Settler cities in the Dutch Indies: Race, class and the emergence of settler colonialism

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This article explores the colonial land tenure system which evolved in the municipalities of the Dutch Indies in the early twentieth century, resulting in structural differences in urban property ownership. The development of a formal and informal property regime during this period created the logic of racialised capitalism that underpinned settler colonialism. By looking at the actions of the Indo-Europeesche Verbond (IEV), the main Indo-European political party, this article seeks to understand why settler colonialism failed in the Dutch Indies. It finds that the success of the settler colonialism project depended on its relationship with global capitalism and imperial support. This study also finds that structural differences in property ownership have continued in postcolonial Indonesia.

Indonesian cities are marked by a dichotomy in the type of urban land tenure, with a mixed structure of formal and informal land ownership.[1] This dichotomy has been present since the emergence of modern municipalities in the early twentieth century. Today some 70 to 80 per cent of the population of Jakarta live in kampungs,[2] a proportion not significantly different from the colonial period. The persistence of informal land ownership to the present day deserves study because kampung areas have been delineated by both colonial and post-independence municipal governments as problematic spaces, in need of transformation or elimination.[3] Yet, the longevity of

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1   Michael Leaf, 'Land rights for residential development in Jakarta, Indonesia: The colonial roots of contemporary urban dualism', *International Journal of Urban Regional Research* 17, 4 (1993): 477–91; Freek Colombijn, 'Solid as a rock, or a handful of dust? The security of land tenure in Indonesian cities from 1930–1960', in *Beyond empire and nation: The decolonization of African and Asian societies, 1930s–1970s*, ed. Els Bogaerts and Remco Raben (Leiden: Brill, 2012), pp. 213–39.
2   Abidin Kusno, 'Middling urbanism and the contradictory space of the kampung in Indonesian capitalism', *Platform*, 23 Sept. 2019, https://www.platformspace.net/home/middling-urbanism-and-the-contradictory-space-of-the-kampung-in-indonesian-capitalism (last accessed 27 Feb. 2023).
3   Helga Leitner and Eric Sheppard, 'Global urbanism inside/out: Thinking through Jakarta', in *Global urbanism: Knowledge, power and the city*, ed. Michelle Lancione and Colin MacFarlane (London: Routledge, 2021), pp. 107–15.

kampungs suggests a strategic acknowledgement of their necessity in Indonesian cities. How do we understand this persistence of dichotomous land tenures? On the one hand, this can be attributed to the lack of government investment into land titling.[4] On the other hand, the spatial configuration of kampungs can be seen as a pro-poor agglomeration that provides little incentive for kampung-dwellers to formalise their tenure.[5]

Abidin Kusno has pointed to the strategic role of the informality of kampungs in the functioning of the city.[6] This article argues that the continuation of a plural land tenure structure with the persistence of the kampung versus the housing estate (*perumahan*) itself can be seen as the result of the rise of the Western property regime and the logic of settler colonialism in the early twentieth century. Property and the urban tenurial system emerged within the developing municipal land policy of the Dutch East Indies. The pathology in Indonesian cities is not the kampung, but the entire institutional structure that undergirds the capitalist formation of urban space. With the development of settler colonial studies in recent decades, we can look at Indonesia's particular urban land tenure system through this lens.

Settler colonialism is defined as a structure which usurps and is related to the rise of Western property regimes.[7] Settler colonialism is a form of governance that is based on the takeover of native land and the elimination of the native population. This eliminatory logic was first introduced by Patrick Wolfe,[8] and later strengthened by Lorenzo Veracini,[9] and became the basic premise for the theory. The eliminatory logic of settler colonialism is conducted not only through dispossession and even extermination, but also through the more banal circulation of capital within the Western property regime.

The development of Western land titling based on secure and tradeable ownership documents is related to the accelerated takeover of land and elimination of natives. Brenna Bhandar has argued that property law represented the primary means of realising the colonial objective of land possession. The colonial encounter created a system of ownership that created a persistant 'conceptual apparatus in which justification for private property ownership remains bound to a concept of the human that is thoroughly racial in its makeup'.[10] Because it is structural, settler

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4 Gustaaf Reerink and Jean-Louis van Gelder, 'Land titling, perceived tenure security, and housing consolidation in the kampongs of Bandung, Indonesia', *Habitat International* 34, 1 (2010): 78–85.

5 AbdouMaliq Simone and Vyjayanthi Rao, 'Securing the majority: Living through uncertainty in Jakarta', *International Journal of Urban and Regional Research* 36, 2 (2012): 315–35; AbdouMaliq Simone, 'The urban poor and their ambivalent exceptionalities: Some notes from Jakarta', *Current Anthropology* 56, S11 (2015): 15–23.

6 Abidin Kusno, 'Middling urbanism: The megacity and the kampung', *Urban Geography* 41, 7 (2020): 954–70.

7 Nicholas Blomley, 'Law, property, and the geography of violence: The frontier, the survey, and the grid', *Annals of the Association of American Geographers* 93, 1 (2003): 121–41; Naama Blatman-Thomas and Libby Porter, 'Placing property: Theorizing the urban from settler colonial cities', *International Journal of Urban and Regional Research* 43, 1 (2019): 30–45; David Hugill, 'What is a settler-colonial city?', *Geography Compass* 11, 5 (2017): e12315.

8 Patrick Wolfe, 'Settler colonialism and the elimination of the native', *Journal of Genocide Research* 8, 4 (2006): 387–409.

9 Lorenzo Veracini, *Settler colonialism: A theoretical overview* (Houndmills: Palgrave Macmillan, 2010).

10 Brenna Bhandar, *Colonial lives of property: Law, land and racial regimes of ownership* (Durham, NC: Duke University Press, 2018), p. 4.

colonialism continues after the elimination of the native population itself. Indeed, it continues this logic of elimination. In other words, a settler colony like the United States or Australia does not become a post-settler society as the natives died out or were moved away from their lands because the logic of elimination that undergirds its racialised capitalism continues.

In this regard, Western property markets found in settler colonies appear as racialised capitalism[11] or 'whiteness as property'.[12] Rather than being market-based, property in the settler colony is instead heavily geared towards eliminating the indigenous inhabitants of the land. The institutions of property, including the cadastral map and land registry, create a system of land tenure 'through its ability to give its categories the force of law'.[13]

Yet, this fixation on the eliminary logic of the settler colony has been criticised recently. Wolfe's native elimination argument was criticised as formulated for an ideal type of Anglo-Settler colony, based on the examples of North America and Oceania.[14] Mahmood Mamdani has pointed out that Africa was where settler colonialism failed while America was where it succeeded.[15] Studies on Africa have shown that while settler colonial societies may eliminate native society, they still retain their bodies or, put another way, settler colonies not only use the land but also secure the labour of natives.[16] Latin American and African scholars have pointed out that Wolfe's eliminary logic comes from an Anglo ideal-type regime that becomes rather stifling to the potential analytical usage of settler colonial theory.[17] Sai Englerts writes that instead of elimination, the logic of settler society could be based on dispossession.[18] Dispossession of resources was not limited to the primitive capitalism of Marxist materialist historiography, but is in fact present in all periods up to the present day.

This gives rise to a problem of definition. If dispossession was the primary logic of settler colonialism, what makes it different from franchise colonialism? This is where Wolfe's theory of native elimination becomes important again. In franchise colonies outside of the Americas, native societies were often entirely absorbed as part of the colonial government's indirect rule. They developed hybrid societies in which differentiation between groups was muted through the mixing of cultures in cities, miscegenation, enabling hybrid identities and the development of mestizo or mixed-race communities.[19] The logic of elimination would lead to the racial, cultural and intellectual division of formerly hybrid and mestizo communities in order to impose

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11 Heather Dorries, David Hugill and Julie Tomiak, 'Racial capitalism and the production of settler colonial cities', *Geoforum* 132 (2022): 263–70.

12 Cheryl I. Harris, 'Whiteness as property', *Harvard Law Review* 106, 8 (1993): 1710–91.

13 Bhandar, *Colonial lives of property*, p. 51.

14 Sai Englert, 'Settlers, workers, and the logic of accumulation by dispossession', *Antipode* 52, 6 (2020): 1647–66; Lucy Taylor and Geraldine Lublin, 'Settler colonial studies and Latin America', *Settler Colonial Studies* 11, 3 (2021): 259–70.

15 Mahmood Mamdani, 'Settler colonialism: Then and now', *Critical Inquiry* 41, 3 (2015): 596–614.

16 Robin D.G. Kelley, 'The rest of us: Rethinking settler and native', *American Quarterly* 69, 2 (2017): 267–76.

17 Lucy Taylor, 'Four foundations of settler colonial theory: Four insights from Argentina', *Settler Colonial Studies* 11, 3 (2021): 344–65.

18 Englert, 'Settlers, workers, and the logic of accumulation by dispossession'.

19 Jean Gelman Taylor, *The social world of Batavia: European and Eurasian in Dutch Asia* (Madison: University of Wisconsin Press, 2004).

and maintain strict boundaries. Only through reshaping society into settlers and natives could the logic of elimination be imposed and dispossession redirected from the larger 'native' section of society towards that of the 'settler'.

It is important in this regard to also point out the arbitrary nature of the settler–native dichotomy.[20] Although the Anglo examples of settler society posit a racial base for the delineation of difference, this may vary for other colonial societies. An exploration of the Dutch Indies case, particularly the case of the island with the largest population, Java, allows us to test this theory of the settler differentiation and dispossession, but also its limitations. The Dutch East Indies was a franchise colony based on indirect rule which developed a mestizo or Indische society. Thus, sections of native society were not only important as a source of labour, but also as part of government.

The development of a modern, Western property regime as a result of the development of municipal government and the rise of a colonial middle class seems to support the idea of the creation of 'racialised capitalism' and the imposition of settler colonial logic within the new or modernising cities of the Dutch East Indies. A commodified real estate market increasingly divided land holding in Indies cities into either a formal European-style or an informal Indonesian-style of tenure. While this expansion of a Western land regime created the conditions for a settler colonial structure, this was never achieved due to the historical particularities of the Dutch Indies.

Why did a settler colonial system based on the elimination or displacement of the indigenous population not emerge in the Indies? One reason was that classic settler colonialism would have required more than the support of the Indo-European population, which was tiny in comparison to the enormous native population. Another reason was the uncertain position of those of Indo-European descent in colonial society. Bart Luttikhuis has shown the development of the concept of *landaard* (national or cultural origin) as a basis of determining difference in the Dutch Indies. This was quite different from the concept of race, as the concept of European cultural identity became the basis for differentiation instead of appearance.[21] Henk Schulte Nordholt has shown that a form of 'cultural citizenship' arose in the Indies based on similar patterns of cultural consumption amongst middle-class Dutch, Indonesians and Chinese alike.[22] Middle-class Indonesians, Europeans and Chinese could adopt an identity based on modern, 'European' cultural consumption because, regardless of their legal, racially based status, their lifestyles were less based on race than on class.

A consideration of the relationship between property and race will demonstrate whether the development of a Western property regime created racial differentiation, and whether such differentiation developed a logic of either elimination or dispossession in the Indies cities. If racial difference was not created within the cities, then what was? We will look into how difference in the colonial property system became

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20   Mahmood Mamdani, 'Beyond settler and native as political identities: Overcoming the political legacy of colonialism', *Comparative Studies in Society and History* 43, 4 (2001): 651–64.

21   Bart Luttikhuis, 'Beyond race: Constructions of "Europeanness" in late-colonial legal practice in the Dutch East Indies', *European Review of History: Revue europeenne d'histoire* 20, 4 (2013): 539–58.

22   Henk Schulte Nordholt, 'Modernity and cultural citizenship in the Netherlands Indies: An illustrated hypothesis', *Journal of Southeast Asian Studies* 42, 3 (2011): 435–57.

embedded in the structure of emerging urban society so as to understand its continuing effects in postcolonial Indonesia.

Settler colonialism requires the support of a population of settlers in order to run the project. Englerts has shown how the working class in settler societies in Africa and Israel supported the settler colonial project because as settlers they became one of the primary beneficiaries in the dispossession of native landholders.[23] This article examines the political efforts of the Indo-European population to effect difference. It also looks into the development and policies of the Indo-Europeesche Verbond (IEV), the main Indo-European political party, and how it tried and failed to craft a tenurial regime based on the replacement of the Indies hybrid society into a form of racial and cultural segregation that would legitimate Indo-European claims to 'settler' status.

In particular this article shows that the Western property regime did not automatically translate to either a settler logic of elimination or dispossession in the Dutch Indies, and that class differences played a role. Another important aspect has to do with the capitalist economy. A settler society succeeded if it developed a self-sustaining economy based on native elimination and/or dispossession. Settler colonial society could materially benefit this middle-class settler group, but this depended upon a sustainable economic base. It posits the essential role of imperial politics and colonial capitalism to make this possible. Without the support of imperialists and capitalists, a sustainable settler colonialism would be out of the question.

Hybrid society and the rise of municipalities

The Dutch Indies was a franchise colony based on the exploitation of native labour. Up to the end of the nineteenth century, in Java this operated through the integration of the local feudal bureaucracy within a colonial structure. A hybrid, mestizo society had developed in Java since at least the eighteenth century. This so-called Indische culture was based on intermarriages between Indonesian women and European, Chinese and other foreign men. This mestizo society was prevalent during a period in which few foreign women migrated to the Indies.[24]

Mestizo society in the Indies underwent changes by the late nineteenth century for two main reasons. First, foreign women, especially European, were able to travel more comfortably and with less risk to the Indies and so Dutch families began to move to the Indies together. These families were expatriate by nature and were called *trekkers* as opposed to the mestizo Indo-European population called *blijvers*.[25] Yet, the trekkers were the main actors in modernising colonial society, including creating a structure of decentralised, local government in the Dutch Indies.[26] They came with the modern vision of re-creating European society in the tropics.

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23   Englert, 'Settlers, workers, and the logic of accumulation by dispossession'.
24   Taylor, *The social world of Batavia*; Pauline D. Milone, 'Indische culture, and its relationship to urban life', *Comparative Studies in Society and History* 9, 4 (1967): 407–26.
25   Ulbe Bosma, 'Sailing through Suez from the South: The emergence of an Indies-Dutch migration circuit, 1815–1940', *International Migration Review* 41, 2 (2007): 511–36.
26   P.J.M. Nas, 'Origin and development of the urban municipality in Indonesia', in *Decentralization and regional autonomy in Indonesia: Implementation and challenges*, ed. Coen J.G Holtzappel and Martin Ramstedt (Singapore: ISEAS, 2009), p. 222.

Second, capitalism entered the Indies after the liberalisation of the economy from 1870. It was the corporate capitalists that allowed for the initial expansion of Dutch trekker society. While they supported the expansion of trekker colonialists, corporate capitalists continued to rely on the use of native labour in the Indies. Yet, they did effect changes to the tenurial system that dispossessed the indigenes of their land and led to the rise of the Indies urban property regime.

The rise of local government, given legal force in the 1903 Decentralisation Law, was heralded as a democratic reform, but instead created 'Europeanised' islands in the middle of an Indies ocean. Municipal governments were dominated by the trekker community. I have shown how this municipal need for partial self-finance increasingly relied on selling the city as a place for the development of Dutch identity, in particular, for the nuclear family.[27] Cities had to fight to attract middle-class European families concerned about their education. The ability of colonial cities to offer a similitude of European life was important so as to allow the trekkers to retain their cultural identities as Dutch or Europeans. Cities in the highlands and those with the most modern, European amenities were thus able to attract more Dutch families. The fastest-growing cities in Java were the highland towns such as Bandung or Malang, which were considered as European islands in an Indies ocean.

The development of modern Indies cities was thus related to the question of creating a sustainable Dutch society in the colony. This image hid the immense dependence of achieving a modern European urban lifestyle in the Indies on native labour and money. Meanwhile Indonesians, including those sitting in city councils, criticised urban governments for catering only to the needs and sensibilities of its European residents. Only by the end of the 1920s did some cities appoint kampung councils in order to develop relationships and listen to the opinions of the indigenous people living in kampungs.[28] The lack of indigenous representation in urban governance can be readily seen in that most urban dwellers lived in kampungs and in most cities around 90 per cent of the population was Indonesian. Although Indonesian representation in municipal councils often made up to a third and more of the total number of councillors, the latter came from the educated upper class and thus had different experience and understanding of urban issues than the mass of lower-class kampung dwellers.

Although Indonesians comprised the majority of the urban population and were the largest source of tax revenue, little of that money was spent on infrastructure and beautification projects in the kampungs. The injustice was magnified given that it was these very dispossessed indigenes who were paying the taxes to improve the amenities for the Dutch who occupied their land. Native dispossession was conducted through taxation and labour to pay for European amenities. The proximity of the kampungs provided cheap labour that enabled a more privileged middle-class lifestyle. Spatial and infrastructural differences between the native kampungs and the European

27 Farabi Fakih, 'Colonial domesticity and the modern city: Bandung in the early twentieth-century Netherlands Indies', *Journal of Urban History* (2021): 1–23.
28 'Contact commissions' with kampung councils (sometimes with the help of parties such as Parindra) started in the 1930s, i.e., institutional contact between municipalities and kampungs started only in the last decade of colonial rule. Anon., *De Locomotief*, 2 June 1928; Anon., 'Contact Commissie tusschen Kampong bevolking en Gemeentebestuur', *Soerabaiasch Handelsblad*, 15 Apr. 1931.

housing estates rationalised the dispossession within a language of modernity and pathology; that is, the kampungs were seen to be sources of disease.[29] The emergence of the kampung was a tool of colonial difference and a means to legitimise dispossession.

The potential for race-based colonial differentiation had become apparent in the emerging modern Indies cities. This divergence between European-style housing estates and indigenous kampungs were a twentieth-century product not of colonial mestizo society, but of a new, modern society that had the potential to create new forms of socioeconomic difference in the Dutch colonial period. The following discussion examines the changing colonial land tenure system and the way in which municipalities used their limited authority to allow for the expansion of a capitalist real estate market. These developments represented the way in which a Western-style real estate market and property regime fundamentally shaped the modern Indonesian city, solidifying the divide between the kampungs and the housing estates.

Colonial land tenure

Prior to the rise of municipalities, there is little to be said of formal land tenure in the colony. Formal land tenure denotes a state-centric and institutionalised approach to land registration and cadastral mapping, transforming property ownership by way of a secure, legal document. Formal or European ownership title is registered at a land registry and the land holding mapped by the cadastral office. Yet the modern land registry and cadastral services only began to become available by the late nineteenth century, and then only to those deemed legally to be European. The reorganisation of the land registry was only completed by 1874 with the cadastral office expanded to include an engineer, value assessor (*bewaarder*), surveyor (*landmeter*) and vice-surveyor (*adjunct-landmeter*).[30] Indigenous ownership titles or so-called *adat* (customary) titles were not registered by the land registry, but by village chiefs, and were also not surveyed by an official surveyor. Aside from the village, some adat titles were registered by the tax office for taxation purposes. This institutional difference resulted in indigenous Indonesians having weaker claims to their land compared to Europeans with their registered title deeds.[31]

In many other settler states like Australia, a positive land registration system based on the Torrens title was adopted, easing property transfers and land transactions, and the commodification of the land market.[32] But a similar formal land market never truly arose in the Indies due to either government disinterest or opposition. The land registry office implemented a negative system, in which land titles do not

29 Michelle Kooy and Karen Bakker, 'Technologies of government: Constituting subjectivities, spaces, and infrastructures in colonial and contemporary Jakarta', *International Journal of Urban and Regional Research* 32, 2 (2008): 375–91; Prathiwi Widyatmi Putri, 'Sanitizing Jakarta: Decolonizing planning and kampung imaginary', *Planning Perspectives* 34, 5 (2019): 805–25.
30 S. Jaarsma, *Grond voor Nederlander* (Surabaya: De Toekomst, 1936), pp. 6–17.
31 S. Jaarsma, *Bewijsmiddelen van recht op grond in Nederlandsch-Indië* (Leiden: Eduard Idjo, 1918); Leaf, 'Land rights for residential development in Jakarta'; Freek Colombijn, *Under construction: The politics of urban space and housing during the decolonization of Indonesia, 1930–1960* (Leiden: Brill, 2013), pp. 141–56.
32 Brenna Bhandar, 'Title by registration: Instituting modern property law and creating racial value in the settler colony', *Journal of Law and Society* 42, 2 (2015): 253–82; Bhandar, *Colonial lives of property*.

automatically translate to certainty of claim. In cases of contested ownership, possession of a land title deed did not automatically settle the issue as the land registry office did not certify registered land as proof of ownership.[33]

The major reason for the tardiness in developing a modern formal land titling system may have been the colonial state's claim to be continuing the precolonial Javanese state's feudal tenure system. In the early colonial era, during the British Interregnum (1811–16) under Lieutenant Governor Stamford Raffles, a committee for land under Colin Mackenzie was set up to study the tenurial system.[34] Mackenzie studied the Mataram land tenure system, which proclaimed that the sovereign owned all indigenous and fallow land. Raffles wanted to implement a land rent system. This tenurial system established by the new colonial state, in essence, established the Dutch monarch as sovereign of all land in the Indies. This was later ratified in 1870 under the proclamation of all indigenous and fallow land as 'domain land' (*domeinrechts*).

Only two forms of individual ownership titles were acknowledged: an older urban European ownership title that had been in force since the Dutch East India Company (VOC) period called 'Batavian ownership', and a feudal ownership title called 'the private estates' (*particuliere landerijen*). The later were titles for estates sold to private individuals, usually near the cities in the north coast of Java, for government revenue. These private estates included indigenous villages whose feudal obligations to landlords were transferred from the Javanese nobles to the new owners, many of whom were Chinese businessmen.[35]

This tenurial system placed significant power in the hands of the state as owner of most of the land on Java. State ownership of all land was put to good use by the Dutch to implement taxation based on feudal obligations in kind or labour, thus, obtaining cheap and abundant labour to develop and sustain a thriving export plantation industry during the so-called Cultivation System (1830–70). Vast areas of Java were turned into large plantations. Within this feudal system, land and labour were inextricably linked. Owning land meant controlling labour, thus creating an environment that was perfect for commercial plantations and the franchise colony.

Since the mid-nineteenth century, capitalists in Holland and the Indies had clamoured for the opening of the colony to private investment. In 1854, a new regulation on land use permitted a period of up to 40 years for private individuals to lease fallow state lands. This was amended in the 1870 Agrarian Law, which increased the leases for up to 75 years.[36] The 1870 Agrarian Law and the domain declaration (*Staatsblad* 1870 no. 118) meant the government was able to appropriate land from natives, in particular land whose ownership could not be proven. This allowed the state to appropriate land for non-natives, such as European, Chinese and Arab businessmen. This represented a massive shift in the tenurial regime of the Dutch Indies. The law allowed for one of the largest land grabs in Indonesian history. It also institutionalised forms

33 S. Jaarsma, *Bewijsmiddelen van recht op grond in Nederlandsch-Indië*, pp. 89–93.
34 MacKenzie later became Surveyor General of India.
35 W.R. Hugenholtz, 'Landrentebelasting op Java 1812–1920' (PhD diss., University of Leiden, 2008), pp. 19–41; T. Karsten, *Toelichting op de Stadsvormingsordonnantie Stadgemeenten Java* (Jakarta: Landsdrukkerij, 1938), p. 64.
36 Leaf, 'Land rights'; Colombijn, *Under construction*, pp. 141–56.

of land ownership transfer from natives to non-natives, making it possible for the state and capital to strategise forms of native land and labour dispossession in previously unknown ways.

In 1866, the indigenous population were given indigenous individual or collective rights to landownership (*individueel* or *comunaal erfelijk bezitrecht* or hereditary individual/communal usufruct).[37] This type of ownership was called by van Vollenhoven 'Eastern property' (*Oostersch eigendomsrecht*) or 'Agricultural property' (*Agrarisch eigendom*).[38] This right was not a full, European ownership title, instead it was a government guarantee of lease. Thus, the natives did not technically 'own' the land, but merely 'leased' it from the state. Yet, this right opened the door to an indigenous land market and allowed indigenous owners to lease their land to non-indigenous owners, in particular to companies. The lease was a semi-ownership title (*erfpacht*) which the companies used to obtain mortgages, thus, opening the gates for capital expansion. Expanding individual land rights meant opening them up to the market.

Another important title was that of the private estates, which changed hands from feudal ownership to European private estate ownership (*eigendom particuliere landerijen*). After 1870, most indigenous people in cities were either 'renters' of the state (*domeinrecht*) or renters of private estates. In the case of domain lands, indigenous owners obtained adat ownership rights with an urban tax (*verponding*). For private estates, indigenous renters had exploitation rights (*hak tanah usaha*) or commercial use rights (*hak tanah kongsi*).[39]

The domain land tenure system enabled large parts of the adat and fallow lands to become available for use as plantations. While the private planters did not have the right to demand feudal labour or extract taxes from indigenous people as the state did under the Cultivation System, the planters were able to rent relatively cheap mortgageable land for a lifetime period due to the underdeveloped indigenous land market and the limitations to mortgaging indigenous property.

An indigenous property mortgage sector arose in the form of the *credietverband* from 1908 through a royal decree. *Creditverband* could only be issued on adat land by ten banks, which provided mostly small loans to a native clientele.[40] Hence the mortgages given were smaller than those obtainable through European or commercial banks.

The limitations of the land market were also the result of the inalienability of indigenous land as stipulated within the 1854 Land Use Law, the 1870 Agrarian Law, and particularly the *Staatsblad* 1875 no. 179, with the so-called *Vervreemdingsverbod* or Alienation Prohibition, which prohibited the permanent transfer of land between indigenous persons to non-indigenous persons. This regulated the land market based on race.[41] Since all indigenous lands technically belonged to the state, the *Vervreemdingsverbod* was implemented in the spirit of protecting and

37 Leaf, 'Land rights'.
38 Jaarsma, *Grond voor den Nederlander*, p. 45.
39 Leaf, 'Land rights'.
40 Sudargo Gautama and Robert N. Hornick, *An introduction to Indonesian law: Unity in diversity* (Bandung: Alumni, 1976), pp. 122–3.
41 Karsten, *Toelichting op de stadsvormingsordonnantie*, pp. 65–6.

binding the indigenous farmers to their land while at the same time facilitating capitalist investment into the colony.[42]

It was also stipulated in colonial law that in the case of cities, the governor general was allowed to sell small plots (up to 10 *bouws* or roughly 17 hectares) for urban expansion. In order for a non-indigenous person to obtain urban land, they would have to reach an agreement with the indigenous owners to abrogate their indigenous ownership titles. The land then automatically returned to its domain owner, that is, the state. The state then requested the potential purchaser to pay the cadastral office and an approved land surveyor to survey the plot, draw a map of the property and register the land at the land registry office. To affect the purchase, the buyer had to pay the indigenous land owners, the state and the cadaster/land surveyor and the land registry office.[43] While non-indigenous people were able to buy small plots of urban land, the price was significantly higher than indigenous land. In practice, the urban land market developed along the two forms of land tenure: a European one and an adat or indigenous one.

The urban land market in the Dutch Indies initially began within the wider laws on land. In contemporary Indonesia, land tenure is still discussed in terms of agrarian laws. The development of modern cities, however, required a change to an urban tenurial system based on a land market that could be parcelled, individualised and legally bound. This was achieved through the establishment of municipal governments.

Municipal land tenure

Indies municipalities had started incorporating their local governments since 1905. Economic development and population expansion led to vigorous growth in the real estate market at a time when the municipalities were finding their footing in government. Despite being expensive and limited, the real estate market in cities grew, particularly during the 1910s, when a speculative drive escalated the prices of rent and housing in the fast-growing major cities. From 1918, the central government allowed municipalities to freeze rental prices when they deemed it necessary.[44]

During this property market frenzy, many municipalities developed a land policy that was meant to provide cheap housing and arrest land speculation. Yet, this period was also seen as an opportunity for municipalities to develop a more comprehensive land policy that was integrated with urban expansion plans.[45] They issued municipal bonds, obtained credit, subsidies and largesse from the state to pay for urban expansion, especially for buying large land banks within the 'speculation circles' of many cities. For the northern coastal cities of Java, land bank acquisition was helped by the government's support for buying back private estates. The selling of private estates had been prohibited by the state since the early nineteenth century. By the early

42 A.V. Doorninck, *Grondrechten aan niet Inheemschen: Een Prae-Advies* (Jakarta: Olt & Co., 1932), p. 1.
43 G. Jansen, 'De decentralisatie en de grond', *25 Jaren Decentralisatie in Nederlandsch Indie, 1905–1930* (Semarang: FWM Kerchman, 1930), p. 146.
44 K.L.J. Enthoven, *De huurcommissie ordonnantie (regeling ter beteugeling van onredelijk opdrijving van de huurprijzen van woningen) staatsblad 1918 no. 228, benevens de uitvoeringsvoorschrijften, staatsblad 1918 no. 289* (Jakarta: Kolff, 1918).
45 H. Heetjans, *Uitbreidingsplan Noord Bandoeng* (Bandung: Voorkink, 1919).

twentieth century, however, the state supported a buyback from landlords. For hinterland cities like Malang and Bandung with no private estates nearby, land acquisition was made through buying indigenous-owned lands.

The state was supportive of this land policy, subsidising the purchase of private estates and indigenously owned domain lands. A pre-emptive or preferential right (*voorkeursrecht*) had been conferred to municipalities from the 1910s for the purchase of domain lands. In 1926, the governor general's office issued a note that the pre-emptive right for domain purchases should be guided by the prior issuance of a published urban expansion plan.[46] Since the late 1910s, many large cities had already issued in whole or in part urban expansion plans designed by architecture firms and town planners such as Thomas Karsten, one of the most influential town-planners in the Indies, who designed many cities in the colony and built the foundation for an Indies town-planning science. Karsten was also a leftist and supported eventual Indonesian independence.[47]

The state's control of all non-European-owned land and their preferential policy of subsidising and selling the land to municipalities gave local governments crucial support to undertake large-scale investments and so transform the larger cities into modern colonial showpieces. The *vervreemdingsverbod* depressed the price of indigenous lands.[48] Pre-emptive rights also allowed the state to freeze indigenous land sales. While the government was insistent that any domain land purchased by the municipalities must not negatively affect the indigenous population, in reality that was rarely the case.

Aside from governmental aid, the municipalities also developed relations with the private banking sector and issued municipal bonds. Batavia and Surabaya became the first municipalities which purchased private land through mortgage credit from the Civil Widow and Orphan Funds and the Society for Municipal Credit in Amsterdam.[49] As in the case of many Dutch private companies, the municipalities accessed the credit market in the Netherlands. Surabaya purchased some 1.3 million square metres of the private estate Goebengdjepit in 1908. By 1930, the city had bought some 10.5 million square metres of land costing f.8.7 million.[50] Batavia bought some eleven private estates and land for a total of f.10 million by 1930.[51] These cities not only purchased private estates but also indigenous land: the Bandung municipality had purchased land directly from indigenous farmers using the pre-emptive rights and obtained some 350 hectares of land for f.4.7 million between 1917 and 1930.[52]

46 Jansen, 'De decentralisatie en de grond', p. 147; H. Heetjans, *Grondslagen van de grondpolitiek* (Bandung: Visser & Co, 1929), p. 52.
47 Indisch Genootschap, *Uitbreidingsplan der Indische Gemeente* (The Hague: Martinus Nijhoff, 1917), pp. 1–2; van Roosmalen, *Ontwerpen aan de stad: Stedenbouw in Nederlands-Indië en Indonesië (1905–1950)*.
48 Jansen, 'De decentralisatie en de grond', p. 147.
49 Ibid.
50 G.H. von Faber, *Nieuwe Soerabaia* (Surabaya: H. van Ingen, 1931), pp. 171, 176.
51 Municipality of Batavia, *Batavia as a commercial, industrial and residential centre* (Batavia: G. Kolff & Co, 1937), p. 142.
52 Gemeente Bandoeng, *Dienst van het Grondbedrijf. Prospectus voor de uitgifte van gronden* (Bandung: Vorkink, 1931), p. 19.

By the end of the 1910s, many municipalities had set up their own housing and land companies. These municipal companies took over much of the urban land bank and invested millions of guilders for infrastructure such as roads, electricity, drainage, and plumbing. They were a social instrument for urban expansion.[53] Land companies sold ready-to-build plots to companies, real estate developers or private individuals. Municipal housing companies would build on these plots and sell or rent them out. Large companies, especially government-owned ones like the railways, also bought a large number of plots for their employees. This drove the expansion of Bandung, for instance, during the late 1910s and early 1920s, when many government-owned companies moved to the city. Real estate companies were just as crucial for this development as the municipalities. In Surabaya, many of the largest private estates were bought and developed by private companies such as the Oost-Java Stoomtram Maatschappij (East Java Steam Tram Company), which developed the Darmo private estates.

An urban middle-class (*middenstand*) economy grew along with the real estate industry: contractors and builders, home-owners and renters, hotels, restaurants and shops and so forth. A 'European' urban society grew concomitantly with the success of the municipalities. The expanding real estate market also enticed Dutch businessmen to enter the industry. If we look at the records in the *Handboek voor Cultuur- en Handels-ondernemingen in Nederlandsch Indie* (Handbook for Plantations and Commercial Enterprises), Surabaya's real estate industry (*bouw-maatschappijen*) grew from f.3 million based on capitalisation in 1909 to around f.27.4 million by 1929. Many other Javanese cities also grew significantly in the same period.[54]

This urban expansion was also recorded in the mortgage market. The mortgage industry developed slowly in the nineteenth century but expanded rapidly in the early twentieth century. Most mortgage credit initially came from the Dutch pension, orphanage and widow funds, which provided credit to Europeans only. By the end of the nineteenth century, several mortgage banks had been created. Surabaya tried and failed to form a municipal mortgage bank. By 1914, Batavia alone had issued a total of f.14 million from eight institutions. By 1928, the total mortgage credit issued for the Netherlands Indies amounted to f.119 million from dozens of organisations. The 1926 Dutch East Indies statistical year book (*statistisch jaaroverzicht*) shows that mortgage credit was dominated by four large cities: Batavia, Surabaya, Bandung and Semarang, which represented 82 per cent of the total mortgage credit in nineteen cities.[55] Interestingly, the only major work on colonial mortgage, written by Kelling, entirely omits indigenous forms of mortgage (*credietverband*).

There are several noteworthy features about the municipal land tenure system. It was created with the intent of fighting against rising land and rent prices. The commodification of urban land had already begun as a result of the changes to colonial

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53 Thomas Karsten, *Toelichting op de stadsvormingsordonnantie stadsgemeenten Java* (Batavia: Landsdrukkerij, 1938), p. 72.
54 *Handboek voor cultuur- en handels-ondernemingen in Nederlandsch Indie* (Amsterdam: J.H. De Bussy); available at: http://colonialbusinessindonesia.nl.
55 M.A.J. Kelling, *Het Hypotheekwezen in Nederlandsch Indie* (Bandung: A.C. Nix & Co., 1928), pp. 159–62.

land tenure which gave indigenous owners tradeable rights to land. The municipal policy of creating saleable, ready-to-build urban plots for housing led to the creation of a land registry system in the cities. The build could begin with less delay, there was greater legal certainty, and land was easier to trade. Colonial land tenure converted large parts of the urban land from indigenously held lands or private estates to European tenured land. This was not merely a continuation of the land commodification which had occurred before the rise of the municipal land regime, but rather an ongoing expansion of the European-titled, formal land commodification.

Working in the spirit of municipal urban expansion, real estate companies were important partners in transforming land from indigenous to European titles. Karsten admits that whether one liked it or not, the 'house builders' (*bouwersbedrijf*) were still necessary 'in its modern, truly capitalist form' for the provision of urban housing.[56]

Like Europeans and Chinese, Indonesians were also migrating to the modernising cities of Java. There was no real estate market to accommodate this urbanisation initially. In Bandung, only one out of every fifteen Indonesian urban migrants could obtain a house in the city. Others had to build makeshift houses on limited land with primitive amenities. Westerveld, in a 1910 report into the kampung conditions in Semarang, found some indigenous houses to be valued at only around f.10–20, while some European-style single family detached homes were valued at f.17,000. The expanding land bank also displaced many indigenous people and neighbourhoods. Howard Dick calculates that 15,000 people or 15 per cent of the population of Surabaya were displaced during the early part of the century.[57] A case in point is the aforementioned Darmo, which had a population of 2,353 in 1909; by 1918, it had a population of only 95 inhabitants, some six years after its purchase by the tram company.[58]

Efforts to improve indigenous housing conditions were half-hearted. Only a small number of houses were built in the Indies as part of a much-vaunted public housing project, totalling some 5,000 units by the end of the colonial period. This was only a minuscule fraction of what was needed by the indigenous population and pales in comparison to postcolonial public housing programmes.[59] Kampung improvement programmes only brought modest infrastructure investment into existing, self-made settlements. Their scope included roads, drainage, and public bathing, washing and toilet amenities, improvements which, however, increased land prices, pushing the indigenous inhabitants to live on the city fringes, according to Mr Sapi'e from the indigenous faction of the Batavia municipal council, who is quoted in a *Soearabaijasch Handelsblad* article in 1935. The councillor pointed out that kampungs must retain their original kampung character;[60] that they must not appeal to

56 T. Karsten, 'Over de Semarang Koncept-bouwverordening', *Locale Belangen* 6, 4 (1918): 141.
57 Howard W. Dick. *Surabaya, city of work: A socioeconomic history, 1900–2000* (Singapore: NUS Press, 2003), p. 357.
58 *Regeringsalmanaak voor Nederlandsch Indie* (Batavia: Landsdrukkerij, 1910), p. 650; and *Regerings Almanaak* (Batavia: Landsdrukkerij, 1930), p. 780.
59 James L. Cobban, 'Public housing in colonial Indonesia 1900–1940', *Modern Asian Studies* 27, 4 (1993): 871–96.
60 Anon., 'Batavia's begrooting', *Soearabaijasch Handelsblad*, 21 May 1935.

those seeking what is culturally European, thus allowing Indo-Europeans to move into these improved kampungs.

The market-driven process of transferring land from indigenous to European title represented a form of land dispossession for the urban majority, that is, lower-class Indonesians, who were cramped into the urban fringes. This dispossession was contingent on the relationship between private property, the land market and municipal land management. In particular, it relates to how private property was historically and institutionally determined in this particular colonial context. Municipal governments were essential actors in the implementation of a localised European or modern market form of land tenure within the wider colonial system, based on ultimate state control of all indigenous lands. Cities became islands of tenured landholders within a sea of a feudal-colonial tenure designed to benefit the plantation industry.

While the role of the colonial state was contingent upon the success of expanding the middle-class housing market, the implementation of the new urban tenurial forms was delegated to local government and the real estate industry. Although many municipal land companies made a loss, municipalities acted like real estate companies in promoting property to middle-class, white customers.[61] Their town planning policies were pro-white middle class. Even Karsten echoed much of the segregationist, gentrified sensibilities by taking on middle-class aesthetic aspirations. His designs, with their idea of a garden city, with wide car-oriented boulevards and spacious, European-style suburban housing estates, flaunted this sensibility.[62]

Race and racialised land titling divided the formal, European housing estates against the informal, self-built, indigenous kampungs. Questions of race and land reached a crescendo in the 1930s within the context of the Indo-European community's ambiguous position regarding their land rights. Did the racialised urban property market that enabled the gentrification of colonial cities create a form of dispossession of native land and transfer to 'Europeans' as settlers, according to the logic of settler colonialism? In this regard, the Indo-Europeans as a group that claimed and obtained 'European' status, and represented the largest group of 'whites' in the Indies, seemed poised to take on this settler identity.

The Indo-Europeesche Verbond and the land question

The majority of those classified as European in the Indies were of Indo-European descent. This was a political and cultural category based on a legal regulation promulgated in 1854 that divided the legal status of the Indies population into two categories namely, a European and those 'deemed alike' (*gelijkgestelden*) category, and natives and *gelijkgestelden* category. These categories had their own applicable legal codes. An Indo-European was deemed European with the condition that the father was of European descent or that the court acknowledged their European status.[63] Not all Eurasians were thus legally European, while those deemed 'alike' included Japanese, Armenians and some 'culturally modern' Chinese and Indonesians, such as

61 Fakih, 'Colonial domesticity', pp. 8–13.
62 Karsten, *Stadsvormingsordonnantie*, pp. 61–3.
63 Upik Djalins, 'Becoming Indonesian citizens: Subjects, citizens, and land ownership in the Netherlands Indies, 1930–37', *Journal of Southeast Asian Studies* 46, 2 (2015): 227–45.

Christian Indonesians. The category of 'European and deemed alike' was thus arbitrary and ambiguous.

Indo-Europeans comprised some 80 per cent of the total European population of the Indies. The number of Europeans had grown to 76,000 by 1900 and reached a peak of 250,000 by 1930. They were considered as middlemen or intermediaries between the large indigenous population and the white government officials and business elites, similar to the position of the Javanese nobility. Many Indo-Europeans occupied mid-level positions in government and in the colonial army, with quite a number reaching very senior positions in both. While they were well-represented in the state institutions, they had little presence within the elite, including the Dutch-dominated, business sector of the colony.[64]

The Indo-Europeans' limited involvement in business increased their dependence on the colonial state. Changes to colonial policy since the early twentieth century created more problems for the community. A growing, educated indigenous class had emerged as a consequence of the expansion of colonial education, creating competition for the limited government positions available and antagonised the relationship between Indo-Europeans and educated indigenous Indonesians. At the same time, many Indo-Europeans could not compete with the lower overhead costs and greater resilience of Chinese and Indonesian small businesses and farms at the lower end of societal structures.[65]

The Indo-Europeans were thus squeezed by competition from the indigenous Indonesians at both the upper level of government service and the lower level in terms of small agricultural businesses. The Indo-Europeesche Verbond (IEV) was created in 1919 as a result of mounting concern regarding this threat to their position in Indies society.

At the upper level, the IEV's policy was to maintain a salary differential between Indonesian and Indo-European government employees and to retain preferential access to education. At the lower level, the IEV supported the expansion of Indo-European activities in the economy, in particular by the petit bourgeois and shop owners (*middenstand*), a sector that municipalities also encouraged to realise their vision of 'European' cities, as well as growing a *middenstand* Indo-European agricultural sector. From 1926, the IEV implemented an 'agrarian policy' to train its members to engage in agriculture in an effort to develop a Eurasian farming class.[66]

The question of land ownership thus became a major political issue for the IEV from the 1920s. The question of competition required a status that would allow the Indo-Europeans to benefit from the native dispossession of land within the colonial economy. As noted earlier, however, all indigenous lands belonged to the Dutch monarch, that is, the colonial government. Yet, while this control promoted the dispossession of land and exploitation of native labour by the state and whites through capitalist expansion, it hindered Indo-European attempts at similarly exploiting the land as a result of the *vervreemdingsverbod* discussed earlier.[67]

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64 Paul W. van der Veur, 'The Eurasians of Indonesia: A problem and challenge in colonial history', *Journal of Southeast Asian History* 9, 2 (1968): 191–207.
65 Ibid.
66 P.J.Th. Blumbergen, *De Indo-Europeesche Beweging in Nederlandsch-Indie* (Haarlem: HD Tjeenk Willink & Zoon, 1939), p. 56.
67 Djalins, 'Becoming Indonesian citizens'.

Why did the colonial government not extend the privileged land tenure system of the Europeans to the Indo-Europeans? Did the municipal tenure system include Indo-Europeans in this structural entitlement as proof of settler-colonial islands within a wider non-settler colonial colony? The next section discusses first, the limitation of the municipal tenurial system and the importance of class in the segregated development of the cities. Second, it discusses the question of land and the failure of the Indo-Europeans to become a part of a settler-colonial regime.

Within the municipalities, the land tenure system dispossessed land from indigenous labourers. Many indigenous urban dwellers had come from kampungs that had lost much of the power of their adat institutions and sense of society. This situation was used as an argument by municipalities in their effort to abrogate kampung autonomy and integrate them under municipal authority. On the other hand, rising land value commodified indigenous land to the detriment of the indigenous population. In the cities, native dispossession was primarily aimed at exploiting their labour. In fact, 20–25 per cent of the indigenous population in the cities worked in household service jobs as maids, gardeners or drivers.[68] This allowed the middle-class urban dwellers to enjoy a lifestyle superior to that of the middle class in the Netherlands.

While municipalities grew as a result of native labour dispossession, this process was not predicated on a strict legal definition of racial ownership. While the municipal tenure system divided urban land into formal, European titled land and informal, native adat land, the status of the land was not tied to the legal status of the buyer. Rather it was the classification of the land itself that was racialised—either as indigenous or European. In essence, Europeans could own indigenous land, while indigenes could own European land.[69]

Freek Colombijn has pointed out that increasingly toward the end of the colonial period, class distinctions became more prevalent in determining access to the European housing market with more and more middle and upper-class Chinese and Indonesians acquiring European properties.[70] Thus, the desire for 'European' spaces promoted by municipalities were also desired by the Indonesian and Chinese middle and upper classes. The market-based tenure system hence also benefited the indigenous well-to-do as well as contributed to native dispossession. Formal municipal ownership title was thus European in name only. Instead, it functioned to cater to a mostly, but not exclusively, European middle and upper class.

Many poor Indo-Europeans had only access to native, that is, informal land ownership. Because of the *vervreemdingsverbod*, they were in a technical sense, illegally occupying the land. Indigenous title had a relatively weak claim. Adat regulation was different and was based on areas where land was owned and was not codified. In some cases, the weakness of the adat title meant that counter-claims made by other natives, for instance, a relative of the seller, could result in the court taking over the land.[71] While technically, the owners' racial category did not have to conform

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68 Fakih, 'Colonial domesticity', p. 18.
69 Gautama and Hornick, *An introduction to Indonesian law*, pp. 84–6.
70 Freek Colombijn and Martine Barwegen, 'Racial segregation in the (post) colonial city: The case of Indonesia', *Urban geography* 30, 8 (2009): 838–56; Colombijn, *Under construction*.
71 Jaarsma using a number of examples argues the impracticality and inapplicability of making an adat land claim. Jaarsma, *Grond voor den Nederlander*, pp. 6–18.

to the racial identity of the land title, it opened up potential claimants to the land, especially as adat land lacked a proper land registry. Many poor Eurasians and Europeans, even some who were middle class, were not able or did not want to pay for the process of obtaining a European title deed. Even then, European titled land could sometimes be contested because the European land registry deployed a negative system.

IEV's struggle for land reform was thus primarily meant to abrogate the *vervreemdingsverbod* and allow Indo-Europeans to have the same land ownership rights as indigenous Indonesians. In June 1931, the government formed the Commission for the Land Rights of the Europeans, more commonly known as the Spits Commission after its chairman, H.J. Spits. The question of eliminating the *vervreemdingsverbod* opened up a slew of other native legal positions, however, and had become the subject of public discussion. These included the question of an indigenous cadastral system,[72] indigenous forms of legal personhood,[73] and intergentile law, which would give Indonesians access to both the European civil and penal codes. Thus, the question of abrogating the *vervreemdingsverbod* for the Indo-Europeans was centred on whether this also would mean having to allow the same access to land rights to millions of Indonesians with either privileged European or indigenous status.

Upik Djalins points out that this issue of land rights inadvertently developed into a public discussion on citizenship in the colony. Indonesian indigenous leaders were happy to extend the rights of land ownership to Indo-Europeans as long as the latter acknowledged their indigenous status and blood relationship with the wider Indonesian population.[74] But what the IEV sought in gaining the same land rights as the Europeans was the complete opposite of this: to differentiate Indo-Europeans and the Indonesians, and confirm the former's cultural superiority over the latter.[75] Thus, the desire for a unified land market was to ensure that the Indo-Europeans would also be a beneficiaries of native dispossession.

Not all Indo-Europeans were convinced that this would work. Since the 1920s, there were calls for the creation of an Indo-European 'homeland' within the Indonesian archipelago. Schalck became the leading evangelist for the New Guinea movement, which sought to establish an Indo-European homeland in the Papuan highlands. This search for a Eurasian homeland was supported by a right-wing political party, the Vaderlandsche Club (VC), which had also been advocating for European migration in order to strengthen the continuation of colonialism under the rising nationalist threat of Indonesian independence. Scientists like the geographer Johan Winsemius and the engineer J.H. Wiesebron contributed to the research on the possibility of developing the homeland. However, Winsemius' dissertation on the possibility of the colonisation of New Guinea in the late 1930s found that there was no

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72 *Voorlopig ontwerp eener ordonnantie tot instelling van een Inlandsche cadaster*; Jaarsma, *Bewijsmiddelen van recht op grond in Nederlandsch Indie*, pp. 13–18.
73 *Verslag van de Commissie voor Inlandsche Rechtspersonen Ingesteld bij Besluit van den Gouverneur-Generaal van Nederlandsch-Indie van 14 Mei 1929 no. 4x.*
74 Djalins, 'Becoming Indonesian citizens'.
75 Van der Veur, 'The Eurasians of Indonesia'.

economic basis for a settler colonial society in New Guinea.[76] By the end of the 1930s, there was a flurry of publications and studies commissioned by the VC and other organisations of the possibility for European colonisation. Propagandists such as Feulletau de Bruyn advocating a 'white New Guinea' became active.[77]

Although De Bruyn and the VC talked of the future of a 'white Indies' or 'white New Guinea', it was quite clear that the definition of white here was quite arbitrary. Luttikhuis has pointed out the notion of cultural European-ness is about identity. This was why Christians of non-Dutch descent such as the Minahasans of North Sulawesi and the Ambonese were able to achieve Dutch, European status despite not being of European descent. These groups were treated as Dutch from a cultural and religious perspective, a perspective rooted in the legal definitions developed in the colony. The ideas of colonisation were not only limited to seeking Dutch colonial settler immigrants, but also to entice Eurasians and indigenous Indonesians to become part of the new homeland.

Hybrid society was rejected in favour of creating a purely Christian, Europeanised one. The vast majority of Indo-Europeans and many Indonesians who occupied a liminal position of what was the very essence of Indische culture, had to choose either to become Dutch or Indonesian. The anonymous writer of the pamphlet *Empire building* writes, 'We must not only bring these persons into the legal position of "Europeans", but make them Dutch by making naturalisation easy and desirable for them.'[78] Even white people were not considered automatically Dutch. The concept of being 'Dutch' was thus defined as identification with a national culture rather than membership of a particular race. Because of this liminality, there was also the chance for Indo-Europeans or even whites to become Indonesian. The core identity of the IEV had been loyalty to the Dutch crown and identity, but not all Indo-Europeans were supportive of this stance. The earlier Indische Partij was developed by Indo-Europeans who thought of Indonesia as their homeland. This allowed them to work together with indigenous nationalists as Indonesians.

This liminality thus brings into focus again the importance of land as a signifier of identity, but also as a space for the transmission of culture. In this regard, the position of the urban kampung became important. The kampung was not merely a place where a plethora of Indonesian informal land tenure forms existed, but also a place where the Indo-Europeans quickly became Indonesianised or *verindischen/indianisatie/ver-inheemschen*. This loss of cultural Europeanness was what some Indo-Europeans feared the most; the idea of *los van Holland*.[79]

In 1935, Baldinger, an official and architect working in Surabaya, proposed the creation of public housing for Indo-Europeans in order to get them out of the kampungs in order 'to maintain Western culture'. Cheap public housing for those in need had been built as part of municipal decentralisation, especially after 1922. Baldinger's plan was that the provision of public housing would be based on racial or cultural

76 Johan Winsemius, *Nieuw Guinea als Kolonisatiegebied voor Europeaan en Indo-Europeaan* (Pumerend: J. Muusses, 1936).
77 Bosma, 'Nederlands Nieuw Guinea', pp. 8–13.
78 Nederlander-Middenstander (pseud.), *Empirebuilding* (Surabaya: Drukkerij de Toelkomst, 1938), p. 34.
79 Anon., 'Het XIII-de Congres van het IEV', *De Indische Courant*, 29 Mar. 1932.

segregation. Growing up inside a European community, lower-class Indo-European children would be in close contact with European culture and society rather than assimilating with Indonesians in the kampungs.[80]

During the Great Depression, the IEV conducted kampung visits in order to record and understand the conditions of Indo-Europeans who had been forced by poverty to live there. A reporter remarked in a visit to a kampung in the suburb of Meester Cornelis, near Batavia:

> We don't have to go far into the kampung before we see the first symptoms of a dying people: in front of a *bilikhuis* (indigenous house) a European girl of about ten years old in a *tjelana monjet* (monkey trousers) sits in sisterly embrace with a native boy of the same age in the 'yard' of a *bilik* house to play. Oh, the native is nothing less than the European girl in the wide circles of the universe, and she won't learn any harm from him just yet, perhaps. But he belongs in the kampung, and when he grows up he will continue to belong there and not even be able to leave it. She doesn't belong there, but if she stays there for a few more years, she too will feel at home there. And what will grow out of her then? She cannot become a *Baboo* (servant) or *Kokki* (cook); no 'njonja' [Dutch married women] would think of hiring a European girl for this. Many other avenues, which are open to the native girl in order to earn the daily plate of rice according to her nature and position, are also closed to her.[81]

Living in the kampungs alongside native Indonesians reduced Indo-European children's exposure to European culture. The reporter's use of the world *volkje* or people posits the grave implications of such everyday contact, which represented a moral danger to the continued differentiation of the Indo-Europeans from the Indonesians, despite the hybrid origins of Indo-European culture and identity itself.

When the IEV conducted research into the conditions of Europeans and Eurasians living in the kampungs, it was not merely their poverty that was disturbing, but their cultural transgressions, and the uncertainty of their cultural identity. When they formed a commission to actively look for Eurasians to help in the kampungs of Surakarta, however, the commission's members were disappointed that their efforts were rebuffed.[82] That some Indo-Europeans wanted to become Indonesian was seen in horror as proof that the land tenure system benefited only the upper-class capitalists and bureaucrats, and that it created the conditions for the eventual erasure of the European population.

Kampung and settler colonialism

The Netherlands Indies did not become a settler colonial society. The Spits Commission recommended in 1935 that the Indo-European population should be given the right to land ownership, but that this entailed shifting their rights to the level of native society. This would result in the adat-based connection between land and labour being applied to Indo-European land owners, essentially further reducing

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80 Anon., 'De Indo uit de Kampong', *Het Algemeen Handelsblad*, 24 Aug. 1935.
81 Anon., 'Europeanen in de Kampongs, *Bataviaasch Nieuwsblad*, 29 Jan. 1932.
82 Anon., 'De Indo in de Kampong', *De Nieuwe Vorstenlanden*, 8 Jan. 1925.

Indo-European status to 'native' and opening the possibility of dispossession and elimination. Clearly this proposal would be unacceptable to the IEV.[83]

In the pamphlet on empire building referred to earlier, there is also an exhortation that

> We must not allow the Dutchman to become a native, which would be the result of the Spits report but conversely, the civilised and wealthy natives must as well be made into Dutchmen, to bring them legally as much as possible to the Dutch level, to de-nature them politically and to educate them as Dutchmen, as participants and sympathisers with the Dutch empire. They also must want this for themselves. Nationalists will no longer be there. This is the idea of the IEV.[84]

The IEV's creation of difference was thus based on class and affinity to Dutch culture and the nation, not on ideas of race. As noted earlier, Christian Indonesians such as Minahasans and Ambonese were included in this trans-racial Dutch cultural nation in the Indies.

Why then did the colonial state not extend help to those of Indo-European descent? On the one hand, giving natives European land ownership status would require making significant legal changes across the law as well, a legal emancipation. This would mean giving natives European rights to legal personhood, political rights and also the abrogation of intergentile and plural law. Discussions continued about indigenous legal emancipation; however, it was never achieved by the end of the colonial period.[85]

On the other hand, the adoption of a class-based, Dutch culture-based national identity threatened or, at the very least, was of no use to the capitalist franchise-colony based on economic exploitation. To open up potential cooperation between the Indo-European and the Indonesian middle classes would strengthen the basis of a nationalist movement that would potentially disrupt the colonial order.

In this sense, the Spits Commission's recommendation for commensurate land rights at the native level played into Indo-European fears of becoming 'natives' in order to reduce the potential for Dutch–Indonesian cooperation. To uphold the Indo-Europeans' rights to land without acknowledging the parity of these rights with those of the natives would also have been contested by the Indonesian elite and nationalists who would have seen this as an egregious form of discrimination.[86]

The main enemy of the Dutch colonisation project, according to the pamphlet on empire-building discussed above, was precisely state and colonial corporate capitalism itself. Its author saw the state apparatus, especially the so-called 'interior corps' (*binnenlandsch bestuur*) as being controlled by ethicists who cared more about the well-being of the natives than that of the Dutch nation. Within colonial capitalism, Indo-European and Dutch efforts to create a viable middle class (*middenstanden*) economy threatened wealth-making based on a system of exploitation. Thus the author saw thus the difficulty of Indo-Europeans as a result of both global capitalism

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83 Djalins, 'Becoming Indonesian citizens'.
84 Nederlander-Middenstander, *Empirebuilding*, pp. 3–4.
85 Daniel S. Lev, 'Judicial unification in post-colonial Indonesia', *Indonesia* 16 (1973): 1–37.
86 Djalins, 'Becoming Indonesian citizens'.

and their anti-Dutch machinations and the lackeys in the colonial government.[87] These forces, according to this pamphleteer, would doom the colonial project and destroy the expansion of the Dutch nation in its colonies.

The failure of the Indo-European land ownership project thus points to the need to place the settler colonial project within the wider global capitalist structure and its imperial support. Veracini argues that one of the main differences between franchise and settler colonies was rooted in the relative independence of the settler colonial economy based on native elimination.[88] Yet perhaps it might also be useful to see that despite being relatively independent of the global economy, settler societies required the economy to be integrated, in some manner, to the ultimate benefit of the global capitalist economy. The success of a settler colonial system was determined by the degree to which the settlers (in this case, the Indo-Europeans) could integrate and share in native dispossession instead of being a competitor to global capitalism. Thus, the IEV's effort to create a cultural and class-based 'settler colonial' project failed because it was irrelevant to global capitalism.

The question of why the kampung remained as the most common form of urban space in postcolonial Indonesia may now be illuminated. Michael Leaf posits that the persistence of informality was based on the idea that the dual system was beneficial to urban residents.[89] It was beneficial to low-income residents who gain access to cheaper, informal land and to jobs, while also benefiting the middle and upper classes, enabling them to draw on a pool of local labour for industry and their households. At the same time, the kampung is also beneficial to municipalities in that they provide what Kusno defines as a 'middling' area, a buffer zone to contain conflict.[90]

We can also examine the continuation of the kampung within the larger relationship between capital and settler colonialism itself. The failure of urban municipalities during the colonial period to create racialised capitalism was the result of the ambivalent relationship between the settler colonial project of the Indo-Europeans, based on class, culture and colonial capitalism. While the municipal land governance system collapsed after independence, the logic of extractive capitalism in postcolonial Indonesia, particularly after the rise of the New Order, mirrored that of Dutch Indies franchise colony.

The continuation of this ambivalent difference in land tenure in Indonesian cities is not due to merely governmental inertia, but perhaps also related to the potential conflict that the promotion of full, European, property institutions would have entailed. After independence, the Indonesian government had the chance to emancipate all Indonesians and upgrade their rights to a European legal status. Yet, in civil and criminal procedural law, the decision of the government was to pass a new procedural law (*herziene indonesische reglement*) instead of replacing and eliminating indigenous law with a full application of 'European' law.[91] This is seen in the

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87   Nederlander-Middenstander, *Empirebuilding*.
88   Veracini, 'Settler colonialism'.
89   Michael Leaf, 'Legal authority in an extralegal setting: The case of land rights in Jakarta, Indonesia', *Journal of Planning Education and Research* 14, 1 (1994): 12–18.
90   Kusno, 'Middling urbanism: The megacity and the kampung'.
91   Daniel S. Lev, 'The politics of judicial development in Indonesia', *Comparative Studies in Society and History* 7, 2 (1965): 173–99.

preservation of adat law, which was fundamental to the corporatist ideology of the postcolonial period.[92]

The discussion above shows that the logic of elimination and dispossession through the segregationist policies of settler colonialism has a wider dimension to it than is generally acknowledged. Settler colonialism present in colonial societies had two important ramifications. The first was the expansion of Western forms of property and market-based land tenure and the second was a segregationist movement supported by the state and capital to divide the population between settlers and natives. These show that settler and franchise colonies were in essence, not profoundly different. The Indonesian case shows that although the Indo-Europeans failed to form a settler colonial system, the development of property rights opened such possibilities. By expanding this analysis of settler colonialism, it opens up new areas in settler colonial studies, the possibility of understanding the structural elements of settler colonialism and how it can leave a persistent structure, in this case the kampungs, within postcolonial societies, as a form of strategy or inertia or both. Such studies would be useful for better understanding the relationship between segregation, elimination, dispossession, settler identity and capitalism as a global phenomenon.

92 Daniel S. Lev, 'Colonial law and the genesis of the Indonesian state', in *Legal evolution and political authority in Indonesia* (Leiden: Brill, 2000), pp. 13–31; David Bourchier, *Illiberal democracy in Indonesia: The ideology of the family state* (London: Routledge, 2014).