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Ethnic Diversity in Kalimantan and the Implications of Indonesia's Capital Relocation

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Construction workers are building the Nusantara Capital City VVIP Airport in North Penajam Paser, East Kalimantan, Indonesia, on Thursday, 29 February 2024. (Photo by Edi Ismail/NurPhoto/NurPhoto via AFP).

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EXECUTIVE SUMMARY

- This article provides foundational statistics on the ethnic mosaic in Kalimantan and delves into the intricate dynamics of the ethnic diversity of Borneo island. This ethno-demographic exploration is conducted through a political economy lens.
- Among the diverse regions in the country, Kalimantan stands out as one of the most culturally complex societies with at least ten ethnic groups identified, with Banjarese emerging as the largest group, followed by the Dayak, Javanese, Malay, Batak, Madurese, Chinese, Kutai, Sundanese, and Buginese.
- While three provinces in Kalimantan are dominated by local ethnic groups, the Javanese make up the largest group in East Kalimantan, where the new capital, Nusantara, will be located.
- This article also offers an understanding of socio-demographic-political dimensions intertwined with the ethnic fabric of Kalimantan, thereby contributing to the broader discourse on Indonesia's diverse landscape and its implications for governance and development initiatives.

INTRODUCTION

The significance of understanding ethnic diversity in Kalimantan has been magnified in recent times, particularly in light of the grand plan to relocate Indonesia's capital city. With Prabowo Subianto and Gibran Rakabuming Raka's victory in the 2024 presidential elections and the pair's commitment to continue this monumental project initiated by President Joko Widodo (Jokowi), the intricacies of the ethnic composition in Kalimantan take on heightened importance.

The decision to shift the capital from Jakarta to East Kalimantan underscores a practical necessity to alleviate the congestion and environmental challenges plaguing Jakarta, and represents a strategic move towards decentralization and regional development. However, this ambitious endeavour is not without its complexities, especially concerning the diverse ethnic landscape of Kalimantan.

As Prabowo and Gibran assume office and move forward with the capital city relocation plan, understanding the nuances of ethnic diversity in Kalimantan becomes imperative. This understanding is crucial for ensuring the successful implementation of policies and initiatives that respect the region's cultural, social, and economic realities.

Kalimantan is the expansive Indonesian territory on the island of Borneo which is considered the world's third largest.¹ It is a region abundant in cultural heritage and diversity. This diversity has long shaped its social fabric, economic activities, and political landscape. The planned relocation will begin as early as this year. Therefore, Borneo will become the centre of integrated socio-economic activities and geopolitics in the future, where three Southeast Asian countries (Indonesia, Malaysia, and Brunei) are located, along with two capital cities, namely Nusantara and Bandar Seri Begawan.

Kalimantan is known as the "Island with a Thousand Rivers". Its rivers have historically served as important transportation arteries. Many continue as essential routes for the transportation of people, goods and services. Kalimantan's cultural and religious landscape has been significantly transformed due to historical events such as the transmigration policy in the colonial era and post-independence,² as well as subsequent economic migration, religious conversions, and socio-economic influences.

Empirical studies in many different countries have provided an understanding of how ethnic diversity relates to different aspects of development, such as democratisation, economic growth, income inequality, corruption, and wellbeing. In their seminal paper, Easterly and Levine showed that a higher degree of ethnic diversity can lower the growth rate of GDP per capita.³ Many other studies have examined the negative relationship between ethnic diversity and economic growth.⁴ It is important to note that an ethnically diverse region is not automatically more prone to internal conflict.⁵ The likelihood of that can increase if the region is polarised. More recent research on the varying relationships between ethnic diversity and economic growth suggests that ethnic diversity may be beneficial to economic growth, although this may depend on the level of the administrative unit under analysis.⁶ Ethnic diversity plays a crucial role in mediating between internal migration and economic growth in Indonesia.⁷ If ethnic diversity is a spur to innovation, productivity, and trade among districts,

then migration needs to be “managed” for regions to obtain economic benefits while minimising adverse social and political effects.⁸

This article provides foundational statistics on the ethnic mosaic in Kalimantan and explores the intricate dynamics of ethnic and religious diversity through the lens of political economy and demography, contextualised within the framework of the capital city relocation project.

HISTORICAL CONTEXT

Despite Indonesia’s acknowledgment of diversity, a significant lack of information regarding ethnicity existed from 1930 to 2000. Since attaining Independence in 1945, the national motto, “Bhinneka Tunggal Ika” or “Unity in Diversity,” has served as the guiding principle for all Indonesians. The period following the fall of Suharto’s New Order regime (1967-1998) and the subsequent transition to a more democratic setting witnessed a pivotal moment, with the first population census in 2000 marking a breakthrough in quantifying ethnic groups across all Indonesian islands.⁹

Kalimantan is characterised by a rich mosaic of indigenous cultures and external influences. The region has long been inhabited by diverse Dayak communities, each nurturing its unique traditions, languages, and socio-political structures. These historically embraced animism and held deep reverence for the natural environment, shaping profound connections between land and spirituality.¹⁰

Islam predated colonial powers, and Muslim communities particularly resided along the riverbanks. The 16th century witnessed widespread conversion to Islam, notably in South Kalimantan, where Sultan Suriansyah became the first to embrace the faith.¹¹ The support of local sultanates across South, West, Central, and North Kalimantan significantly influenced this conversion trend. However, the advent of external powers, such as the Dutch and British colonial administrations, profoundly impacted the ethnic and religious fabric of Kalimantan.¹² Colonial expansion reshaped governance structures, economic systems, and cultural practices, integrating Kalimantan into broader trade and commerce networks. Moreover, the colonial era saw the propagation of Islam and Christianity, introducing new religious dynamics to Kalimantan.¹³ While Islam gained prominence among coastal communities through trade and missionary endeavours, Christianity found adherents among select Dayak groups, contributing further to the region’s diverse religious landscape.

The evolution of Kalimantan’s political economy and legal frameworks has been deeply intertwined with its ethnic and religious diversity. Colonial administrations implemented policies that often favoured certain ethnic and religious groups over others, leading to social stratification and tensions within the region.¹⁴

Post-independence, efforts were made to foster national unity while respecting the diversity of Kalimantan’s communities. The Indonesian government implemented policies aimed at promoting cultural pluralism and religious tolerance, enshrining these principles in the nation’s constitution.

The historical legacies of colonization and cultural exchange continue to influence contemporary issues in Kalimantan. Ethnic tensions persist, exacerbated by socio-economic disparities, political marginalization, and competing claims to land and resources. Furthermore, the rapid pace of development and urbanization in Kalimantan has brought new challenges, such as environmental degradation, loss of indigenous land rights, and cultural erosion.

ETHNIC DIVERSITY IN KALIMANTAN

Kalimantan is a significant geographical and demographic entity, comprising 915 smaller islands, with a sprawling land area spanning 544,150.07 square kilometers. As of 2020, Kalimantan accommodated approximately 16.63 million inhabitants, constituting 6.0% of Indonesia's total population and a substantial increase from its 1971 figure of 5.15 million, representing 4.3% of the nation's population. Kalimantan harbours 72.2% of Borneo's total population, underscoring its demographic weight within the island.

This surge in population can be attributed to a confluence of factors including natural population increase and significant migration flows. Migration, facilitated both by the government's transmigration policy and voluntary movements, has been an influential driver of population growth and change in Kalimantan. The influx of Javanese migrants into this region accelerated changes in economy and society.¹⁵ The region's allure, characterised by promising economic opportunities, available land, and abundant natural resources, has attracted individuals from various parts of Indonesia seeking to capitalise on these prospects. The influx of migrants from diverse regions further enriched the cultural fabric of Kalimantan. Moreover, these population movements have played a crucial role in economic development.

Despite the overall demographic growth, disparities among Kalimantan's provinces are evident. West Kalimantan emerges as the most populous province, boasting a population of 5.4 million in 2020. In contrast, North Kalimantan, the newest province separated from East Kalimantan, accommodated the smallest population, with only 0.7 million inhabitants in 2020. However, projections suggest that its population may experience accelerated growth in the future.

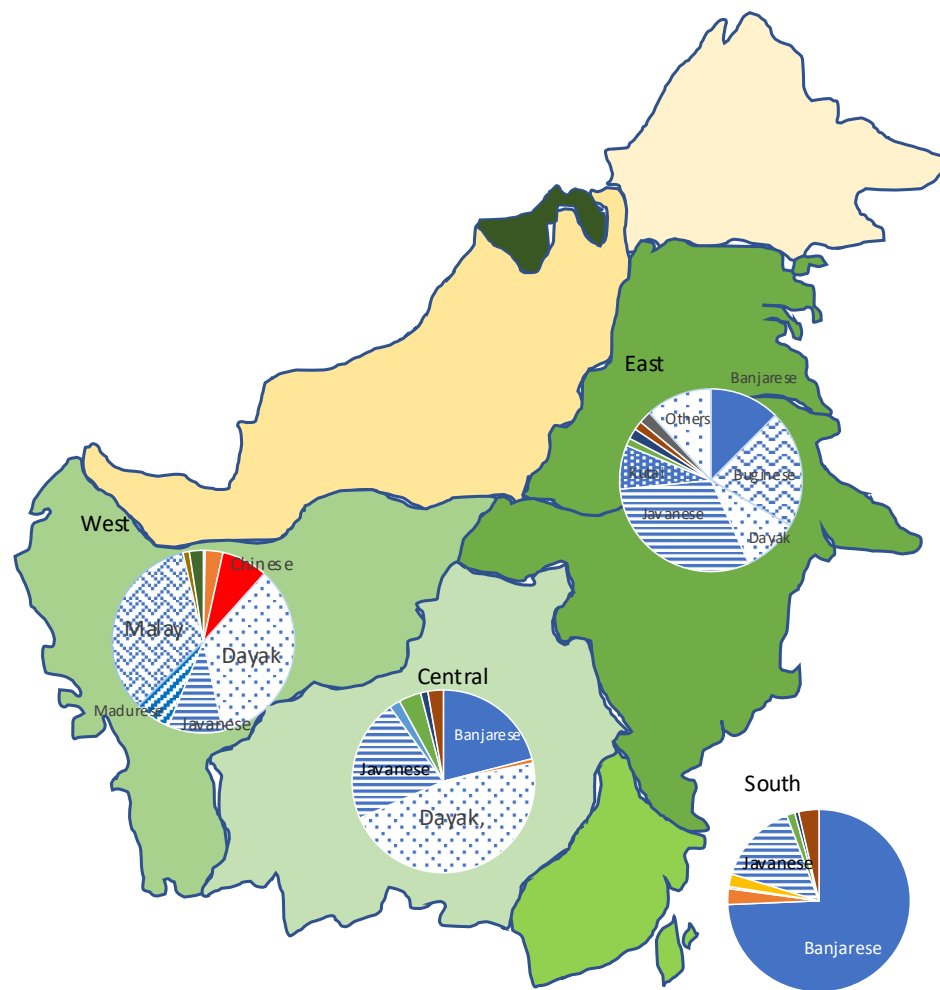
Kalimantan is home to at least 16 distinct ethnic groups (Banjar, Dayak, Javanese, Malay, Batak, Madurese, Chinese, Kutai, Buginese, Sundanese, Toraja, Pasir, Butonese, Balinese, Mandar, and Flores). However, only four—Banjarese, Dayak, Kutai, and Pasir—originated from Kalimantan, with others being migrant ethnic groups from different parts of Indonesia.¹⁶ The Banjarese, the largest group in Kalimantan, constituted 26.2% or 3.6 million people in 2010. Banjarese identified themselves as Banjarese or as being affiliated with sub-ethnic groups like 'Banjar Kuala,' 'Batang Bunyu,' or 'Pahuluan.' The Dayak people, approximately 3 million, represent the most culturally diverse local ethnic group consisting of 375 sub-ethnic groups.¹⁸

Kutai also emerges as a separate local ethnic group with around 276,000 individuals, constituting 2% of Kalimantan's population in 2010. Pasir, an indigenous local ethnic group in East Kalimantan, is distinct from the Dayak Pasir. Pasir made up about 0.5 percent of the population, exclusively residing in East Kalimantan. Other significant migrant ethnic groups

in Kalimantan include the Javanese (18.2 %), Malay (originating from Sumatra, 11.4 %), and Batak (from North Sumatra, 5.7 %).

Ethnic diversity among provinces in Kalimantan varies significantly (Figure 1). West Kalimantan is geographically strategic, bordered by Sarawak, Malaysia, and the South China Sea. It is home to the two largest ethnic groups: Dayak (34.9%) and Malay (33.8%), both culturally distinct.

Figure 1. Ethnic composition among provinces in Kalimantan



In Central Kalimantan, Dayak is the largest group, and it coexists with Banjarese from South Kalimantan and Javanese from Java Island. However, South Kalimantan is predominantly Banjarese. By contrast, East Kalimantan is a migrant province with the three largest ethnic groups being Javanese, Buginese and Banjarese. North Kalimantan which was separated from East Kalimantan and established in 2012, has a different ethnic composition, with Buginese as the largest group, followed by Dayak and Javanese.

Each ethnic group in Kalimantan brings unique skills, knowledge, and contributions to the region's socio-economic fabric. The Dayak communities, for example, have traditionally relied on agriculture, fishing, and hunting for their livelihoods, while also practising crafts such as weaving and wood carving. The Malay and Javanese communities have been actively involved in trade, commerce, and government administration. Trade networks, cultural exchanges, and intermarriages have historically fostered connections and mutual understanding among different ethnic groups. Festivals, ceremonies, and religious events provide opportunities for people from diverse ethnic backgrounds to come together, celebrate their shared heritage, and forge bonds of solidarity.

Like in other such places, Kalimantan has experienced ethnic conflicts, albeit sporadically, throughout its history. After the fall of the New Order regime in 1998, several ethnic violent clashes took place in the provinces of West, Central and East Kalimantan. Some studies have endeavoured to comprehend the underlying causes of the outbreak of violent conflict. For example, conflicts have been linked to intense competition for economic opportunities, particularly concerning agricultural resources among Malays, Dayaks, and Madurese communities in West Kalimantan,¹⁷ and illegal logging in Central Kalimantan.¹⁸ This competition engendered feelings of frustration and aggression.¹⁹

On the other hand, during the decentralization era, there has also been increased recognition of the need for greater political participation and for empowerment of ethnic minorities in Kalimantan. For example, Singkawang is unique in Indonesia as the only district where the Chinese ethnic group is the largest, although not the predominant one. With a Muslim majority, this district was run for the first time by a Chinese lady, Singkawang-born Tjhai Chui Mie, from December 2017 to December 2022.¹⁹ Tjhai Chui Mie's tenure as female leader in a traditionally male-dominated field demonstrates that women can hold significant positions of power and influence in the political sphere and in local governance. This reflects a notable progress in gender empowerment and leadership diversity.

However, power dynamics within Kalimantan's political landscape remain complex, with entrenched interests and historical inequalities shaping the distribution of resources and opportunities. Achieving greater representation and inclusivity will require ongoing dialogue, collaboration, and policy reforms that prioritise the needs and aspirations of all ethnic groups in the region.

POLITICAL ECONOMY AND ETHNIC DYNAMICS

Kalimantan is economically vital, enriched with abundant natural resources like timber, minerals, and oil and gas reserves. Industries such as mining and palm oil production have flourished, with East Kalimantan ranking second in wealth after Jakarta since the 1970s, contributing 9.2% to the total gross regional product by 2010.

The upcoming establishment of Nusantara, Indonesia's new capital city, in East Kalimantan is set to spur further economic growth. This initiative is expected to attract significant investments, create jobs, and draw professionals and businesses to the province. However, it may also lead to demographic changes that affect the ethnic composition of local communities.

Upon closer examination of ethnic groups at the district level in East Kalimantan, it becomes apparent that the region's economy is significantly influenced by migrant populations. This influence is reflected in the ethnic composition in various districts throughout the province. Several districts prominently feature the Javanese ethnic group as the largest, including Paser, Kutai Kartanegara, East Kutai, North Penajam Paser, Balikpapan, Samarinda, and Bontang. This suggests that the economy of East Kalimantan is largely driven by migrants, particularly those of Javanese descent.

Moreover, with the planned establishment of Nusantara in Javanese-majority districts of Kutai Kertanegara and North Penajam Paser, this influence is expected to strengthen in the future. Conversely, districts such as West Kutai, Malinau, Bulungan, and Tana Tidung have the Dayak population as the largest ethnic group. This highlights the ethnic diversity within East Kalimantan and underscores the importance of recognizing and respecting the cultural heritage and contributions of indigenous communities in the region.

While ethnic diversity offers economic opportunities such as a vibrant tourism industry and diverse skillsets, it can also create tensions, especially if newcomers seek dominance in economics and politics. Economic disparities may arise from unequal resource access, affecting marginalised communities. Efforts to address these issues require equitable policies and community empowerment initiatives.

By aligning governmental policies with principles of social justice and equality, Kalimantan can harness the economic potential of its diversity while promoting inclusive growth.

CONCLUSION

The significance of understanding ethnic diversity in Kalimantan has been underscored by recent developments, particularly the plan to relocate Indonesia's capital city to East Kalimantan. This ambitious endeavour highlights the need to navigate the complexities of ethnic composition and dynamics in the region. The decision to shift the capital not only addresses practical concerns such as alleviating congestion and environmental challenges in Jakarta but also signifies a strategic move towards decentralization and regional development.

With its rich cultural heritage and diversity, Kalimantan stands as a unique region shaped by historical events, colonial influences, and socio-economic transformations. The planned relocation project, scheduled to begin in 2024, is expected to position Borneo as a centre of integrated socio-economic activities and geopolitics in the future, with two capital cities located within its boundaries.

Ethnic diversity in Kalimantan, characterised by at least 16 distinct ethnic groups, underscores the region's status as a melting pot of cultures and traditions. While some groups, such as the Banjarese and Dayak, have indigenous roots in Kalimantan, others have migrated from different parts of Indonesia. Despite disparities among provinces, ethnic diversity permeates various aspects of life in Kalimantan, from socio-economic activities to political dynamics.

The economic vitality of Kalimantan, driven by industries like mining and palm oil production, is poised for further growth with the establishment of Nusantara. However, this development may bring changes that impact the ethnic composition of local communities.

Efforts to promote greater representation and inclusivity require ongoing dialogue, collaboration, and policy reforms that prioritise the needs and aspirations of all ethnic groups in Kalimantan. By aligning governmental policies with principles of social justice and equality, Kalimantan can harness the economic potential of its diversity while fostering inclusive growth and sustainable development in the region.

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