Dog is Dead So Throw it in the River: Environmental Politics and Water Pollution in Indonesia; An East Java Case Study* (Clayton, Victoria: Monash Asia Institute, 2000).

