

The Social-cultural and Economic Implications of the Presence of Mobile Phones
Among Overseas Migrant Worker Families in Kecopokan Hamlet, East Java, Indonesia

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This thesis titled

The Social-cultural and Economic Implications of the Presence of Mobile Phones
Among Overseas Migrant Worker Families in Kecopokan Hamlet, East Java, Indonesia

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Abstract

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Mobile phone has become a catalyst for a social change. When the overseas migrant workers (OMWs) from Kecopokan were buying and using mobile phones to open their interpersonal communication opportunities, they were exposing themselves and their families to impacts that may accompany the technology and service. Family ties are built and maintained on the many phone calls and text messages circulated. In fact, some overseas migrant workers use mobile phones to parent their children. In its intense usage, while text messaging has been perceived as a replacement of direct communication, the unconstrained voice calls can be disrupting. As a commodity, mobile phones have become a symbol of newfound wealth and a perceived way to acquire higher social status. Such phones have become a new household necessity, and people are learning how to creatively manipulate the system to make the service more affordable. With mobile phones, transfer of knowledge from OMWs to their families has become possible. People have also able to increase their incomes because mobile phones can be a tool for managing business and a commodity for trading. Last but not least, mobile phones assist information exchange in ways that can provide benefits.

Approved: _____

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Dedication Page

Alhamdulillahilahi rabbil alameen

For my parents:

Sugiarti, Endang, Handoyo, and Murdjoko

Who taught me to be grateful in life

And for my wife Ajeng Pranata, my reason to be grateful

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Chapter 1: Introduction

Telecommunication technology development, with mobile phone service as one of its results, surely has become a catalyst for social change. Since mobile phone has the potential to give benefits as well as detriments, users have to be ready for change in their lives, no matter if it is good or bad. Nowadays, the mobile phone has become one of the most ubiquitous and utilized products of telecommunication technology. Billions of people in the world own mobile phones and use them in their daily lives. According to the International Telecommunication Union (ITU) (2009c), in 1997 there were only approximately 215 million mobile phone subscribers in the world. However, as it can be seen in Table 1.1, the figure swelled to 1.157 billion in 2002 and, amazingly, to 3,305 billion in 2007.

Table 1.1
Key Global Telecom Indicators for the World Mobile Phone Sector
1997 – 2007

Mobile phone subscribers	
Year	(millions)
1997	215
1998	318
1999	490
2000	738
2001	961
2002	1157
2003	1417
2004	1763
2005	2219
2006	2757
2007	3305

Source: International Telecommunication Union (2009c)

More specifically, Asia hosts 709 million of the world's mobile phone subscribers, compared to 573 million in Europe, 373 million in the Americas, 77 million in Africa, and only 20 million in Oceania (ITU, 2009a).

In its distribution, the mobile phone exists not only in the developed countries but also in developing countries where numbers of subscribers are surpassing fixed-line customers (Glotz, Bertschi, & Locke, 2005). Mobile phone subscriptions in developing countries flourish mainly because the technology is able to overcome the problem of developing countries' lack of fixed telephone infrastructure while demand for the service keeps increasing.

Indonesia is one of those developing countries, where multiple populations are benefiting from the availability of mobile phones. Indonesians benefit not only because they do not have access to land line telephones but also because they are able to take advantage of mobile phone's social and psychological benefit. According to Vincent (2005), mobile phone help people maintain their relationships with family and friends. Considering those two factors, this study examines the family behavior of Indonesian overseas migrant workers (OMWs), an illustrative social setting wherein participants benefit from mobile phone adoption. The purpose of the study is to better understand the social-cultural and economic phenomena that occur in the OMW families as the result of the presence of mobile phones.

A. Background

My personal experience of being far away from my family while studying abroad makes me depend on my mobile phone to maintain communication, an experience that I

believe is shared by many people who have migrated for various reasons. Text messaging is the most useful service for me to maintain contact with my wife since she lives in a boarding house without any landline telephone installation. For only US\$ 0.025 I can contact my wife anytime and anywhere using text messages as long as she has her mobile phone with her. She can text me for only US\$ 0.06.¹ In addition, if I need to talk to her, I have only to sign into my Skype account and call her on her CDMA² mobile phone for US\$ 0.04 per minute. Both ways have proven to be easy and affordable for me in maintaining communication with my wife. Thus, as the mobile phone is an essential service for me, this experience has led me to study the profound influence and importance it has for people physically separated from one another.

Another background feature for this research is my interest in the effects on families of Indonesian OMWs as users of mobile phones. Since OMWs often live far from their families, I am interested to know about changes in families' behaviours as they acquire telecommunication access. A number of studies have been concerned with how families of OMWs spend the money that is sent back to local communities (Sukamdi, Satriawan, & Haris, 2004;³ Sofranko & Idris, 1999;⁴ Stahl & Arnold, 1986.⁵) Yet there appears to be a gap in the literature about the use of OMW remittances in the

¹ The calculation is based on my AT&T text message package, whereby I can purchase 200 message services for US\$ 4.99.

² Short for Code Division Multiple Access, one of the digital cellular technologies.

³ As part of their research, Sukamdi, Satriawan, & Haris observed how families of overseas migrant workers in Yogyakarta spent the remittances on subsistence needs such as food and education as well as on expensive non-subsistent items such as modern houses.

⁴ Sofranko & Idris interviewed 170 family heads in a small community in Pakistan to examine whether they channeled the remittance income that they got from family members working in the Middle East into business investments.

⁵ Stahl & Arnold in revealed several major priorities which consume the lion's share of household income of remittance recipients.

telecommunication sector, particularly as this relates to the families' need to communicate with their breadwinners abroad. It is interesting that the lack of attention to this topic does not correlate with the rapid increase of mobile phone usage in Indonesia.

In this research, I explore the perceptions of Indonesian families who use the remittances they receive from OMWs for mobile phone services. In particular, I focus on how far the mobile phone phenomenon has penetrated the villages where the families live and to what extent those families use the technology and perceive changes in their own behaviour. As such, this study illuminates the social-cultural and economic impact that the families of OMWs might have experienced in response to telecommunications adoption and use.

B. Literature review

a. Livelihood transition as an outcome of development

One of the traditional Asian agrarian structures before European colonization was organized by community agreement. Whole communities decided land allocation, disposition, utilization, and even redistribution. This structure changed upon the arrival of the European colonizers. Todaro & Smith (2009) explains that in Europe, land or property ownership was encouraged and reinforced by law; one of the most significant changes in the traditional Asian agrarian structure was in the property rights aspect. Even after colonization ended, the developing countries inherited governments strongly influenced by the colonial legacy, and people without any documentation of land ownership could easily lose their community-based land. The property laws used by the government to confiscate the land, in a sense, presented people with a dilemma: the land

was taken for the sake of development while development was said to be for the sake of the people themselves. As Bebbington (2000) recalls in a post-structural critique of land use in the Andes, the government argued that there were people and places that are poor, underdeveloped and in need of development. Those people and places became the target of development aimed at turning them into efficient producers. Targeted people who refused or failed to make the transition were encouraged to leave. Thus, land distribution and ownership in many developing countries was politically dominated by either a small class of powerful landowners who strongly supported the government policy or were managed by the government officials themselves. How about the poor farmers? As one can predict, they were on their own to make their livelihood transition.

Todaro & Smith (2009) argues that in developing countries the poor are located predominantly in rural areas⁶ and are engaged primarily in agricultural and related activities. To be specific, they are either small farmers or low-paid farm workers. Todaro & Smith also argues that over the past several decades, the largest share of expenditures in developing countries has been directed to urban areas. If the government decides to implement a poverty alleviation program, the allocation of the support must be directed to rural development in general and the agricultural sector in particular. The problems that can occur from such a policy, as Bebbington (2000) argues using the neoliberalism critique, are related to who benefits from it. Some governments in Latin America for example, driven by the rise of neoliberal agendas, argued that rural development programs should focus only on viable farmers so they can be productive and competitive.

⁶ From the data that they are able to collect, Todaro & Smith conclude that in Africa and Asia about 80% of the poor people live in rural areas, and the figure is about 50% in Latin America.

Those who are not viable enough on their own should in their livelihood transition process work for others in different areas.

b. Migration as a form of livelihood transition

According to Tjiptoherijanto (2000), there are several reasons why people migrate to other countries, including economic difficulties, population pressure, and geographical factors. These are the several kinds of conditions that have to be endured primarily by the marginalized. In his discussion of economic difficulties, Dicken (2007) argues that a government's inability to solve unemployment problems and the people's response to it become part of the reason why people migrate to other countries. Tjiptoherijanto explains that unemployment problems occur because of two main factors. First, the negative impact of economic liberalization⁷ in developing countries has reduced the opportunities for local skilled laborers to be employed in their own country due to the soaring number of foreign skilled laborers who enter the country. Second, government inability to create new employment opportunities has impacted the unskilled as well as the skilled laborers.⁸ On the other hand, people are willing to migrate because they are aware of the lack of opportunities to earn income, procure employment, and other related reasons in their own

⁷ In liberalizing its economy, the government has to adopt a free-market philosophy by gradually dismantling the regulatory controls and deregulating the financial and trade sectors of the economy (Tongzon, 2002).

⁸ In today's developing countries the labor force is growing at more than two percent every year compared to industrialized countries. The agricultural sectors in developing countries are basically ignored and industry and the service sector are increasingly important. As a result, these countries cannot provide adequate opportunities for the already existing unemployed, so it is difficult for them to absorb the immense growth of the labor force into the economy (Dicken, 2007).

country while in other countries more favorable factors are present.⁹ Thus, people migrate overseas because they want to earn more money and improve their quality of life.

c. Remittance as an achievement of migration

Remittance is one of the most important contributions of OMWs to their home countries. Martin's (2001) opinion that the flow of remittances to the developing countries has become increasingly important seems to have a strong basis. According to Gammeltoft (2002), remittances to developing countries almost doubled from US\$33 billion in 1991 to US\$ 65 billion in 1999, constituting 62.1 % of total world remittances. The figure may become more significant if the documentation is improved. As Athukorala (in O'Neill, 2001) argued, there are a large number of remittances that are never officially recorded because many migrants prefer to send their money through friends or labor brokers, or bring it themselves instead of using service provided by post office that the data can be accessed by the government.

The remittances sent back home by OMWs make a significant contribution to the home country and to the migrants' native local communities (Dicken, 2007). Remittances can improve a home country's balance of payments since they contribute to increasing the foreign exchange accumulation. In 1985, the Organization for Economic Co-operation and Development (OECD) argued that the most important positive contribution of OMWs to their home countries is the addition of foreign exchange received from remittances (Glytsos, 2002). Further, for the migrants' native local communities, remittances benefit not only the remittance-receiving households but the non-remittance-

⁹ It is estimated that for a similar job, a person in a developed country is paid five times higher than in is earned in developing countries. This provides a great incentive for people to migrate (Todaro & Smith, 2009).

receiving households as well. The remittance-receiving households, Sukamdi, Satriawan, & Haris (2004) explains, can use the remittances for human capital investment (improving the basic necessities, housing, and education) and in physical investment (buying land, opening a store, starting a farm). The non-remittance-receiving households, Sorensen, Hear, & Pedersen (2002) points out, benefit because of trade and services between non-migrants and migrants and their families.

It is actually hard for the government or any institution to calculate the total remittances that flow into Indonesia because the country is geographically large and the population is massive (Sukamdi et al., 2004). Remittances from undocumented OMWs are completely undetected. Despite those problems, however, some researchers have done their best to record the inflow of remittances to Indonesia.¹⁰ In fact, some have brought their study of remittances to a different level by researching their contribution to the nation, to particular province(s), even to specific household(s).

At the national level, Sukamdi et al. (2004) points out that from 1983 to 1999 the growth of remittances was greater than the growth of the number of migrants, showing the positive outcome of the government's decision to support migration. From the data in Table 1.2, we can see how the remittances in 1999 were more than 110 times those in 1983, outnumbering the increase of the OMWs that reached less than 20 times for the same period.

¹⁰ See, for example, Hernawati (1996), *Analisa mobilitas pekerja ke luar negeri dan remitan serta pengaruhnya terhadap kontribusi pendapatan rumah tangga di kabupaten Lombok Tengah Propinsi Nusa Tenggara Barat*, for a record of remittances sent from Malaysia to Indonesia especially to Central Lombok regency, West Nusa Tenggara province and its contribution to households' income. Tamtiari (1999), *Dampak sosial migrasi tenaga kerja ke Malaysia*, calculated and compared the amount of remittances sent by legal and illegal migrants from East Lombok, respectively.

Table 1.2
Labour-Remittances Growth and
Indonesian Worker's Remittances as Percentage of GDP
in 1983-1999

Year	Labour Migrants	Remittances (US\$ Millions)	Percentage of Remittance to GDP
1983	29,291	10	0.013
1984	46,014	53	0.062
1985	54,297	61	0.077
1986	68,360	71	0.129
1987	61,092	86	0.157
1988	61,419	99	0.154
1989	84,074	167	0.22
1990	86,264	166	0.213
1991	149,782	130	0.148
1992	172,157	229	0.23
1993	159,995	346	0.304
1994	141,287	449	0.377
1995	120,603	651	0.491
1996	220,162	796	0.512
1997	502,977	725	0.725
1998	899,622	959	1.149
1999	427,619	1,295.5	0.341

Source: Sukamdi et al. (2004)

Due to its swift progress, it is not surprising that the amount of remittance sent back to Indonesia from all over the world in 2006 had reached US\$5.7 billion (Coss et al., 2008). The government had gained a great deal of foreign exchange from the remittances sent back by the OMWs. Lan (2006) noted that in recognizing the contribution of the overseas migrant workers, the Indonesian government has hailed them as *pahlawan devisa* or the “foreign exchange heroes”.

However, despite their role in adding to the country’s foreign exchange, remittances have not played a significant role in the Indonesian economy. When we

measure the percentage of remittances to the Indonesian Gross Domestic Product (GDP), the contribution is small. As calculated by Sukamdi et al. (2004), during the 1983 – 2000 period, the percentage of remittance contribution to the Indonesian GDP reached just above 0.50 %, only three times (see Table 1.2).

The remittances being sent to Indonesia from the overseas migrant workers have proven to be more significant when we measured them at the provincial level. For example, 10,000 migrants from East Nusa Tenggara Province who worked in Malaysia were able to send remittances in the amount of about US\$ 11.6 million per year, which is much higher than the yearly provincial budget of around US\$ 7.8 million (Dwiyanto, 2001). Other provinces like East Java, Central Java, and West Java that also have sent great numbers of workers abroad may have similar significant transfer of remittances (Sukamdi et al., 2004). Interestingly, although not all cities on those provinces are suppliers of OMWs, these remittances cycle from one city to another, fuelling the provincial economy.

Naomi, Mantra, & Bintarto (1993), based on their study, conclude that most migrant laborers are from families with a poor socio-economic base, and, therefore, the major factor forcing them to migrate is economic. The remittances sent back to Indonesia commonly support OMWs families living in the rural parts of Indonesia. Thus, the contribution of remittances is mostly felt at the household levels. The wages sent back can be used by families of OMWs to meet their subsistence needs of food, clothing, education, and health care. The expenditure pattern of remittances does not end with basic needs; however, as families of OMWs are able to accommodate their basic needs, they allocate the remittances to more expensive items. Setiadi (1998), in his research in

Nusa Tenggara, observed how most of the OMW families used remittances to purchase refrigerators, televisions, radios, motorcycles, and houses.

It is true that most OMW families do not use the remittances for market-oriented production activities and products that increase their productivity. However, as Sukamdi et al. (2004) argued, those families' expenditure trend is sensible and might even create a positive impact. First, OMW families' decision in using remittances to improve the condition of their houses, the quality of their food and clothing and even education can be categorized as human capital investment that can impact the economic development of the family in the future. An OMW's educated child, for instance, might in the future gain a good job that can help the family's economic condition. Second, OMW families' spending for luxurious goods, besides raising the families' socio-economic status, also has transformed traditional customs into modern ones. By obtaining good houses or expensive electronics, OMW's families are not only able to show their success but also to open themselves to modernization. For example, an OMW family's decision to purchase a mobile phone, besides showing their economic capability to buy and maintain the technology, shows the family's willingness to change their communication pattern with their overseas breadwinner into something more technologically sophisticated.

d. Mobile phone technology as a utilization of remittance

Goggin (2000) suggests that the landline telephone has become part of people's lives since its commercialization. Some people use it to keep in touch with friends and family, while others use it for business as well as social activities. The landline telephone function nowadays is still important for people. However, its commercial availability has been far exceeded by its mobile counterpart (see Table 1.3).

Table 1.3
Key Global Telecom Indicators for the World Telecommunication Service Sector
1997-2007

Year	Main (fixed) telephone lines (millions)	Mobile phone subscribers (millions)
1997	792	215
1998	838	318
1999	904	490
2000	975	738
2001	1034	961
2002	1083	1157
2003	1135	1417
2004	1204	1763
2005	1262	2219
2006	1263	2757
2007	1278	3305

Source: ITU (2009c)

Cairncross (2001) argues that the mobile phone has changed the telephone network. It is now wireless, mobile, and adapted to carry data (“packet-switched”) rather than wired and fixed, and dependent on voice calls (“circuit-switched”). As a result, calls have become inexpensive at any distance and time; telephone services have become available in many parts of the world for the first time; and the telephone is now portable and personal. The mobile technology, that basically has everything the landline telephone has with the addition of wireless mobility and cheaper service, has displaced the landline market. With its potential ability, it is no wonder that the mobile phone has become a phenomenon in the world, finding its own extraordinary space in people’s lives.

The typical OMW from a developing country comes from a poor rural area. Thus, it is common that the migrant’s family also lives in the same area, which is often

characterized by the lack of infrastructure. The OMW's family needs good telecommunication access to be able to communicate with their overseas breadwinner. Fixed-line telephone service is one of the infrastructures frequently absent from rural areas. Yet, as I have discussed above, remittances have allowed the families of OMWs to acquire such necessities as the means of communication. However, the biggest possibility for those families to acquire access is not by landline telephones, but by using mobile phones. As suggested by Dicken (2007), developing countries often face slow communication growth and access because of the lack of a fixed telephone infrastructure and the high installation costs, especially in rural areas. The mobile phone, with its availability and more reasonable price, has the potential to overcome this problem. It may also solve the geographical constraints faced by OMWs and their families. As explained by Albert, Flournoy, & LeBrasseur (2009), 21st Century technologies, including mobile phones, have made two-way communication across towns, nations, seas, and continents possible. For these reasons, one potential market for mobile phones is OMWs families.

e. Mobile phone presence impacts social-cultural and economic change

Goggin (2000) believes that the mobile phone, through its involvement in people's cultures and lives, has impacted people; as a medium of new culture and way of life, considered "the circuit of culture." Goggin's decision in observing the mobile phone as "the circuit of culture" was based on the approach taken by du Gay et al. in studying the Sony Walkman. In their research, du Gay et al. describe the Sony Walkman in the following manner:

[The walkman] “connects with a distinct set of *social practices* (like listening to music while travelling on the train or the underground, for example) which are specific to our culture or way of life. It is cultural because it is associated with certain *kinds of people* (young people, for example, or music-lovers); with certain *places* (the city, the open air, walking around a museum) – because it has been given or acquired a social profile or *identity*. It is also cultural because it frequently appears in and is represented within our visual languages and media of communication. Indeed, the *image* of the Sony walkman – sleek, high-tech, function in design, miniaturized – has become a sort of metaphor which stands for or represents a distinctively late-modern, technological culture or way of life. These meanings, practices, images and identities allow us to place, to situate, to decipher and to study the Walkman as a cultural artifact” (du Gay et al., 1997, p.11).

Goggin suggests that du Gay et al.’s explanation about the Sony Walkman works well with the mobile phone. With all of its applications, such as the phone book, the alarm, the camera, and the music player, the mobile phone has also become another symbol of a “distinctively late-modern, technological culture or way of life.”

Goggin (2000) argues that the mobile phone currently has become much more than a device for voice calls. In its role as technology dedicated to facilitating the lives of people, the mobile phone has become part of people’s cultures. As with many technological innovations, when the families of OMWs became familiar with using mobile phones, they become attached to the technology. A variety of cultural activities revolve around the mobile phone as people use it for maintaining constant contact with their families, parenting children, locating people, and even entertaining themselves. Mobile phones also help people to find new ways of living their lives by showing new ways to organize daily schedules, new ways to keep in touch with friends, new ways to maintain romantic and family intimacy, new ways to conduct business, and new ways to

access services or education. Thus, I suggest that the interaction between people enabled by mobile phones impacts the social-cultural and economic aspects of any given social setting, including in the rural areas where families of OMWs live.

Chapter 2: Research Methods and Study Area

A. Research Methods

I conducted this research from December 8 to December 28, 2008. During the this time, I visited the Kecopokan hamlet in the southern part of Malang, East Java province, Indonesia. Kecopokan, along with Krajan and Ngrancah, is one of the hamlets in Senggreng village known to have individuals who work as OMWs. Kecopokan can be reached from Malang by a 40-minute minibus ride, followed by a 10-minute ride on an *ojeg*, a motorcycle used as a taxi. Transportation service from Malang to the hamlet is available daily and costs around US\$ 2 for one round trip. Although a bad road connects Kecopokan and the main road and there is no landline telephone infrastructure, there are some mobile phone signal towers in the vicinity of the hamlet, so it is well-covered by a mobile phone network.

To gain the data that I needed, I spent most of my research period visiting Kecopokan to talk to residents. I spent a few days early on visiting the village office to get consent from the village officials and to collect general data about the hamlet and its people. Unfortunately, I was not able to actually live in the village, though that probably would have given me a chance to gain more data.

Hammersley and Atkinson (1983) explain that “ethnographers participate, overtly or covertly, in people's daily lives for an extended period of time, watching what happens, listening to what is said, asking questions.” An ethnographer’s main goal is to observe human interactions in social settings and activities. Therefore, in this research, using an ethnographic approach, I tried to understand people’s interactions with their

mobile phones within the existing social setting in order to find out what implications are resulted in that interaction. Due to my inability to stay in the hamlet, my method involved conducting a series of visits to carry out unstructured and semi-structured interviews with several adult individuals.

Russell (1999) argues that a semi-structured interview is very reliable in ethnography to gain in-depth data. Thus, due to the time limitations that I faced in conducting the research and my wish to collect as much data as possible, I mainly used semi-structured interviews during my two first weeks in Kecopokan. Interviews were conducted primarily in homes of the families of overseas migrant workers, except for the interviews with village officials which were held in the village office. I did not have any preferences about time and situations for interviews, but since I was not able to stay in the hamlet, interviews were mostly conducted during the daytime.

One benefit of the unstructured interview is that it is informal and makes people feel comfortable. The interview can only be done if the participants and the interviewers feel comfortable with each other. My participants and I obviously needed time to get to know each other and build trust. Therefore, I used the unstructured interviews during my last week in the hamlet. The interview was spontaneous, involving no specific questions, and similar to any light conversation. Sometimes the interviews took place even while we were enjoying lunch or sitting by the nearby river. I allowed my research participants to talk freely rather than limiting them to interaction with my list of questions.

To record the information that my participants delivered, I mostly depended on my recorder and notebook. The combination of those two tools helped me to note what my participants implicitly and explicitly wanted to say. I mostly communicated with my

participants directly using Indonesian, the national language. However, when it seemed that my recipients felt more comfortable if I used the local Javanese language (*Boso Jowo*), I used that language.

Finally, but importantly, this research was supported by historical data to provide a background of Indonesia's history of overseas migrant employment along with information about the country's telecommunication sector. A separate discussion about the use of remittances in Indonesia and the mobile phone's impact on the society has been used to elucidate this research. The literature study was carried out using resources obtained from Alden Library at Ohio University.

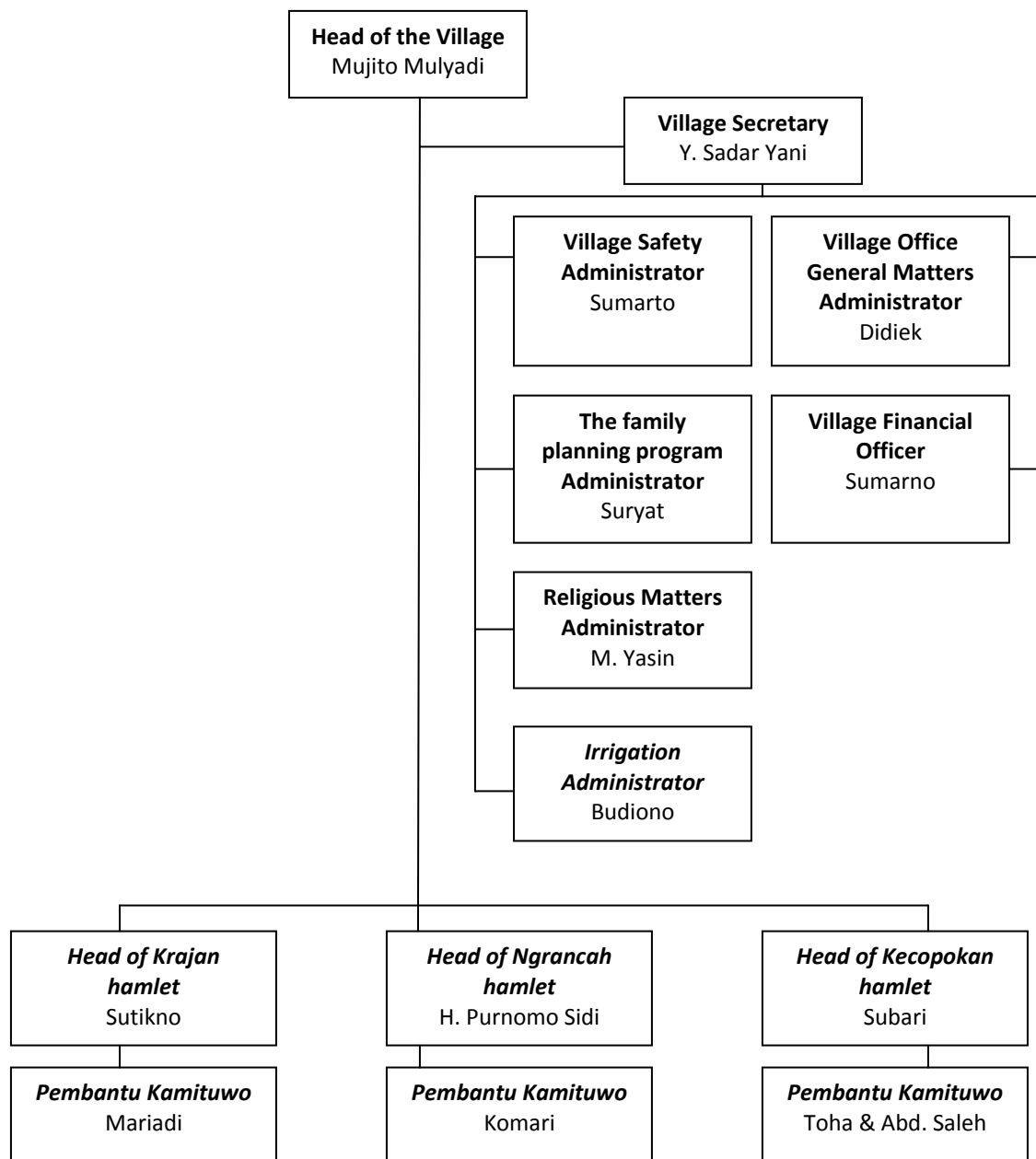
B. Study Area

a. Village administration

At the time of my research, the Senggreng village head was Mr. Mujito Mulyadi.¹¹ He was assisted by Mrs. Sadar Yani as his village secretary.¹² Although for all practical purposes the village head supervised all the office staff, structurally he is more connected to the head of the hamlet. In the area of my study, Mr. Sutikno headed Krajan hamlet, Mr. Purnomo Sidi headed Ngrancah hamlet, and the one that I talked to most, Mr. Subari, headed Kecopokan hamlet. In their work, all of three head of hamlet have assistants. The following is the full organizational structure for the village officials:

¹¹ A *kepala desa* is roughly comparable to a mayor.

¹² A *carik* is roughly comparable to a vice-mayor.



Source: Senggreng village official document

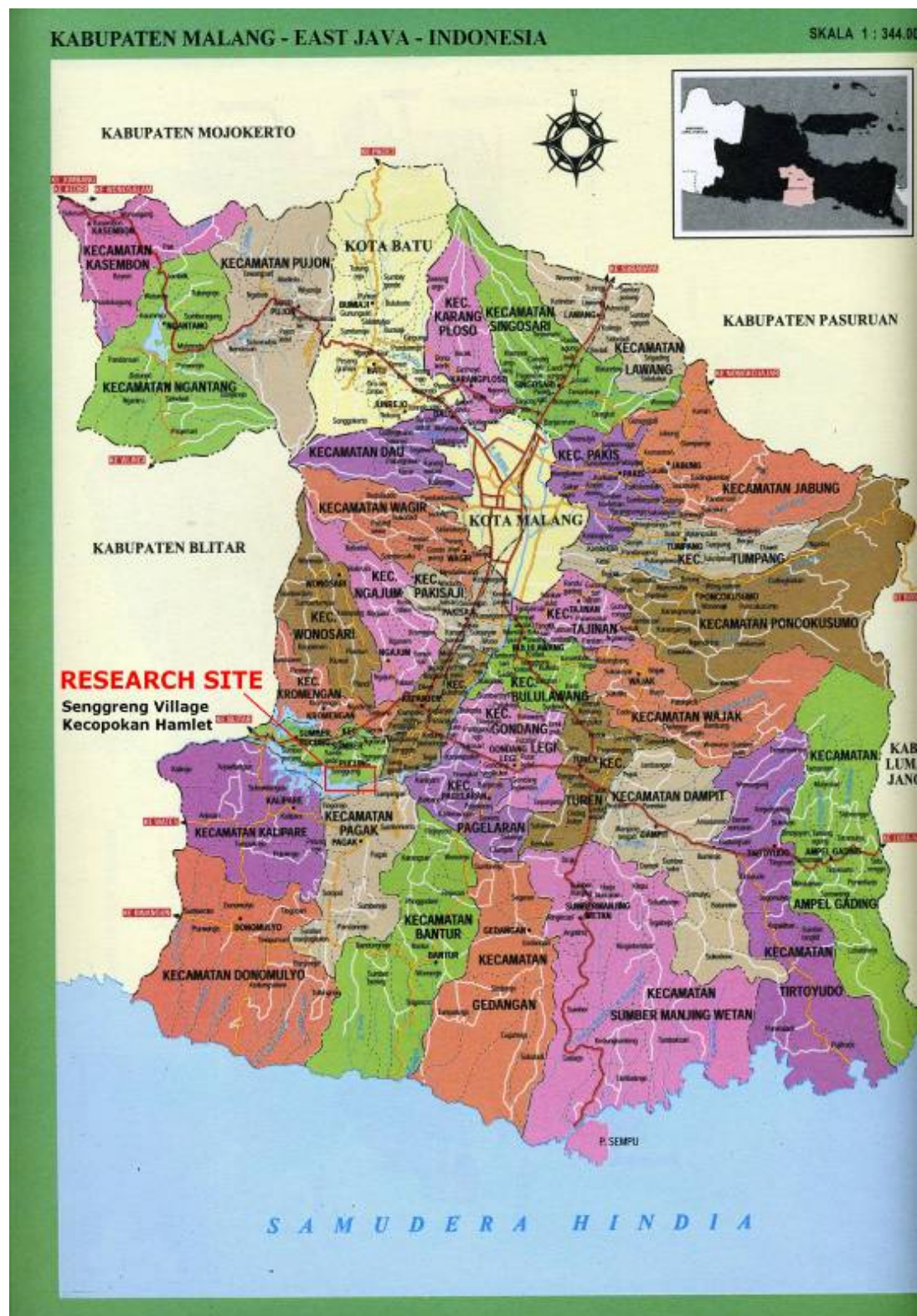
Figure 2.1
Senggreng Village Officials Organizational Structure

Furthermore, in the village organizational structure, the village secretary acts as a conduit of the village head's wishes and orders to other village officials. She is responsible for supervising the work of Mr. Sumarto, administrator of the village safety; Mr. Suryat, administrator of the *Keluarga Berencana* (the family planning program) and villagers' in and out flow; Mr. M. Yasin, administrator of religious matters like marriages and funerals; Mr. Budiono, administrator for the irrigation of paddy fields; Mr. Didiek, administrator for the village office general matters; and Mr. Sumarno, the village financial officer.

b. The physical setting

Senggreng village is located in Malang, East Java province, Indonesia. It is about 30 kilometers south of Malang city. The village covers 584,520 hectares of land, comprising the three hamlets of Kecopokan, Krajan, and Ngrancah. Senggreng is bordered by Ngebruk village to the north, the Brantas River to the south, on the west by Sambigede village, and on the south Trenyang village.¹³ Kecopokan, the place where I did my research, is in the southern part of Senggreng, bordered by the Brantas River. The river is the main water supply for the nearby Java – Bali hydroelectric power plant located at Sutami Dam in Karangates village.

¹³ All factual data about Senggreng village was collected from the village official documents.



Map 2.1 Research Site as seen in Malang city map
Source: Atlas, Jawa Timur (2004)

Geographically, Senggreng is a lowland area 297 meters above sea level with an average temperature of 23 – 32 C°. The climate is generally dry, with heavy rains in December through March, and long dry seasons with several light rains during the remaining months of the year. The annual rainfall averages above 200 mm with very little variation. The Senggreng village area is generally fertile and has decent agricultural potential.



Illustration 2.1 Entrance to Senggreng village



Illustration 2.2 Entrance to Kecopokan hamlet

c. Population

In 2008, Senggreng village had a population of 8,933 people, which was composed of 4,707 males and 4,226 females. The original inhabitants of this village were Javanese, with later immigrants from the island of Madura. People in Senggreng are mainly engaged in agricultural activities. However, since the land in the village is owned by several rich people, most of the farmers are sharecroppers, though fish cultivation on the Brantas River offers hope and expectations of additional employment. Fish cultivated in the river are sold at markets in Malang and Blitar. Some men in the area have motorcycles and can make a living providing taxi service.

In Senggreng, as elsewhere, television has proved to be the mass communication technology most familiar to the population. Currently, there are 1,471 television sets owned by individuals, and the one in the village public hall is available to everyone. On average, there is one television for every six villagers. This figure contrasts with the number of landline telephones in the village: only 129 wired phones are owned by individuals with no public telephone available. This averages one telephone for every 70 villagers. Unfortunately, there is no exact data about the number of mobile phones owned by the village residents. While by the end of 2008 the three largest Indonesian mobile phone service providers have had about 108 million subscribers, it is likely that mobile phones probably also constitute a high level of use in Senggreng. It is undoubtedly time for the village officials to conduct data gathering (similar to the data they have for television and landline telephone) to determine the significance of mobile phone technology in the village. In addition to the country's overall statistical data, one clear

indication of how fast the mobile phone has entered the village is that almost all of the village officials themselves have at least one mobile phone each.

d. Research participant(s)

d.1. Mr. Paujianto and Mrs. Sriatun

Mrs. Sriatun started working as a *Tenaga Kerja Wanita*, the common name for female OMWs, in 1989 in Saudi Arabia. She was inspired to work overseas by her neighbor, Mrs. Poniyah, known as the first Kecopokan citizen who worked abroad in Saudi Arabia. Mrs. Sriatun believed that by taking the same path that Mrs. Poniyah took, she would be able to make her life condition better, something that would have been impossible to achieve if she kept staying in the village.



Illustration 2.3 Mrs. Sriatun in present day

After four years working in Saudi Arabia,¹⁴ Mrs. Sriatun decided to return to Indonesia and work as a farmer. She married Mr. Paujianto in 1998, but realized that her family's need for money kept increasing. So, in 2001 she decided to go to Hong Kong to take up her old occupation as a *pembantu* or domestic worker again. Mrs. Sriatun sent most of her wages back to her family in Senggreng.



Illustration 2.4 Mr. Paujianto's family

Though she was single when she worked in Saudi Arabia, while working in Hong Kong Mrs. Sriatun had a husband and a two-year-old son about whom she wanted news. For the first 12 months she was away, she contacted her family primarily through letters. This process could take up to a month, or she could communicate through friends who went home for visits. Back then, telephones were rare in Mrs. Sriatun's hamlet. Only rich people could afford the installation fee. Mr. Paujianto had to borrow a telephone from his

¹⁴ As a Muslim, one thing that Mrs. Sriatun was really grateful about during her employment period in Saudi Arabia was the chance she had to go on a pilgrimage to Mecca (Personal Interview).

rich neighbors or relatives; the date and the time of the call had to be arranged in advance. In 2002, Mrs. Sriatun decided that she and her husband should each own mobile phones. That way, they could communicate frequently. She bought two mobile phones in Hong Kong. The first, a Samsung SGHX-200, cost her around US\$ 125. The second phone, a Nokia 2100, cost around US\$ 147.72.¹⁵ Mrs. Sriatun then asked a neighbor who was also working in Hong Kong to take the Nokia mobile phone to Mr. Paujianto when the neighbor went back to Indonesia, and once Mr. Paujianto received the device, all he needed to do every month was to buy the credit voucher. With the mobile phone, contact between Mrs. Sriatun and her family became faster and more frequent.

d.2. Mr. Karijono and Mrs. Nawiyah

In Mr. Karijono's family, the OMW was his daughter, Ms. Luluk Dewi Maslukah. She worked in Hong Kong from 2002 to 2004 and then moved to Singapore, where she still is. During her six years abroad, Ms. Luluk worked mainly as a baby sitter. Although Mr. Karijono, as the head of the family, is still actively working at Malang University and receives monthly wages, Ms. Luluk, like other OMWs, never forgets to send back some of her wages to help her family meet their needs. In fact, Ms. Luluk now is partially supporting the school fees of her younger brother, Opik.

¹⁵ Based on Rupiah exchange rates to US Dollar in May 2002, Rp 8,800 = US\$ 1 (The World Bank).



Illustration 2.5 Ms. Luluk in Singapore

When Ms. Luluk was still in Hong Kong, Mr. Karijono maintained communication with his daughter by letter with all of its limitations.¹⁶ But since she started to work in Singapore, Mr. Karijono and Ms. Luluk have communicated principally via mobile phones. Communication before they started using mobile phones was not easy. Although Mr. Karjiono and Mrs. Nawiyah's desire for a mobile phone was high, it only happened when Ms. Luluk sent one home. She sent a Motorola mobile phone¹⁷ to Indonesia so she could call her family and talk with them when she liked. Mr. Karjiono was hesitant to buy a mobile phone which he perceived to be a luxury that he could not afford.

¹⁶ Mr. Karijono found out that the letters from Ms. Luluk took a very long time to arrive and sometimes did not arrive at all. Thus, he asked her to send her letters to his office address at Malang University. As the result, the letters arrived somewhat faster and never again went missing.

¹⁷ Ms. Luluk sent three different mobile phones to be used by her family in Kecopokan. The first, now broken, was a Motorola, for Mr. Karijono and Mrs. Nawiyah. There was also a Nokia 3220 used by Opik and then a Motorola SLVR L7 to replace the broken one.



Illustration 2.6 Mrs. Nawiyah and Mr. Karijono

In communicating, Ms. Luluk and her family used both voice and text messaging services. Since Ms. Luluk preferred actual conversations rather than sending text messages, once Mr. Karijono even decided to buy a CDMA mobile phone because based on what he saw in commercials he believed that it was going to be cheaper for her to call to CDMA mobile phone. Ms. Luluk sent text messages as well as called the family's wireless fixed line mobile phone almost every day. However, for conversations that were longer than an hour, she called once every three days. She called when she took her boss's child to the park or during her off time. Mr. Karijono said that whenever his daughter calls, it seems impossible to end the conversation. This is true because the mobile phone for them is really engaging. It was a partial cure for the family's longing for each other because it has been four years since Ms. Luluk left to work abroad.

d.3. Mr. Subari

Mr. Subari was working as the head of the Kecopokan hamlet as well as fish cultivation businessman. His wife was an OMW who worked in Hong Kong. Mr. Subari

told me that he used to be a migrant worker too, but more like a domestic one. Working for plantation sites for several years, he went from one island to another in Indonesia. In his capacity as the head of the Kecopokan, Mr. Subari helped me a lot in finding statistical data about the Senggreng village as well as Kecopokan.



Illustration 2.7 Mr. Subari

Mr. Subari believed that mobile phone has become important for him for at least in three different reasons. First, it was the device that enables him to stay in touch with his wife in Hong Kong. Second, mobile phone helped him to coordinate with his fellow workers both in the village office and in the fish cultivation business. Third, mobile phone assisted Mr. Subari to be connected to the market as well as to his investors so he could effectively run his fish cultivation business.

Chapter 3: The History of Overseas Migrant Employment in Indonesia

Migrant workers sent Rp 120 t home last year.

The Jakarta Post | Wed, 05/27/2009

Millions of Indonesians working abroad contributed significantly to the country's economy last year with a total remittance value of Rp 120 trillion (US\$11.64 billion), a manpower official said. "Their remittances enabled the Indonesian economy to continue recording positive growth. Indonesian migrant workers overseas contribute considerably to the sustainability of the national economy," said Jumhur Yusuf, head of the National Migrant Workers Placement and Protection Agency (BNP2TKI). The money sent home by the migrant workers, in fact, serves as a lifeline to economies in many regions, he said. At present, about six million Indonesians are making their living as migrant workers overseas, approximately 4.3 million of them with work permits. The six million workers, Jumhur said, supported some 30 million Indonesians who were their next of kin living at home. With such a contribution to the economy, Yusuf said the government was determined to improve public services for people seeking work abroad by, among others, setting up a one-stop immigration service for migrant workers in each province, such as the one that already exists in Mataram, West Nusa Tenggara (NTB). "The one-stop migrant workers service office in Mataram issues all the required official papers to a would-be migrant worker in just one day. The process there is quick, easy and cheap," he said.

From the above news article, we can argue that currently remittances from Indonesians who are working abroad are important for the country. In fact, the amount of remittances sent back by both documented and undocumented overseas migrant workers (OMWs) determines the economic condition of many regions and households. To increase the number of OMWs, the government feels that it is necessary to improve the public services for applicants. As one of the realizations of the improvement, the

administrative procedure for working abroad that had been centralized in Jakarta can now be completed at the provincial level.

This chapter examines the history of OMWs from Indonesia for the past 140 years. It provides details about the overseas migrant workers program – and its elements – before the success, noted above, materialized. I discuss the beginning of the overseas migration in Indonesia, the period when it became noteworthy, the reason behind Indonesians' involvement in it, and the attention that the government gives to the program and to the workers.

I describe the histories of migrant employment from Indonesia to foreign countries in three sections:

- A. The beginnings of overseas migration during the colonial period;
- B. The state sponsorship of overseas migrant employment during the Soeharto era; and
- C. The improvement in the management of overseas migrant employment.

A. Colonial period

Indonesian's history of overseas migration employment cannot be separated from the influence of the country's colonizers. The Dutch, as one of the colonizers, made Indonesians their colonial subjects during their occupation, forcing them to adapt to and adopt Dutch economic planning, including planned migration.

Early in 19th-century the Dutch initiated the *cultuurstelsel*¹⁸ system, and forced Indonesians to obey and making them to suffer from the hard labor and harsh rules that the system entailed. Owen (2005) explained *cultuurstelsel* as a system where by

¹⁸ *Cultuurstelsel* sometimes is translated as "cultivation system."

Indonesian farmers were required to raise a quota of sugar or tobacco in their tiny plots of flat, well-watered rice areas to be collected by the Dutch tax agents. The profits that the Dutch got from the sale of the products were used to finance the industrialization of Holland and the expansion of Dutch power in their colonies including Indonesia.

During the colonial period, using the profits from their *cultuurstelsel*, the Dutch were able to develop Java as many European businessman's investment object with its good transport facilities, great public security, and, of course, an abundant labor supply. Fisher (1964) showed how after 1870, a tremendous expansion of capital plantation agriculture was brought to the country by private Europeans and Chinese who were able to obtain long-term leases of land. However, since the irrigated lowlands of Java were mostly owned and controlled by the Dutch, new plantations were established in the central highlands.

As the numbers of planters in Java grew and available land became increasingly scarce, plantation expansion reached other islands outside Java by the late 19th Century. Among the most famous regions was East Sumatra. The land, located on the major sea route to Europe, was suitable for tobacco, rubber, tea, palm oil, and sisal plantation and became a major new center of colonial activity (Tirtosudarmo, 2000). Because Sumatra lacked labor, the plantation owners had to recruit coolies from Java¹⁹ to work the plantations. The contract coolie system was introduced at this time and later brought coolies as the first major players in domestic and overseas migration employment.

¹⁹ Hugo (1980) stated that the first coolies recruited were Chinese and later followed by Javanese and Sundanese.

The international extension of the *kulikontrak* or contract coolie system was initially performed by a small number of Java-born persons who moved out of Indonesia during the last century of colonial rule. Bahrin, 1967; Volkstelling, 1933 & 1936; and Scheltema, 1926 (all cited in Hugo, 2004, p. 31) recorded their observations. In 1930, for example, there were 89,735 Java-born persons working in Malaysia. In 1936, the number of ethnic Javanese working in Malaysia rose to 170,000 people. As Hugo explains, although many workers returned to Java after they finished their contract, an unknown but significant number settled in the place where they previously worked. In 1933, there were 31,000 emigrants in the Dutch colony of Surinam and 6,000 in New Caledonia. There were also around 3,000 Java-born persons who moved to Siam in 1920, followed by 5,237 to British North Boreno in 1922 and to a lesser extent Sarawak, Cochin China and Queensland, Australia.

There was also a considerable amount of overseas migration throughout the Japanese period that followed the Dutch occupation. Smail (1964) observed that when the Dutch decided to withdraw from Indonesia as the Japanese entered, many plantations were abandoned. This left many unemployed coolies, who were pretty much recruited to work under the Japanese *romusha* or slave labor scheme. The Japanese, which forced Indonesians as well as other Southeast Asians to work for Japan in building infrastructure for the sake of the Japanese army, resulted in the enslaving of many thousands of young men. They were sent to work not only elsewhere in the Indonesian archipelago but also in Japan and other countries. As Hugo (2005) explained, there were, for example, many Indonesian *romusha* who worked on the infamous Burma railway. When the Japanese lost World War II and retreated from Indonesia, they were still causing some outflow of

Indonesians, especially from East Flores. Hugo (1996) explains that as the Japanese left Indonesia for Sabah in Malaysia, they took with them some Indonesian migrants from East Flores that continues to the present-day migration of people from East Flores to Sabah.

B. Post-Independence: the Soeharto era

The significant increase of Indonesian OMWs outflow was noteworthy during the Soeharto era (see Table 3.1). Tjiptoherijanto (2000) explains that the migration itself began to be programmed by the government after 1975, during the *Repelita*²⁰ II period. During the New Order era²¹, Indonesian OMWs were no longer being recruited to work as plantation laborers in East Sumatra or Surinam, but rather as unskilled labor in Malaysia, and as *pembantu*²² in Singapore, Hong Kong and Saudi Arabia (Tirtosudarmo, 2000).

²⁰ Repelita stands for *Rencana Pembangunan Lima Tahun* or Five Years Development Plan. The five Repelita that are part of the Indonesia *Rencana Pembangunan Jangka Panjang pertama* or the first Long-Term Development Plan cover:

- Repelita I (1969 – 1974) aimed to fulfill people's basic needs and to build infrastructures that support agriculture.
- Repelita II (1974 – 1979) aimed to develop islands other than Java, Bali, and Madura, among other things through transmigration.
- Repelita III (1979 – 1984) aimed to develop labor-intensive industry that supports export.
- Repelita IV (1984 – 1989) aimed to create new employment and industry.
- Repelita V (1989 – 1994) aimed to develop transportation, communication, and education sectors. (Bappenas, 2009)

²¹ The era when President Soeharto ruled Indonesia for about 32 years, from 1967 to 1998.

²² Housemaid or domestic worker.

Table 3.1
The outflow of Indonesian workers to neighboring countries
Repelita I-VI
1969 - 1994

Repelita	I	II	III	IV	V	VI
Male		13,235	41,410	98,527	209,962	
Female		3,817	55,000	198,735	442,310	
Total	5,625	17,052	96,410	297,262	652,272	1,461,236*

Source: Daulay & Natsir, 2001.

* Including 411,609 workers in 1999 when Soeharto had already resigned as president.

Throughout the 1980s economic emergence of many Southeast Asian countries, the Indonesian economy grew considerably. According to Tongzon (2002), at that time Indonesia had plentiful natural resources in agriculture and minerals that significantly supported its economic growth. Another factor that supported development was the abundant and cheap supply of human resources, which attracted companies to build their factories in Indonesia. The inflow of foreign capital to Indonesia, however, was not without consequences. Ananta (2000) argued that as Indonesian economic development began with an abundance of unskilled labor, the inflow of skilled labor from other countries created other problems.

Foreign workers came to Indonesia not only to ensure that the flow of international capital was well-invested by working in posts Indonesians could not fulfill; they also started to work in positions usually taken by Indonesians. As Ananta (2000) explained, the liberalization of labor laws made the Indonesian labor market tighter even for skilled Indonesian laborers. The unemployment problem in Indonesia was the most noticeable effect of this change of policy. Tjiptoherijanto (2000) notes that the Indonesian government had two main reasons for introducing an international labor migration

program as one of its development policies. First, it realized that a practical solution had to be found to the increasing complexity of its population policies, including unemployment. Second, the government believed that richer developing countries could absorb Indonesian migrants in fairly large numbers. The sending of Indonesian workers abroad, according to Mantra (1995), became a national development issue meant to improve family incomes, improve government foreign exchange reserves, improve skills, and reduce unemployment.

There were at least three trends related to Indonesian OMWs during the Soeharto era. As can be seen from Table 3.1, since the third *Repelita*, female migrants have always outnumbered the males. Interestingly, the gap between female and male OMWs continuously widens as time goes by. It seems that women significantly dominate the international migration flow. According to Huang, Yeoh, & Rahman (2005), this fact illustrates Indonesian females' escalating eagerness to search for better-paid livelihoods and promising opportunities for them and their families.

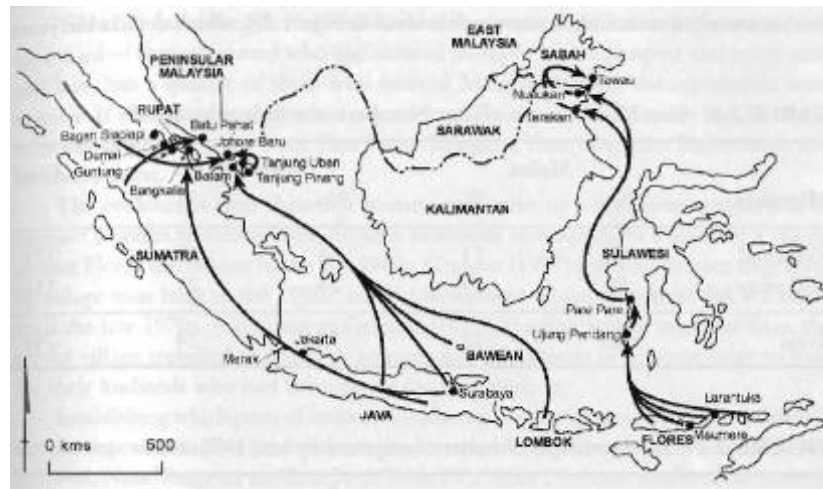
The second trend that I want to point out here is related to the destination countries of Indonesian OMWs. In the early period of the outflow, until 1996, Saudi Arabia was the main destination. However, in 1997, Malaysia became the most preferred country (Table 3.2). As countries in East Asia such as Japan, Korea, Hong Kong, and Taiwan, as well as Southeast Asian countries such as Singapore and Malaysia, experienced rapid economic growth, there was a change of migration direction from the Middle East, especially to Malaysia. The figures in Table 3.2 also show how the number of Indonesian migrants was increasing in all major destinations except for Europe and America.

Table 3.2
Number of Indonesian Workers Overseas
1995-1997

	1995		1996		1997	
Malaysia	29,712	24.90%	38,652	17.60%	317,685	63.20%
Other Asian Countries	38,724	32.40%	56,418	25.60%	57,632	11.50%
Middle East and Africa	47,524	39.80%	122,564	55.70%	126,347	25.10%
Europe and America	3,547	3%	2,528	1.10%	1,313	0.30%
Total	119,507	100%	220,162	100%	502,977	100%

Sources: 1995, 1996, 1997 Annual Reports, Dirjen Binapenta, Ministry of Manpower.

Since the 1990s, economic globalization has had a greater impact on the overseas labor migration flows. As explained by Ananta (2000), one of the effects of the globalization era is that people can more freely work in places where they can earn a better income. As a consequence, the flow of workers, mostly from rural parts of Indonesia, overseas has kept increasing. However, we have to remember that figures such as those in Table 3.2 only refer to official data. The increasing flow of undocumented OMWs has also become one of the trends that took off during the Soeharto era. Although the dispersion of undocumented OMWs reached different countries, the main destination of those workers was Malaysia. Kassim (1997), for instance, shows that illegal Indonesian migrants in Malaysia had reached 700,000 at the time of his study. Most of them, as Hugo (2005) explains, had low status jobs with low incomes. The major routes that have been taken by undocumented Indonesian migrant workers to Malaysia can be seen in map 3.1.



Source: Hugo (2005)

Map 3.1
Major routes of undocumented migration from Indonesia to Malaysia

C. Post-Soeharto era

The end of Soeharto's presidency in 1998 was marked by a year of financial crisis. Although it is hard to measure the impact of the crisis on the flow of Indonesian OMWs, at least we can see that the figure decreased. From Table 3.3 we can see how in 1997 – 1998, the period when the Asian financial crisis started to affect the Indonesian economy, the number of Indonesian OMWs decreased relatively significantly. Interestingly, in the 1998 – 1999 period, the figure bounced back to almost twice as high as the previous year. Once again it is hard to actually know what factor drove the increase. However, as Romdiati, Handayah, & Rahayu argue (1998), the crisis had actually increased the pressure on people, especially women, to work as OMWs. They gave the example of many West Java households responding to the financial crisis by raising funds to send women overseas to work as a *pembantu*.

Table 3.3
Indonesian overseas workers processed by the Ministry of Manpower
1996-2003

Year	Middle East	Malaysia/ Singapore	Other	Total	Sex Ratio Males/ 100 Females
2003 ^a	116,018	51,022	11,832	178,872	35
2002	241,961	168,751	69,681	480,393	32
2001 ^b	121,180	144,785	73,027	338,992	80
2000 ^c	129,165	217,407	88,647	435,219	46
1999	154,636	204,006	68,977	427,619	41
1999-2000 ^d	153,890	187,643	62,990	404,523	44
1998-1999	179,521	173,995	58,153	411,609	28
1997-1998	131,734	71,735	31,806	235,275	20
1996-1997	135,336	328,991	52,942	517,269 ^e	79

Source: Ministry of Manpower (1998), Soeprbo (2003), Soeprbo (2004)

Notes:

a. To September 2003.

b. From 2001, the Ministry of Manpower was decentralized so report from regional offices was partial.

c. In 2000, the Indonesian government transferred to a calendar year system of accounting (they previously used 1 April-31 March).

d. 1 January to 30 September 2003.

e. Year in which more than 300,000 Malaysian labour migrants were regularised (194,343 males and 127,413 females).

From the table we can see two other important facts. First, it seems that Malaysia, along with Singapore, were still the favorite destinations for Indonesian OMWs, although the figure for the Middle East also is significant. Second, the ratio of women dominating the number of OMWs is still high, except for 2001.²³

During the post-Soeharto era, the mechanism, procedure, and rules that facilitate and protect the Indonesian OMWs are being improved. Among those improvements were

²³ Hugo (2005) explains that the migration of Indonesian women to work in foreign countries has long been troubled by some controversial issues. In the 2001, the Indonesian government decided to stop the migration to Saudi Arabia for two months to protest the severe treatment of Indonesian domestic workers.

the set up of the so-called Terminal 3 and the implementation of Government Law Number 39 of 2004.

Terminal 3 is located at the Sukarno-Hatta International Airport in Jakarta,²⁴ established especially to help migrants in their process of leaving and returning to Indonesia. However, despite its function, many people argued that the place was full of extortion to the detriment of OMWs. The people suspected of corruption included a wide range of individuals from government officials, police officers, bank employees, and fake journalists, to bus drivers. The extortion practice itself, as Wawa (2009) suggests, have took the form of immigration officers asking for fraud administration money, airport employees asking for unloading and other service fees, drivers raising the cost of the tickets, and in many other ways.

The Government Law Number 39 issued in 2004 was intended to solve such problems related to OMWs, as the intervention of middlemen, the complicated mechanism and procedure of OMWs' placement and protection, the lack of coordination among authorized offices in issuing documents needed by OMWs, and the lack coordination in the sending-off and returning processes of OMWs. The law resulted in at least two improvements. First, the bureaucracy has been simplified. OMWs do not have to go to 40 different posts to get their documents done; now they only need to visit 11 different posts. It used to be that an OMW was only able to get his or her passport in Jakarta, which added more expense for transportation and accommodation; now there are several immigration offices located in different cities across Indonesia. Second, the

²⁴ Lately, there are several places constructed as an alternative to replace terminal 3 in Jakarta. Ciracas training complex in Jakarta and Selapang terminal in Banten are among the favorite alternatives (Acnk, 2009) and (Rusdi, 2008).

government has decided to create a means and an institution expected to facilitate and protect Indonesian OMWs. For the means, the government has created an Online Information System (OLIS) that can be publicly accessed to make more transparent the planning, placement, protection, and monitoring processes of OMWs. As for the institution, the government has established *Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia* (BNP2TKI) or the National Migrant Workers Placement and Protection Agency (State Secretariat of the Republic of Indonesia, 2009). As an institution positioned directly under presidential supervision, BNP2TKI has the responsibilities of creating opportunities for working overseas, improving the skills and quality and service of OMW placement, improving the protection and the employment of OMWs, improving the capacity of institutions that deal with OMWs' placement and protection, and last but not least, improving the capacity of institutions that deal with OMWs' health and education (BNP2TKI, 2009).

D. Conclusion

These recent developments can be seen as a success story for Indonesian overseas migrant workers. However, several factors were instrumental in making the success story but also what made it possible. First, the earliest Indonesian worker migration to another country was initiated and controlled by the Dutch. They used the migration program to overcome the labor-deficiency problems in their several colonized areas. The Dutch in the past, as well as the Indonesian government in recent times, seem to understand the significance of migration for their development strategy. The governments promoted a migration program to solve the country's unemployment problem. Thus, at different

stages of time the migration program is seen as a solution for development problems. As the Indonesian government realized that the program could be a partial solution to the unemployment problem, they also saw its potential as a means to gain foreign exchange. Beginning about 1975, the government started to formalize such programs. Secondly, the reasons people migrated to other countries were different during colonization than in later periods. During colonization, compulsion by the colonizers was the main reason. Afterwards, people migrated because they wanted to find a better life. But, at any time, the life of an OMW is full of struggle. Finally, OMWs' stressful lives were somehow worsened by the ineffective government administration and bureaucracy with which they had to deal. Several solutions to increase services for the OMWs have been tried, including establishment of the so-called Terminal 3 intended to assist the workers. Unfortunately, officials and others misused Terminal 3 to extort the OMWs. Currently, the public is waiting for the newest solution, the establishment of BNP2TKI, to show whether it will function to help the Indonesia's foreign exchange heroes.

Chapter 4: The History of Telephone Telecommunication in Indonesia

'Ketoprak' seller taps into huge mobile phone user market

Prodita Sabarini, The Jakarta Post, Jakarta | Sat, 05/16/2009

When street food vendor Toib, 41, ground peanuts, cut rice cakes and fried tofu, while sprinkling bean sprouts on a plate, he looked just like any other seller of Jakarta's famous *ketoprak* dish. But, another glance at his cart, which he parked in front of SMU 26 high school in Tebet, South Jakarta, revealed he was not your regular street food vendor. The Central Javanese originating from Brebes displayed a collage of letters at the front of his cart, which read: "KETOPRAK.CELL". Hanging from the cart's ceiling was another sign: "*Jual voucher*" or "Sells vouchers." He is not your regular *ketoprak* seller but rather a *ketoprak*-cum-prepaid cell phone credit vendor..... [Nowadays,] more than half of Indonesia's population uses mobile phones. According to the Indonesian Telecommunications Regulatory Agency (BRTI) there are 150 million mobile phone users in Indonesia. This includes Global Satellite Mobile (GSM) and Code Division Multiple Access (CDMA) devices.

The above news piece illustrates how the mobile phone has become one of the most common commodities in Indonesia. As subscribers to mobile phone services have become so ubiquitous, the demand for handheld phones, credit vouchers and, phone accessories has been increasing. So Mr. Toib's decision to add mobile phone credit vouchers to his *ketoprak* dish merchandise is understandable. He knows that as long as there is a demand, he can supply the commodities and make some profit out of it. Thus, it is not surprising to learn in another part of the news article that the Brebes-born street vendor is reported to be able to earn US\$ 80 to US\$ 100 per month profit from his mobile phone credit business.

As the Jakarta Post news article explains, mobile phone subscribers in Indonesia have already reached 150 million, a figure which is hard to ignore. It contrasts sharply

with the number of landline telephone subscribers. In 2009, the number of landline phones was estimated at some 16.2 million, 2.2 million higher from the previous year's figure.²⁵

This chapter will examine the history of telecommunication development in Indonesia, particularly in the telephony sector. Included in the discussion are factors that shaped Indonesia's telephone sector before the booming success of the mobile phone, as well as how use of the handheld device became so widespread in Indonesia. The confluent histories of telephone telecommunication development in Indonesia will be focused upon three sections:

- A. The establishment of telephone networks during the colonial period;
- B. The monopoly of telephone services during the post-Independence and Soeharto era; and
- C. The deregulation of the telephone industry.

A. Colonial Period

The history of telephone telecommunication in Indonesia started during the period of Dutch colonization. In government decree Number 5 of July 31, 1881, the government issued a 25-years-concession for a private company to install a telephone network in Jakarta, Semarang, and Surabaya. On October 16, 1882, the company finished the installation in Jakarta connecting the Gambir and Tanjungpriok areas, followed by Semarang and Surabaya in 1884. Around 1897, another private company, *Intercommunal*

²⁵ *Mobile phone subscribers could reach 122m by 2010*, The Jakarta Post, <http://www.thejakartapost.com/news/2007/06/08/mobile-phone-subscribers-could-reach-122m-2010.html>, accessed June 1, 2009.

Telefoon Maatschappij obtained a concession that allowed it to establish interlocal networks that connected several major cities. Some of the notable interlocal networks that were successfully installed by the company include Jakarta – Semarang on November 16, 1896; Jakarta – Surabaya in December 7, 1896; Jakarta – Bogor on May 17, 1898; Bogor – Sukabumi on June 12, 1898; and Sukabumi – Bandung in July 15, 1898 (Departemen Perhubungan-Direktorat Jenderal Pos dan Telekomunikasi, 1980).²⁶

The opportunity to install telephone networks as well as to conduct business in the sector was seized by more than one company. By the end of 1905, there were almost 40 companies. The government of the day argued that a number of the companies were not really helping to develop Indonesian's telecommunication sector and were, in fact, seen as the reason behind the unfavorable, unequal development. The government argued that the companies only proposed and worked on networks that would most benefit themselves. Furthermore the materials, installation, and maintenance were below standard. This condition forced the government to decide to not extend the concessions already awarded and to take over the telephony sector as a government business.

When the concession issued under government decree Number 5 of July 31, 1881, expired on September 20, 1906, the government took the possession of the network and assigned a Dutch official to lead the office. This acquisition marked the earliest establishment of *Dinas Pos, Telegrap, dan Telepon* (P.T.T.). Further acquisition continued as other concessions expired. The government took over the telephone network in Bandung, Garut, Sukabumi, Tasikmalaya, Cianjur, Madiun, Pasuruan, dan Probolinggo

²⁶ This and the following three paragraphs is a summary of my reading of the "Sejarah Pos dan Telekomunikasi di Indonesia: Jilid I Masa Pra Republik (The History of Post and Telecommunication in Indonesia: Volume I Pre Republic Era)". This book has no English translation version.

in 1906; in Jombang and Mojokerto in 1907; and in Yogyakarta and Solo in 1908. To expand the service, the government then decided to build other networks in Jambi and Palembang that were officially opened in 1910 on July 1 and October 1, respectively. On August 1, 1921, the government was able to take over the entire system, except for the network owned by *Perusahaan Kereta Api Deli* or Deli Train Company (Departemen Perhubungan-Direktorat Jenderal Pos dan Telekomunikasi, 1980).

The most astonishing achievement of telephone telecommunication development during the Dutch era was when the automatic telephone was introduced to the public in 1934. The technology brought by the automatic telephone simplified making a call. To use the manual telephone, a caller had to turn a telephone lever and ask for a connection. The automatic telephone streamlined that process, so the caller could dial the desired number. Unfortunately, the government could not install this technology in all areas because technical standards from one area to another were incompatible.

When the Dutch surrendered to Japan on March 8, 1942, all civil government institutions in Indonesia were taken over by the Japanese military. During the Japanese occupation, the organizational structure of P.T.T. was divided according to the organizational structure of the Japanese military government. One positive aspect of the Japanese occupation was the employment opportunities for Indonesians in the telephone business. During the Dutch occupation, all important positions were monopolized by the Dutch; during the Japanese occupancy Indonesians had a chance to share in leadership positions.

B. Post-Independence: The Soeharto era

Indonesia gained its independence on August 17, 1945, marked by the proclamation of independence by Soekarno and Hatta. From that moment onward, the Indonesian government was fully responsible for telecommunication sector development. During the Soekarno presidency (1945 – 1967), several notable developments were made. In 1953, 40 new post offices, telegraph offices, and telephone offices were established. The 1953 achievement brought to 77 the number of telecommunication offices established during the 1950 – 1955 “survival period,” a period when all government activities in the telecommunication sector were concentrated on rehabilitating and consolidating the infrastructures. At that time, the government also began to install modern switching technology to improve telephone service. Automatic telephone offices were established in several cities. The “survival period” evolved into the 1956 – 1959 “investment period.” During that time, the Soekarno government intensified development in the telecommunication sector by establishing 249 new offices, tripling the number of buildings in a short time. In 1961, the government decided to modernize P.T.T. into an all-new state-owned company called *Perusahaan Negara Pos dan Telekomunikasi* (P.N. Postel). Further, in 1965 the government separated postal and telecommunication services into two state-owned companies, *Perusahaan Negara Pos* (P.N. Pos) and *Perusahaan Negara Telekomunikasi* (P.N. Telekomunikasi) (Departemen Perhubungan-Direktorat Jenderal Pos dan Telekomunikasi, 1980).²⁷

²⁷ This and the following two paragraphs is a summary of my readings of the “Sejarah Pos dan Telekomunikasi di Indonesia: Jilid III Masa Demokrasi Liberal (The History of Post and Telecommunication in Indonesia: Volume III Liberal Democracy Era)”, “Sejarah Pos dan Telekomunikasi di Indonesia: Jilid IV Masa Demokrasi Terpimpin (The History of Post and Telecommunication in Indonesia: Volume IV Guided

President Soeharto replaced Soekarno as president of Indonesia in 1967. His presidency lasted for 32 years (1967 – 1998) and was full of development projects and operational improvements that enhanced the Indonesian telecommunication sector. In 1973, President Soeharto officially announced installation of the Java – Bali microwave network which accelerated the telecommunication connection between cities in those two islands. At that point, Indonesia was able to start *Sambungan Langsung Jarak Jauh* (SLJJ) or direct long-distance calling. Following the Java – Bali project, the government decided to build the same type of network in Sumatra (1975), and in some eastern parts of the country (1978). The government also put effort into developing international telecommunication. At that time, the best way to develop international telecommunication was with the satellite system, and Indonesia needed at least one good earth station to facilitate connection to the satellite owned by the International Telecommunication Satellite Organization (Intelsat)²⁸. In 1967, the government joined with a United States-based company called the International Telephone and Telegraph Corporation (ITT) to build an earth station. In 1969, Indonesia officially opened the *Stasiun Bumi Jatiluhur* or the Jatiluhur Earth Station. From that time on, the international telephone connection transmitted to the Intelsat satellite through the earth station showed steady progress, as can be seen in Table 4.1 below.

Democracy Era)", and ""Sejarah Pos dan Telekomunikasi di Indonesia: Jilid V Masa Orde Baru (The History of Post and Telecommunication in Indonesia: Volume V New Order Era)". These books have no English translation version.

²⁸ Established on August 20, 1964, Intelsat is a consortium of countries that use a satellite for their telecommunication system.

Table 4.1
International Call Progress
1969 - 1976

Year	Number of Calls	Minutes
1969	53,412	319,585
1970	145,932	1,057,196
1971	143,908	965,162
1972	208,796	1,364,882
1973	257,778	1,919,143
1974	331,133	2,302,055
1975	346,178	3,075,831
1976	545,664	4,294,478

Source: Departemen Perhubungan--Direktorat Jenderal Pos dan Telekomunikasi (1980)

To manage the business, the Indonesian government allowed ITT to establish its company in Indonesia with the name PT. Indosat. The government's achievement of developing successful cooperation in international satellite communication inspired the development of *Sistem Komunikasi Satelit Domestik* (SKSD) or the Domestic Satellite Communication System. In this project, the government started a plan to have its own satellite²⁹. This project can be considered as a strong starting point for Indonesia in its ambition to enter the world of satellite telecommunications³⁰.

The Soeharto government made many adjustments to the operation of the telephone telecommunication sector. In 1974, P.N. Telekomunikasi was divided into two

²⁹ Indonesian's first satellite, Palapa A1, was finally launched in 1976 (Ibrahim, 1989).

³⁰ For further explanation about Indonesia's satellite development, see, for example, Sukarno Abdulrachman, *The Role of Satellites in Indonesia's National Development* (Online Journal of Space Communication, Issue No.8: Fall 2005). As Mr. Abdulrachman himself explains, the Online Journal presents the process and events leading to the historical launch of Indonesia's own domestic satellite communications system in 1976. It also presents descriptions, stories and images of subsequent uses of satellites in national development, with relevant analysis of probable future trends and directions in the field.

state-owned companies, *Perusahaan Umum Telekomunikasi* (Perumtel) and *PT. Industri Telekomunikasi Indonesia* (PT. INTI). Perumtel, working with PT. Indosat, provided domestic and international telecommunication services. PT. INTI, on the other hand, manufactured telecommunication equipment. In 1980, the government decided on an outright purchase of PT. Indosat from ITT. Thus, Perumtel was focused on providing domestic services and PT. Indosat was granted a monopoly to provide international services. In 1991, as illustrated in the Direktorat Jenderal Pos dan Telekomunikasi website (2009), the Indonesian government decided to further adjustments to Perumtel, transforming it into a state-owned limited liability corporation with commercial corporate services called *PT. Telekomunikasi Indonesia* (PT. Telkom).

To support and to protect their corporation, in 1989 the government enacted Telecommunication Law Number 3/1989 to regulate Indonesia's telecommunication industry. The law classified the types of services organized by PT. Telkom and PT. Indosat, called "Basic Services," and the types of services that could be provided by private companies, called "Non-basic Services" (see Table 4.2). If a private company wanted to run a business that included "Basic Services," then it had to have the direct or indirect cooperation of either PT. Telkom or PT. Indosat.

Table 4.2
Telecommunication Service Categories

Basic Services	Non-basic Services
Local and domestic long distance	Electronic mail
Telephone	Store and forward facsimile
Mobile cellular	Abbreviated dialing
Fixed wireless	Multi-call address
Leasing lines	Electronic data interchange
Packet switched data	Paging
Telex and telegraph	Video conferencing
VSAT	Internet
Telecast	Voice mail

Source: PT. Telkom (as cited in Melle, 2001, p. 86).

The Soeharto era was also marked by several other significant telecommunication developments that took place in 1995. First, *PT. Telekomunikasi Selular* (PT. Telkomsel) was established to provide mobile phone services in the potentially huge Indonesian market. The prospective market of mobile phones in Indonesia had influenced *PT. Satelit Palapa Indonesia* (PT.Satelindo) to expand business into the mobile phone sector,³¹ and had initiated the establishment of PT. Excelcomindo. Second, the government decided to transform PT. Telkom into a semi-privatized company known as PT. TelkomTbk. As of that day, although the government still owned the majority of shares, some of the company's shares were listed and commercialized in several stock exchanges. However, in contrast to its decision to privatize the company, the government still granted a monopoly to PT. TelkomTbk to build landline telephone infrastructures as well as manage and operate local and long-distance telephone services in the nation.

³¹ PT. Satelindo in its early establishment was primarily focused on being a satellite provider in the country.

C. Post-Soeharto era

The period after President Soeharto resigned was filled with many policies that changed the face of Indonesian's telecommunication. The change was needed as the development of Indonesian telecommunications had slumped during the 1997 – 1998 financial crisis and political instability. Several government projects were abandoned as the crisis disrupted the agreements the government had with various partners. Besides the economic and political crisis, another significant factor that slowed the development of Indonesia's telecommunication sector was the impact of the Telecommunication Law Number 3/1989.

The Telecommunication Law Number 3/1989 restricted private companies wanting to do business in Indonesia's telecommunication sector primarily to the "Non-basic Services." One direct impact of the regulation was on the monopoly rights held by government-organized corporations, in this case PT. TelkomTbk and PT. Indosat. Thus, the private companies knew that they would not be able to compete with PT. TelkomTbk and PT. Indosat. The profits from the business would most likely go into the hands of the two government corporations. If there were other companies that decided to do business, it was only companies like PT. Telkomsel that the majority of the shares were actually hold by PT. TelkomTbk and PT. Indosat, or in other words still owned by the government. Under those conditions, few foreign or domestic investors were interested in putting up their money. Setiawan (as cited in Melle, 2001, p. 73) explained that the unhealthy business conditions resulted in poor investment in Indonesia's telecommunication sector by private investors, most noticeably after 1997. Thus, the government had only limited funds with which to build the country's telecommunication

infrastructure. When the demand for telephone service grew rapidly, the government's lack of funding hampered its ability to respond. The slow development of Indonesia's landline telephone in 1995 to 1999 can be seen in Table 4.3, where annually PT. Telkom was only able to build for fewer than one million telephone connections each year.

Table 4.3
PT. Telkom's Line Production
1995 - 1999

Lines in Service	
Year	(Million)
1995	3.29
1996	4.186
1997	4.982
1998	5.571
1999	6.08

Source: PT. Telkom

Since 1999, slow telecommunication development has influenced the government to open the opportunity for domestic and foreign private investors to participate in the sector through deregulation. On September 8, 1999, the government enacted Telecommunication Law Number 36/1999, followed by President Decree Number 52/2000 and State Decree Number 53/2000. Telecommunication Law Number 36/1999 and President Decree Number 52/2000 specify the types of businesses allowed to engage in the Indonesian telecommunication sector. The State Decree Number 53/2000 governs the use of radio frequencies and satellite orbits (Kompas, 2000). Those three policies, as Hendrowijono (2000) explains, have opened up the Indonesian telecommunication market, eliminated the monopoly of state-owned enterprises, and ensured a competitive market environment. In a more concrete example, Melle (2001, p. 92) points out that the

policies had eliminated all cross-ownerships between PT. TelkomTbk and PT. Indosat. In a press release issued on February 15, 2001, PT. Telkom explained that the Memorandum of Understanding (MOU) between the two corporations contained the following agreements:

1. Telkom would acquire Indosat's 35% interest in Telkomsel for \$945 million.
2. Indosat would acquire:
 - a. Telkom's 22.5% interest in Satelindo for US\$186 million.
 - b. Telkom's 37.66% interest in Lisantara for US\$38 million.
 - c. The Joint Operating Scheme Region IV (Central Java and DI Yogyakarta) asset for US\$375 million.

The reformation in the Indonesia's telecommunication sector had stimulated telecommunication corporations to improve the quality of their services by enhancing service networks, reducing costs, lowering prices, and introducing new services and facilities. One interesting fact after the restructuring was that almost all telecommunication corporations have now greatly expanded (even concentrated) their business in the mobile phone sector. If we track back to learn why it happened, we find that those corporations most likely learned from the difficulties that the PT. TelkomTbk had to face with their landline telephone sector. Corporations such as PT. Indosat, PT.Excelcomindo, and PT. Telkomsel realized that the mobile phone was a better telecommunication solution for Indonesia and decided to provide Global System for Mobile (GSM) communications services to support the handheld device market. Indonesians' response was immediate and very favorable. In 2007, Indosat mobile phone had 24.5 million subscribers, served by 10,760 Base Transceiver Stations (BTS) all over

the nation (Indosat, 2009). In 2008, Excelcomindo mobile phone had 22.9 million subscribers, served by 15,300 Base Transceiver Stations (BTS) all over the nation (Excelcomindo, 2009). Remarkably, in 2008 Telkomsel had 60.5 million customers, which, based on industry statistics, represented an estimated market share of approximately 46%. This company's success can be easily seen from its gross revenue growth that grew from Rp. 3.59 trillion in 2000 to Rp. 44.38 trillion in 2007 (Telkomsel, 2009). As a consequence, based on the 2008 ICT statistic announced by ITU, the mobile phone subscribers per 100 inhabitants in Indonesia reached 59.99, five times bigger than the number of fixed telephone lines per 100 inhabitants that only reached 12.96 per 100 inhabitants (ITU, 2009b).

D. Conclusion

Telephone telecommunication in Indonesia nowadays is dominated by mobile phones. The escalating number of mobile phone subscribers that has already reached 150 million outnumbered the landline telephone subscribers that, although developed way earlier, only reached 16.2 million. Concerning landline telephony, the Dutch during their colonization period began the Indonesian telephone telecommunication sector. They were the ones who set up the network and the governmental institutions to manage the sector. As time passed by, the network that at the beginning was limited developed broadly using satellite technology. Likewise, the institution that at the beginning only started with P.T.T. developed continuously until it evolved into several different institutions, namely PT. INTI, PT. TelkomTbk, and PT. Indosat.

Unfortunately, the government's decision to monopolize the sector and the 1997 – 1998 Asian financial crises that struck Indonesia has hindered the full development of the Indonesian telephone telecommunication sector that was mainly dependent on government finances. Most Indonesians were not able to benefit from landline telephones due to expensive installation costs and undeveloped infrastructure. Given those conditions, mobile phones became the best alternative for Indonesians. The wireless technology cut installation cost and offered a choice of options, providing people telecommunication access at cheaper prices with multiple devices, networks, and infrastructures.

Chapter 5: Livelihood Transition Initiative in Kecopokan Hamlet

Under the New Order government (1967 – 1998), many successful development programs were executed throughout Indonesia. The highway in Jakarta that I used when I went to my office, the Sutami Dam in Malang that provides some of the electricity for Java and Bali islands, the export-processing zone on Batam Island that supports Indonesia's trading activities, and even the Soekarno-Hatta airport in Jakarta are all concrete evidence of that success. However, no matter how long the list of achievements, I cannot ignore the fact that poverty has been and still is part of life for most Indonesians. To date, development advances that were as highly praised during the late 1980s and early 1990s are hard to detect in many rural areas. As it can be seen in Table 5.1, the number of poor people, between the rural and the urban areas are just too significant.

Table 5.1
Number of Poor People in Indonesia Divide by Urban and Rural Areas

Year	Rural	Urban	Total	Percentage of Total Population
	in Million			
1976	35.5	18.7	54.2	40.1
1990	17.8	9.4	27.2	20.1
1996	15.3	7.2	22.5	11.3
1998	31.9	17.6	49.5	24.2
2000	26.4	12.3	38.7	18.9
2002	25.1	13.3	38.4	18.2
2003	24.4	12.9	37.3	17.4

Source: Central Bureau of Statistics Indonesia (2004)

As cited in Buna, 2006, p. 40

The development of infrastructure in rural areas, for instance, is way behind that of urban areas. Smooth roads, reliable electricity service, and easy access to landline telephones are still rare items outside of cities. I am not saying that no development programs have focused on rural areas; in fact, many have. Take the programs that were promoted during the “Green Revolution” era, for example. At that time, the Indonesian government was taking part in an international trend by encouraging Indonesian farmers in the rural areas to increase production on their farms with financial support, fertilizers, and genetically modified organism seeds (GMO). However, at present, promised results never materialized as the people are still poor and infrastructure is limited. This chapter will discuss why development programs initiated by the government do not really benefit rural people, and how those people respond to the unfavorable conditions. I will use Kecopokan hamlet and its people for my case study.

A. Kecopokan People and the Land

One afternoon I was standing outside the Senggreng village office with several people. From their gestures, it seemed they were trying to listen to a conversation inside the office. Some of them brought small notebooks or even just pieces of paper so they could write every detail of the conversation. I doubted that these people were just some Senggreng citizens who came to the village office to renew their identification cards or some other administrative matter. The situation was intense as people were talking with high-pitched voice. I peeked inside the office to satisfy my curiosity and saw the head of the village accompanied by another man in uniform. Both were listening to other people inside the office who seemed to be arguing about a particular matter.

I had not yet managed to understand what was actually happening when someone tapped my shoulder. The man smiled and asked if there was something that he could do for me. I explained that I had an appointment with the village secretary for a follow-up interview and was wondering where she was. While inviting me to his office, the man, who introduced himself as one of the administrative staff, explained that the village secretary was out of town on an official journey. Desperate that I might not gain any data for my research, I asked what the citizens were doing at the office, in case the information might prove useful. The administrator explained that the entire ruckus was related to an allocation dispute of *tanah baon*.

a. *Tanah baon*

The term *tanah baon* is used by the Javanese to describe land the ownership of which is under dispute. On this occasion, the dispute was between the people who lived on the land and the government (the military) which claimed it as their own for a training ground or to support some future infrastructure. In Senggreng, the *tanah baon* comprises 97.5 hectares of land all located in Kecopokan hamlet. It is not hard to find this area; almost anybody in the village will give you correct directions. In fact, it is located close to the access road to the Kecopokan hamlet. An empty house has become the “front gate” of the *tanah baon* area. The sign in front identifies the house as a former barracks for the Indonesian Air Force. Behind it is the *tanah baon*. According to a staff member in the Senggreng village office, people in Senggreng claim that the *tanah baon* belongs to them since it was inherited from their ancestors. The Indonesian Air Force, on the other hand, argues that the *tanah baon* belongs to them as an alternative practice airstrip. The dispute is representative of what Todaro and Smith (2009) cite as changes in the traditional Asian

agrarian structure in the respect to property rights. Since the Indonesian government has adopted European law in land or property ownership claims, people without any documentation of land ownership can easily lose their community-held land to government expropriation.

From several local newspaper websites I learned that the *tanah baon* dispute in Senggreng began when the people of Senggreng demanded that the idle land be considered a village asset or be distributed to the people so they could take advantage of it. The people's demand was not merely a vocal protest. In November 2000, the people of Senggreng sent documents regarding the local *tanah baon* to the Minister of State Internal Affairs, the House of Representatives, the State Forestry Agency, and even to the Headquarters of the Indonesian Air Force. However, there was no significant response to their initiative. The Malang-based Indonesian Air Force obviously had a different argument about the land and claimed the area was being kept idle because they needed it for an alternative practice field. The Air Force argued further that in 1950 the *tanah baon* in dispute became their possession through a deal with the State Forestry Agency to rent and use it.



Illustration 5.1 One corner of the *tanah baon* in Kecopokan

In Indonesia, much land is under the same constraints as the *tanah baon* in Senggreng³². The disputes have had varied results, with several of them developing into direct conflict between local people and the military. There have been cases involving minor physical struggle, even some casualties. Obviously, as the military is equipped with weapons, most of the victims in the confrontations are civilians. What was happening in Senggreng was a somewhat different case. Though ownership of the land was still in dispute and was still being discussed by the politicians and the state officials, the Malang-based Indonesian Air Force and the Senggreng people had recently reached a temporary agreement for a partnership. The military allowed the people to work the disputed land as long as they agreed on a 75:25 split of the harvest, with the military (obviously) getting the bigger portion. The rest of the shares are allocated for the village

³² See for example, Bachriadi and Lucas (2000), *Merampas tanah rakyat: Kasus Tapos dan Cimacan*, for cases in Java. For cases in Sumatra see Collins (2001), Multinational capital, new order “development” and democratisation in South Sumatra; Munarman (2001), *Refleksi kasus pertanahan di Sumatera Selatan*; Nuh and Collins (2001), Land conflict and grassroots democracy in South Sumatra: The dynamics of violence in South Sumatra.

treasury. Although the share is uneven, people agreed to it because they have no other options. At the practical level, the village officials rent the land to local farmers for a price ranging from US\$15 to US\$25 per quarter hectare (Senggreng village official data, 2008).

b. Kecopokan people and land ownership

When I talked about the *tanah baon* matter to Mr. Paujianto from Kecopokan hamlet, he stated that the matter had, indeed, become problematic. It was like having potential resources right in front of your eyes, yet you cannot do anything with them; and if local people force the issue they may end up with trouble. Mr. Paujianto recalled the time several people put a boundary pole on the *tanah baon*, claiming it as their property, and then rented it to rich people. That action angered the military, which came in uniform and armed to pull out the boundary pole. He still remembers such strong intimidation.

Mr. Paujianto said the current profit-share agreement concerning to local *tanah baon* is good progress, but means almost nothing for people like him. He said that after the agreement, a new conflict arose among the villagers about allocation of the land. Though the rent price was fairly reasonable, the overall land could not be divided equally among all Senggreng people. To make matters more difficult, for anyone without a long close relationship with the village officials, it was almost impossible to get any share of the land. Under such circumstances, Bebbington (2000) explains that during the early implementation of development programs, land distribution in many developing countries has been politically dominated by either a small class of powerful landowners who strongly supported the government policy or simply by the government officials

themselves. In Senggreng, as a consequence, Mr. Paujianto and other local people who are not cronies of the officials cannot expect any share of the *tanah baon*.

I believe this explains the ruckus I saw during my visit to the village office. Those protesting to the head of the village were probably among the people who did not receive an equal share of the land if, indeed, they received any at all. However, there is something interesting in relation to Mr. Paujianto's response to my story about seeing the protest. He told me that most of the protesters probably were not from Kecopokan hamlet. I found this strange, especially considering the fact that the overall *tanah baon* is located in the Kecopokan area, so I assumed that the majority of the protesters were from Kecopokan. When I asked if most of the Kecopokan people were not protesting was because they already owned enough land, Mr. Paujianto laughed at me. He then explained that the people in Kecopokan, although most of them are farmers, usually do not have their own land. They do not have enough money to buy a piece of land nor the power to reclaim back their confiscated land, making them as paid migrant farmers. In other words, the Kecopokan people are mostly just hired hands for working for one landlord after another based on the available jobs. Thus, as absentee landlords had become the custom, Kecopokan people chose not put themselves into the conflict over *tanah baon* even when it is located in their area. They seem to have become aware that having a conflict with the government would not help them increase their own prosperity. Does this mean that the Kecopokan people are resigning themselves to poverty? Will they be able to keep up with development? As I observed, the Kecopokan people are absolutely not giving up to poverty. Many, though not all, are trying to keep up with changes to improve their quality of life. As the social setting of the hamlet has changed

over time, new livelihood practices have been adopted through actions that continue to be distinctive.

B. The Livelihood Transition

As I got down from the public minibus that brought me from the Landungsari bus station in Malang city to Ngebruk village, several *ojeg* drivers offered their services. The ride from Ngebruk to Kecopokan cost US\$ 0.50. Every time I went to Kecopokan I always chose a different driver, and I always passed the same two questions for each: Where did they come from? What did they think about Kecopokan hamlet and the access to it? During my visits, I never rode with a Kecopokan *ojeg* driver. Thus, all the answers to my second question represent the perceptions of Kecopokan outsiders (although it is only a small part of it). Most of them complained about the access to Kecopokan, saying that the poorly maintained road could actually damage their motorcycles and was bad for business. When the rainy season comes, driving to Kecopokan becomes even harder since puddles are everywhere. On one of my visits, a driver told me that since Kecopokan is at the very end of the village, road development will likely not arrive any time soon. While the distance from Ngebruk to Kecopokan is around three kilometers, the government fixes only a couple hundred meters of road each year. Regarding this slow development, the drivers argue that it is all probably because the government does not really want to develop Kecopokan. The hamlet is located just too far from the main road and is not strategic for any money-making activities.



Illustration 5.2 Road access to Kecopokan

An *ojeg* driver's explanation may only represent his personal opinion; however, if we take Bebbington's explanation about viability into account, we may find the *ojeg* driver's opinion reasonable. Bebbington (2000) argues that government in Andes region, driven by the rise of neoliberal agendas, believes that rural development programs should focus only on farmers considered viable by the government, so they can be productive and competitive. Those who are not viable enough on their own work for others, in their livelihood transition process. Thus, if the government of Indonesia thinks like the *ojeg* drivers, we know why the development of infrastructure in Kecopokan is slow. However, it is not suitable to single out Kecopokan's distance and its bad access road as the reason the government considers Kecopokan unviable. The employment of Kecopokan people as overseas migrant workers is a potential cause.³³

³³ Bebbington (2000) argued that outmigration from rural areas is often taken as an indicator that local livelihoods are not viable.

When conditions are not good, people are forced to take greater initiative. When being marginalized, people often show what they are really made of. Kecopokan people understand this very well. They have been experiencing inequality in development (including in the agricultural sector), and they know they must develop themselves if government fails to help them. Because most of the Kecopokan people are farmers with no land of their own who know that government assistance is not something that can be waited for. Some Kecopokan people have decided to improve their livelihoods beyond agriculture. In this case, some Kecopokan women have made use of the overseas migrant worker program endorsed by the government, while the men have taken advantage of the clearing of the nearby riverbank resulting from the government dam project by establishing a group-based fish cultivation business. But why did Kecopokan people choose those two fields? Bebbington (2000) in his research of the livelihood transition taken by the people in Andes, explains that we can identify the feasible development alternatives for certain societies by looking at their histories of place and tracing their actual process of livelihood and landscape transformation. Thus, in terms of OMWs, the people of Kecopokan have long been working as paid migrant farmers, and it may be that working as overseas migrants was merely an extension of what they were already familiar. Furthermore, as most of them do not possess land, their considering the river as a free resource that could be effectively used was reasonable.

a. The overseas migrant workers program

Throughout the 1980s, the macroeconomic condition of Indonesia was growing at a reasonable pace. At that time, Indonesia was opening its economy so foreign investment could flow to the country. Many industries were established, attracting people

to work in the factories with the enticement of regular income. Unfortunately, it seems that not all Indonesian workers were ready for industrialization. It was hard for many people to enter the tough competition because they were short of skills and the population of working age Indonesian oversized the employment opportunities. When they started losing optimism about agricultural land and the traditional economic system, these people were not able to find a place in the new industries. It turns out that industrialization could not absorb the entire labor potential. As a result, many people became overseas migrant workers and left the country to make a better living.

Senggreng inhabitants number around 9,000, with 5,000 of them of working age. Around 300 are overseas migrant workers, and almost all of them are inhabitants of Kecopokan hamlet. Mr. Paujianto, whose wife Mrs. Sriatun, used to work abroad, has his own explanation of why Kecopokan resident contributed disproportionately to the number of workers. Although the majority of the Kecopokan people are farmers, most of them do not own land, he said. Their inability to possess land keeping them out from the paradigm of rural people connected to the land. They embraced their role as paid migrant farm workers. They left their hamlets and tried to find jobs in one village or another. Mr. Paujianto admitted that that was a rough life, yet it also shows that land is not everything for the people of Kecopokan, something he seems to be proud of. In other villages, Mr. Paujianto argued, people are half-hearted and do not live their lives to the fullest. They keep depending on their land and are afraid to develop themselves. No matter how bad their harvest is, they still depend on it. They are afraid to try anything new, which is why fewer of them dared to be migrant workers.

Bebbington (2000) explains that migrants are agents, while migration itself is a strategy as well as a necessity for the people to maintain their foothold in the region. The contribution by Kecopokan overseas migrant workers to their families has proven to be essential. Mr. Paujianto admitted that the remittance that his wife sent back to Indonesia meant a lot to him and the rest of the family. Their children could go to school, daily needs were met, and they could build a house, one thing that was really important to him. In rural life, most people show their wealth through land ownership. Kecopokan people are somewhat different. They show their wealth by the houses they build. The real proof of this can be seen in the nice houses with colorful tiled walls scattered around the hamlet. As Mr. Paujianto said: “My family might not have land like other people in Ngebruk village or other hamlets in Senggreng, yet, we have a good house in which to live.”



Illustration 5.3 Mrs. Sرياتun in front of her house



Illustration 5.4 Another OMW's house in Kecopokan

b. Fish cultivation

As some of the women have opened a path to a better economy by becoming overseas migrant workers, the men are also doing their best to increase their income. Although the majority of the Kecopokan people lack land as an economic resource, they are blessed with another resource that can be exploited: the river. While the road to Kecopokan is still full of potholes and scattered rocks showing that this access road is a low priority in the eyes of the government, the Brantas River located at the very end of the hamlet looks different. The area clearly shows that the government had laid hands on it. Along the area that supplies water for the Sutami Dam, the government cleared the riverside by cutting the trees around an area some 100 – 200 meters wide, giving easier access to the riverside.

In the large section clear of trees, some Kecopokan people have begun a ferry service. They built a ferryboat that can carry passengers, often with their motorcycles, across the river. The easy access also encouraged some people to go to the area to fish.

However, it was not those two businesses that led the Kecopokan people to productively utilize the river. The business that has given a significant income to Kecopokan people is freshwater fish cultivation.

The fish cultivation business is quite new for the people of Kecopokan. Although the people themselves are not sure when the business actually started, they estimate that it was probably around early 2007. More than 45 groups of six to eight farmers each have joined this business. A single group needs a start-up capital of US\$ 4,000 to US\$ 10,000 (depending on the quality of items bought and the size of the pond) to buy fish seed, food, seines, bamboo, and diesel engines. To raise capital, some people have reluctantly sold their cattle. Others got their capital by contacting their wives, daughters, and relatives who were working overseas to send money, promising a share of profits from the venture.

Typically, a fish cultivation group will set out approximately 60 x 70 meters of seine partitions for each of their pond shares. Farmers then decide what kind of freshwater fish they want to cultivate within this partition. They can choose tilapia or milkfish as their livestock. The cultivation process takes six to seven months to harvest. The harvested fish can then be sold for one U.S. dollar per kilogram. One of the Kecopokan farmers, Mr. Agus, told me that in 2007 he and his friends were able to produce around six tons of fish that gave them quite high profits.



Illustration 5.5 Fish cultivation site



Illustration 5.6 People fishing near the fish ponds

C. Conclusion

As in many other rural areas, development indeed exists in Kecopokan. However, as Vandana Shiva (1989) argues, the ambitious government ideas and plans for development may result in the creation of poverty and dispossession. The people of Kecopokan have had to accept the fact that their inherited land has been confiscated by

the government. As the government does not consider the area to be viable, due to its location and the fact that many of its people migrate, it apparently does not endorse continuous development of the area. Yet, the people of Kecopokan have proven that at least some of them can overcome those challenges by having a different take on the concept of land ownership. Instead of moaning about their long-lost land, they accept that they have lost it and maintain their livelihood through other means. In fact, the people of Kecopokan seem confident enough to create new forms of livelihood through other development programs that the government offers, as it shown in the decision taken by several people to become overseas migrant workers. Kecopokan people are not acting as submissive dependants; rather they are acting intelligently to maintain their livelihood in the area.

Chapter 6: Discussion and Conclusion

On a different scale, remittances sent back by Indonesian OMWs have been contributing to the country, to provinces, and to households. Among those three, remittances have a significant effect on households. Few OMW families use the remittances to increase household productivity, but, their expenditure patterns are still reasonable in the sense that they know they have to prioritize their primary needs. First of all, they buy their subsistence supplies; if there is any money left, they use it for luxury goods that apparently open the way to modernization. Nowadays, among other modern luxury goods in the market, one purchase that is likely to be present in most OMW families is the mobile phone. As the OMW families are exposed to the technology, the mobile phone impacts those who decided to obtain and use it. The mobile phone currently has a broader function than just as a device for voice calls. It has become a part of people's culture that helps them to find new ways of living.

To improve their meager family incomes, people from Kecopokan, especially the women, have worked overseas since the middle of the 1980s. They were mainly sent to Saudi Arabia to work as housemaids or domestic workers. During the 1990s, the number of migrant workers gradually increased. Labor brokers arranged work for them in various destinations such as Malaysia, Hong Kong, Singapore, South Korea and Taiwan. The remittances that were sent home were used to cover subsistence needs such as food, shelter, and school fees.

Although there have been various development programs in the hamlet of Kecopokan, including electrification projects, neither telephone landlines nor decent road

access exists in the area. As an example, between 2005 and 2006, whenever Mr. Karijono asked PT. Telkom Malang about the availability of new landline telephone service, the company always told him that their stocks were empty. Further, as Mr. Karijono explained, there used to be several landline telephone poles in the village, including in Kecopokan. After PT. Telkom apparently abandoned those poles, several teenagers dismantled and sold them.

Initiated mostly by the overseas migrant workers, mobile phones have become a revolutionary new means for families to communicate with their overseas breadwinners.³⁴ As expected, the presence of mobile phones and their complementary equipment in Kecopokan were increasingly common in the community. Based on the information that I got from my participants, it was primarily the OMWs who bought the devices in the countries where they were working. They were the ones who knew what type of mobile phone they should buy whereas their families had no idea, and there were few people in the hamlet who could give advice about it. The OMWs, on the other hand, were able to discuss the matter with their fellow workers and their bosses. With the assistance of neighbors or friends who were returning home, the OMWs sent the purchased mobile phones to their families. Remittances received by the OMW families were then used to regularly purchase the credit vouchers in order to maintain the services. Mostly, the families would allocate US\$ 5 or US\$ 10 to buying the vouchers. US\$ 5 worth of credit would give about a month's worth of service. Most of the OMW families saw purchasing the credit as a burden yet an important thing to do. It was a burden since

³⁴ As Mrs. Sriatun remembers, her brother Mr. Edi, himself an OMW, was the first person in Kecopokan to buy a mobile phone. Unfortunately, during my research I did not have the chance to interview him.

they had to regularly spend a sizeable amount of money which could otherwise be used to fulfill the family's substantial needs, but it was also impossible for the family to ignore continuation of the mobile phone service since they were growing dependent on it.



Illustration 6.1 A guardhouse painted with cellular service provider advertisement



Illustration 6.2 A motorcycle repairing shop with cellular service provider advertisement

Donner (2005) states that the mobile phone has the potential to give economic and social benefits. Indeed, my research found that as the people in Kecopokan became familiar with using mobile phones, they became attached to them. The interaction between people and mobile phones has some social-cultural and economic implications as can be seen in the findings below:

A. Social-cultural implications

a. Families are able to maintain relationships with their relatives abroad (and within Indonesia) with the use of mobile phones.

Kecopokan hamlet is among the many rural areas in Indonesia that have not been equipped with landline telephone infrastructures. Thus, the families of OMWs in the hamlet had no choice but rely on the time-consuming process of mailing letters and the rare access to landline telephones if they wanted news of their family members abroad. Mr. Paujianto and Mr. Karijono, for example, each had to deal with the fact that it was hard to get telecommunication access and, consequently, had difficulty maintaining relationships with their wife and daughter respectively.

Mr. Paujianto said that, in the past, sometimes he felt that “he had no wife.” When a problem occurred in the family and it was hard for him to communicate with Mrs. Sriatun, he felt he had nobody with whom to share the problem, to talk to, or to help him to find a solution. Further, although Mr. Paujianto knew very well that his wife was working hard earning money for the family, sometimes he still felt that it was only he who had to take care of the family. When he or their son needed extra money, Mr. Paujianto sometimes still ended up borrowing money from neighbors or relatives because

he could not request it from Mrs. Sriatun because it was so hard to contact her. Without good communication, Mr. Paujianto's relationship with Mrs. Sriatun became troubled.

Mr. Karijono, likewise, was bothered when his daughter, Ms. Luluk, went abroad for the first time and he rarely received any news from her. Since Mr. Karijono and his wife considered their daughter an extrovert who always shared her stories with them, the lack of telecommunication services caused a misunderstanding. Mr. Karijono thought that his daughter had become distant. He thought that his daughter had changed and was not opening herself anymore to her parents, an accusation that proved to be wrong. Ms. Luluk apparently just could not maintain communication because the ways were limited. Mailed letters sometimes went missing during the delivery process, and as a new worker, she spent most of her time learning about her job.

In regard to the above two relationship problems, the mobile phone became a partial solution. I found that there are two reasons why the OMWs and their families think that mobile phones help them to maintain their relationships. First, the mobile phone gives them access when their families need them. With a mobile phone, Mrs. Sriatun is reassured that whenever her family needs her, in her position as breadwinner and as wife, she can easily be contacted. Mr. Paujianto responded positively to the change, as he believed that the mobile phone has assisted Mrs. Sriatun to maintain her role as a wife. Second, mobile phones help to ensure continuous communication which in the end also helps OMWs and their families maintain their relationships. In using mobile phone communication, Mr. Karijono realized that nothing had changed in his daughter's personality; she was still assertive. Whenever Ms. Luluk called they spent hours talking on the mobile phone. Mr. Karijono even said that it is hard to stop his daughter when she

starts to talk, something he is really thankful about. Mr. Karijono was also relieved that he could update the news of other member of the family to Ms. Luluk. One positive effect of their good communication is that Mr. Karijono agreed to Ms. Luluk's request to stay longer in Singapore. As he believed that the mobile phone would ensure communication between them, he allowed Ms. Luluk to extend her contract that in December 2008, had reached its fourth consecutive year.

Hjorth (2005) argued that mobile phones were mostly used to maintain the already existing relations rather than to establish new ones. The above two anecdotes obviously affirmed Hjorth's opinion. Further, regarding the above problems, it seems that the mobile phone's role in maintaining relationships between OWMs and their families is definitely the most noticeable and may be the most important application of the technology. In Mr. Paujianto's story about Mrs. Sriatun, having a mobile phone seemed to have a positive impact on their cross-border marital relations, as he felt her presence. In Mr. Karijono's story about Ms. Luluk, the mobile phone improved their cross-border parental relations, as Mr. Karijono felt Ms. Luluk's affection.

In addition, the spillover effect of the existence of mobile phone in the OMW families is also apparent at the domestic level. By using mobile phones, the OMW families are able to reestablish and maintain their relationships with relatives and families in different cities, and even provinces. Before the mobile phones, they did not know each other's news since they could not visit. With the device, although they are still not visiting each other due to the distance and cost, at least they can regularly communicate.

b. Mobile phones have become a tool for parenting children.

As mobile phones have become ubiquitous, they have also become tools of control for individual users and for larger social institutions (Bell, 2005). In the context of the OMWs' families in Kecopokan, I will discuss the mobile phone as a means of control for individual users.

My participants told me that in using their mobile telephones, their feelings were firmly attached to the information delivered via those phones. To know the condition of their beloved family member working abroad, for example, the OMW families depended heavily on communication via this device. They believed that the same thing was true for the OMWs. Based on the strong feelings that the OMWs and their families are able to develop, both sides seemed to agree on one positive function that mobile phones have for them. Remote parenting could be done using the mobile phone.

Mrs. Sriatun told me that when she was working in Hong Kong, her mobile phone enabled her to communicate continuously with her son with the help of Mr. Paujianto. Through daily text messages³⁵ and routinely calls, Mrs. Sriatun was able to ask her son about his school, to remind him about the importance of praying and reciting Al-Quran, and to deliver some advice about how important it is to be a good son. She was grateful that she could maintain her role as a mother although she was separated by great geographical distance from her son.

Mr. Karijono, on the other hand, used to feel that he had failed to look after the only daughter among his three children and used to regret his decision to allow her to

³⁵ Indonesians tend to use the term SMS, an abbreviation of Short Message Services, to describe text messages.

work as an OMW. Whenever he read news about mistreatment cases encountered by Indonesian OMWs, he felt that he has failed as a father. However, since he and his daughter decided to use mobile phones, Mr. Karijono felt that at least as a father he could be better informed about his daughter's situation and regularly give her advice about what she should be aware of based on the news that he read. In this sense, the information being sent from Indonesia had empowered the OMW. Ms. Luluk was less isolated and more alert to potential problems of abuse that could be done by brokers as well as employers. Mr. Nawiyah was also delighted that the mobile phone had allowed her to take her role as a mother in terms of teaching Ms. Luluk how to cook. Since Ms. Luluk was working as a baby sitter, her main skills gained from her training program related to taking care of children. Ms. Luluk could not really cook, but Ms. Nawiyah believed that a woman, in relation to her role as a wife and a mother, must be able to cook. Mrs. Nawiyah believed that it is her obligation to make sure that Ms. Luluk can cook so in the future she will be well-prepared for marriage.

c. Text messaging on mobile phones often replaces more direct forms of communication such as conversation and discussion.

“For at least one and a half million years, until about ten thousand years ago, human communication was invariably face-to-face, restricted to communication among people inhabiting a common physical space” (Nyiri, 2005, p. 161). As letters, telegraph, radio, television, landline telephones, and computer technology have taken their role in improving people’s means of communication, ending the face-to-face necessity, the mobile phone has also made an exponential share in the improvement.

One of the features the mobile phone offers to its users is text messaging. With this relatively cheap function, people are replacing face-to-face communication and more direct form of communication such as conversation and discussion with short form electronic writing. During my research, some participants were actively using the text message features on their mobile phones, illustrating of how OMWs' families replaced direct communication with texting.

One day, as I visited Mr. Karijono's house to talk to his wife, I found Mr. Karijono himself was at home. He told me that he was not feeling well and decided not to go to office. When I asked him how he would tell his boss about his absence, Mr. Karijono said he had already sent a text message to his boss. When I asked him why he did not just call his boss, Mr. Karijono said to me that, in this matter, he thought that a text message was a better option for several reasons. Text messages, according to Mr. Karijono, provides some kind of "proof" of him informing about his condition using the sent_message in the outbox feature, just like a letter. He felt that by sending text messages rather than calling his boss, he was actually taking the polite way of communicating. He argued that if he chose the option to call, he would seem to be demanding that his boss pick up his call, regardless of what his boss was doing at that time. By using a text messages, he believed that he gave his boss the option of reading and responding at his convenience. Further, he felt that if he explained his absence verbally, he might end up using inappropriate words since the communication is direct. By using text messages, he could choose the appropriate wording before he sent it. Thus, Mr. Karijono believed that a text message is a better way to communicate in his subordinate to superior relationship with his boss.

Mr. Subari provides a different example of a person who considered text messages as an alternative to direct communication. It all started when he decided to buy a mobile phone that he could dedicate only to working matters. The new mobile phone gave him instant access when he needed to coordinate with the *kepala desa* and his fellow workers. Lasen (as cited in Lan, 2006, p. 179) stated that “SMS not only facilitate communication on a person-to-person basis but also provides a broadcasting tool for rapid, wide, and cheap distribution of public information.” Thus, any time Mr. Subari wanted to communicate with his fellow workers regarding working matters, he needed only to type a brief text messages, choose the “send it to many” option, and his text messages would automatically go to the intended people. By using text messages, no papers were needed and there was obviously less bureaucracy.

d. Mobile phones can be a disruptive technology for an individual and a social setting.

Haddon (2005) states that various studies have shown that mobile phones can be disruptive for people in public spaces. In my research I found that the OMWs’ families in Kecopokan who owned mobile phones and the hamlet society, overall, apparently could not avoid disruption as a result of the technology.

Mobile phones, from one perspective, are considered a technology that breaks down time and space constraints, connecting people in different times and places. Its handy characteristic³⁶ unconsciously ‘forced’ users to have it close to them whenever and wherever they go. However, since a caller can reach a mobile phone number directly to

³⁶ To indicate its handy characteristic, in Indonesia, Korea, as well as several other countries in the world, a mobile phone is called ‘Hand Phone.’

its owner in any given place and time zone, incoming calls can disrupt a situation that already exists. Thus, during family time, prayer time, rest time, and other important moments, a mobile phone call can be unwelcome. Mr. Karijono said he hates to deal with a very late night or very early morning call from his office, asking him work-related things, as if the matter could not be handled during office hours. Additionally, most of my participants also felt annoyed when someone called them during the *Maghrib* time. They are bothered by how people can be so ignorant as to call during a time widely understand to be set aside for prayer.³⁷

Bell (2005) explained that, in Indonesia, many people obtain two mobile phones, each for a different purpose. One is usually dedicated for work and the other for social life. The motivation behind this practice is clear: they want to have a separation between their private and public lives, limiting the disruptions that might occur.

Mr. Karijono falls into the category of Indonesians mentioned by Bell. He had one GSM mobile phone, with GSM cards from two different service providers, and one CDMA mobile phone. In his mobile phone usage, Mr. Karijono wanted to separate his private and public lives, which later helped him to solve the disruption problem. When he only had one GSM card, Mr. Karijono always left his mobile phone on (except when he was sleeping), so his daughter could call him from Hong Kong whenever she wanted. Unfortunately, this decision had unpleasant results since people in his office could access him just as readily. When Mr. Karijono decided to buy another GSM card and even a different mobile phone, he could manage which phone should be turned on or off. After

³⁷ Different from other times of prayer, during *Maghrib* most Indonesians will try to pray together with their family at home or with others in the mosque.

work, he changed his office contact card number with the other one. With that strategy, he could cut the telephone access from his office while still having a connection for his daughter.

Another disruptive aspect of mobile phone technology is related to its multimedia capability which allows owners to store illustrations and videos in the device. The problem can occur when underage children use mobile phones to store porn illustrations and videos. Thus, parents are becoming worried about what their children are storing in their mobile phones. Mrs. Nawiyah, for instance, always asked Mr. Karijono to check regularly their son's mobile phone just to make sure that he is not storing any hurtful material.

The mobile phone has proved its disruptive potential not only to individuals but also in broader social settings. I found during my research that mobile phones are considered a nuisance in a mosque. *Remaja masjid* (custodians) at several mosques in Kecopokan and the other two hamlets observed in this research have posted signs asking that mobile phones be turned off (see Illustration 6.3). As one *remaja masjid* said, "Often, people forget to turn off their mobile phones and they suddenly ring in the middle of the sermon, prayers, or Al-Quran recitals. The sound disrupts other people's contemplation." Although the posting of the sign has reduced the nuisance factor of mobile phones, unfortunately, sometimes people still forget to turn off or silence their mobile phones, so the *remaja masjid* decided just to leave the sign permanently up.



Illustration 6.3 A sign in bahasa Indonesia that in English means “please turn off your mobile phones inside the mosque”

A different example of how mobile phone can be disruptive for society is illustrated by a case that happened in 2008. In many areas of Indonesia, people were frightened about the phenomenon of *SMS santet* or black magic text messages.³⁸ The rumor spread across the country that a text message received from numbers starting with 0866 and 0666 could turn the cell phone's screen red and kill the person who received it. This issue, concerning mobile phone usage, caused some civic concerns. Mr. Karijono explained that the issue also made several people in Kecopokan uneasy, especially since the mass media were blowing it up. Although the issue did not affect hamlet security, people were making some adjustments regarding their mobile phone practices. Mr. Subari, for instance, asked his family members to turn off their mobile phones after *maghrib*. Mr. Karijono asked Ms. Luluk to change her call schedule to earlier in the day.

³⁸ Examples of news coverage about the case can be seen from the following two bahasa Indonesia links from the website of Kompas, an Indonesia's daily newspaper:

1. <http://www.kompas.com/index.php/read/xml/2008/05/13/0531222/pegawai.bank.korban.sms.santet>
2. <http://www.kompas.com/index.php/read/xml/2008/05/09/06151891/polisi.buru.penyebar.sms.santet>

e. Mobile phones have become a symbol of newfound wealth and a perceived way to acquire higher social status.

There is a distinctive factor that differentiates Kecopokan and other hamlets in Senggreng village. That factor is housing. Based on my observation, several houses in Kecopokan stand out from others in the village. Mr. Subari told me that those beautiful houses are generally owned by the OMWs in the area. For OMWs, a house is the greatest symbol of the newfound wealth. It is a symbol of their success in working abroad, their achievement after having sacrificed precious time that they could have spent with their families. Other factors that Mr. Subari believed OMWs use to symbolize their newfound wealth are motorcycles and the newest one, the mobile phone.

Lan (2006) explained that OMWs consider consumption as an important way to express themselves and marked their identity. As an item that can be easily displayed, the purchase of a mobile phone becomes a medium for migrant workers and their families in showing off their spending power. Mobile phones slowly but surely have become one of the symbols of OMW's newfound wealth. Although the price of a mobile phone is well below that of a motorcycle and far less than the total price of a house, it is still considered a prestigious item. This is because, in its early presence in the village, mobile phones followed a pattern similar to that of expensive houses and motorcycles-- mobile phones were owned only by people with high status. Simply put, the status itself was mainly related to a person's wealth: the richer a man is, the higher his status.

When an OMW's family received a mobile phone sent by their breadwinner abroad or when they decided to buy it using the remittances, the neighbors assumed there had been an improvement in their economic condition. If that family had previously been

considered poor, after acquisition of a mobile phone, that status would likely change.

Without taking the actual economic condition of the family into consideration (since the mobile phone is more visible than the family's actual financial condition), the neighbors will regard the family as occupying a higher status. Thus, owning a mobile phone has become perceived as a way to acquire higher social status.

f. As mobile phones have become a new household necessity, people are learning how to creatively manipulate the service to make it affordable.

Peters & Hulme, 2002 (as cited in Katz, 2005, p. 173) stated that users consider the mobile phone more than just a material object; it is an extension of the self. If they lose their mobile phones, it is like losing one of their physical parts. OMWs' families indeed consider mobile phones to be important parts of themselves. As Mr. Karijono told me, without the mobile phone he could not imagine how he could maintain good communication with his daughter. Mr. Subari argued that if he went to work without his mobile phone, he would have a strong sense that something was missing.

As the families of OMWs in Kecopokan realized that they had become attached to their mobile phones, they also found that they had to maintain not only the device but also the service that they need. To ensure that they can always use the service, they have to buy GSM or CDMA phone credits. The voucher credits are sold almost everywhere in the country for various systems and at various prices. The credit availability in Indonesia is not an issue but the ability to purchase the credit is.

Donner's (2005) shows how the use of mobile phones in poor areas is different than that in more prosperous settings. He illustrated how mobile phone use differs from one society to another. In my field research I found that there are several types of mobile

phone usage in Kecopokan that may differentiate the people of Kecopokan from wealthier outsider, while, in fact, representing the use of mobile phone for poor people. In terms of the phone device, I found that as each person in the family of a Kecopokan OMW realized how useful it is to own a mobile phone, each wanted his or her own phone even when the family could not afford to buy more than one. To deal with this, Mr. Paujianto's family all agreed to share not only the mobile phone but the number as well. Bell (2005) explains that although the dominant model of mobile phone ownership seems to be at an individual level, it was also the case that among many households, people shared mobile phone; parents, children, siblings, spouses, and members of an extended household jointly used one mobile phone.

In terms of the phone services, I found out that the families of OMWs have found several ways to reduce their expenses. For domestic communication, OMWs families preferred to use text messages rather than direct calling because it is much cheaper. In fact, in some situations, users have made the communication free by having an agreement of missed calls. One example is the agreement Mr. Paujianto has with Mrs. Sriatun regarding what she should do when she gets to the village: "When you have arrived at the village market, just give me a missed call so I know when to pick you up. Thus you don't need to pay to use the *ojeg*." By having this kind of agreement Mr. Paujianto and Mrs. Sriatun have save money in two different ways; the *ojeg* cost and telecommunication cost.

g. Mobile phone has become a medium for the transfer of knowledge.

It seems that by working overseas, Mr. Sriatun, as well as other OMWs, had a better opportunity to become familiar with communication technology. At first, Mr.

Paujianto absolutely did not know how to use mobile phone. With the help of Mrs. Sriatun, Mr. Paujianto who once was only able to receive calls and open text messages was at last able to call and sent text messages back to Mrs. Sriatun. In fact, from the instruction that he got from Mrs. Sriatun, Mr. Paujianto was able to use other features from the mobile phone such as the alarm and the phone book. In other words, there was a transfer of knowledge process from Mrs. Sriatun to Mr. Paujianto with the mobile phone as its medium.

B. Economic implications

a. People are able to increase their income by using mobile phones

The services that the mobile phone technology offers come at a significant price. Most OMWs and their families spend a considerable amount of money on phone calls and text messaging to fulfill their desire for communication. However, based on my observation, the OMW families' decision to maintain mobile phone services increased rather than decreased their earnings. At first, it was hard to believe; yet I learned that it is actually true that mobile phones have helped the OMW families in Kecopokan to increase their income. I managed to find several pieces of evidence related to that matter.

In some cases, as Mr. Subari explained, when an OMW comes home because his or her contract has expired, the family will sell its' mobile phones. As they are together again, they feel they need the money more than they need telecommunication tools. Mr. Paujianto and Mrs. Sriatun took a different approach. Instead of selling both of their mobile phones, they maintained only one. Though voucher credit is an expensive obligation every month, Mr. Paujianto told me that his mobile phone had helped him to

find extra jobs, which means more income to augment his wages as a sharecropper. He used the phone to work as a broker and middleman, offering to facilitate getting commodities people need, such as buying a goat for a thanksgiving ceremony, materials for building a house, and related work.

Mr. Subari had his own way of reaping the benefits of mobile phone ownership for the sake of his fish cultivation business. Since the boom in fish cultivation began in the village, people who own shares in the business have used mobile phones to find more capital to expand the business. Mr. Subari and other fish farmers use mobile phones to solicit capital from their relatives working overseas and then use the same device to report progress to their investors. Although he is managing five different fish cultivation groups, Mr. Subari's main profession is head of Kecopokan hamlet. His mobile phone has allowed him to efficiently and effectively coordinate the fish cultivation endeavor while he is at the village office or even at home.

According to Mr. Subari, there are also OMWs who benefit from mobile phones not for communication but as a market commodity. One of his friends working in Saudi Arabia once brought back 10 Nokia 6600 mobile phones which he then sold for a tidy profit since they were much cheaper in Saudi Arabia than in Indonesia. Further, the mobile phone is a communication tool with various additions, some of which must be used while others are optional. It seems that the growing presence of mobile phones in the village has created a supplementary market of vendors that sold such items as ringtones, wallpaper, lanyards, batteries, and credit vouchers.

b. Mobile phones assist information exchange in a way that benefits the families of OMWs.

With a mobile phone, information exchange is possible at any distance, and since such devices are mostly always with their owners, the information generally reaches the appropriate person. In managing his fish cultivation business, Mr. Subari explained that his mobile phone has helped him to exchange information on commodity prices and market behavior in comparison to other areas. Thus, he and other fishermen can stay in touch with markets to know which is offering the most profitable price. Additionally, by acquiring this knowledge by using a mobile phone, Mr. Subari has reduced his operational costs by cutting out unnecessary travel.

Other examples of how the mobile phone assists information exchange can be observed from these several narratives. Using mobile phones made it easy for Ms. Luluk and Mrs. Sriatun to send the remittance registration numbers to their families so they could easily pick up the remittances at the post office. As her mobile phone helps Mrs. Sriatun keep in touch with her former employers in Hong Kong, she was the first person to learn they had a position open. After a series of communications, Mrs. Sriatun's sister, Mrs. Srianti, was offered a chance to try the job.

C. Mobile Phones in Kecopokan

The recent remarkable growth in the use of mobile phones throughout Indonesia has not included everyone. People in rural areas are less likely than urban dwellers to be connected. The majority of the rural population is still unable to gain access to digital

technology, experiencing the digital divide.³⁹ However, the OMW families in Kecopokan were among the rural folk who were able to access the technology and then bridge the digital divide. During the period of my research, the mobile phone and its services were quickly becoming affordable for the OMW families who had increased income from remittances and who found mobile phone to be an important means in maintaining contact and accessible tool to improve their lives. In practical consideration, the device was rapidly becoming adopted because no special knowledge is necessary in order to use it; this advance technology could be employed easily.

Drawing from my findings of the possible consequences that mobile phones have created for the OMW families, it seems that the OMW families in Kecopokan were able to make use of mobile phone both as a product and as a driver of social and economic development. As reflected in the topics that the OMWs and their families usually mentioned, the voice or data exchanges mediated by the mobile phone have been social, economic, or a combination of both. Thus, apart from the various motives for communicating with the mobile phone, for social relations that have productive benefits are created as the OMW families and their breadwinners abroad were able to communicate freely, continuously, and profoundly.

Those productive benefits include how mobile phones have created economic opportunities for Mr. Paujianto with his job as a middleman, Mr. Subari with his idea of soliciting capital for his fish cultivation business, the establishment of vendors who sold mobile phone accessories and credit vouchers, and even service providers' massive advertisement. Thus, mobile phones connected people in their roles as producers,

³⁹ "The digital divide refers to the separation between those who have access to digital information and communications technology and those who do not" (Dewan & Riggins, 2005)

distributors, and consumers. As the number of mobile users grows, the economic productivity will likely increase. Additionally, despite their being separated by great distances, Mr. Paujianto maintained her connubial relationship with Mrs. Sriatun and Mr. Karijono his parental relationship with Ms. Luluk via mobile phones. Thus, these devices connected people in their positions as husband, wife, parent, and child. As the mobile phone function enhanced, it also strengthened the social network between OMWs and their families.

The above explanation shows that the presence of mobile phones in the hamlet is really helpful. A further question that needs to be addressed is how the government responds to the mobile phones' ability to empower the people in the hamlet. How will the government react to the reality of the hamlet's people's ability and knowledge in overcoming the lack of infrastructure? By now, the government should be aware that although the hamlet was marginalized by the lack of landline telephone telecommunication infrastructure, the people of Kecopokan (represented by the OMW families) have been creatively dealing with the situation. The OMW families did not wait until the government set up landline telephone for them; they simply skipped the government by using mobile phones. With the success that the people of Kecopokan have shown, the government may come to realize that even the people in this peripheral area are willing to adopt mobile phone technology in order to integrate themselves with other people with better telecommunication access. Thus, in the case of the OMWs and their families, the government should be encouraged to develop a further service that facilitates those people with the medium of the mobile phone. In terms of remittances, for an example, working hand in hand with service providers, banks, and OMWs, the

government I recommend that be more determined to implement a mobile banking program. With that service available, the money-transfer process would be more secure from extortion practices, and the government would be able to calculate the total amount of remittances being sent back to Indonesia.

D. Conclusion

Apparently, development programs initiated by the government do little to benefit the people of Kecopokan. Some people have realized it is better for them not to wait for government assistance, so Kecopokan residents have decided to improve their livelihood beyond agriculture. Many of the people of Kecopokan, especially the women, decided to work overseas as migrant workers. Remittances are the main motivation for this decision and have become the most important contributions of those OMWs to their households. Remittances being sent back to Kecopokan have helped OMW families to meet their daily needs. Another important role of remittances is to bring modernization to Kecopokan. Those funds are being used to purchase such necessary technologies as the mobile phone that have been absent from the hamlet.

The fact that the overseas migrant workers (OMWs) have become agents of mobile phone penetration into Kecopokan hamlet is indisputable and was beyond my expectations. I had assumed that mobile phone purchases using the remittances mainly took place in Indonesia and I was wrong. Most of the mobile phones in the OMW families were purchased by OMWs in the country where they were working and were sent back to their families with the assistance of neighbors or friends who were coming home. The OMW families were mainly responsible for buying monthly credit vouchers

to maintain the services. Although it was the OMWs who initiated the procurement, I found out that their families also showed great interest in acquiring the technology and the services.

Although mobile phones are not a panacea for the poor telecommunication infrastructure, they have become a great resource for people of Kecopokan who want to break out of their insularity. At the time of my research, I noticed that the presence of mobile phones in Kecopokan had brought social-cultural and economic benefits, as well as some problems, to the society.

Family ties are built and maintained on the many phone calls and text messages circulated across borders. In fact, when mothers become overseas migrant workers, they use mobile phones to parent their children. In terms of its intense usage, while text messaging has been perceived as a replacement of direct communication such as conversation and discussion, the unconstrained voice calls can be disrupting for an individual and even social groups. In relation to the OMWs consumption motive and pattern, mobile phones have become a symbol of newfound wealth, and a perceived way to acquire higher social status. Such phones have become a new household necessity, and people are learning how to creatively manipulate the system to make the service more affordable. With mobile phones, transfer of knowledge from OMWs to their families has become possible. People have also able to increase their incomes because mobile phones can be a tool for managing business as well as a commodity for trading. Last but not least, mobile phones assist information exchange in ways that can provide benefits to the OMW families.

Based on the above explanation about the mobile phone effects, despite the problems that it creates, the mobile phone has shown its ability to overcome the digital divide and empower the OMW families in a variety of ways. Since I believe that mobile phones will become more and more important in the future, it will be interesting to see how more isolated societies will deal with the effects of the presence of mobile phones.

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