

FINANCIAL CRISIS VERSUS DEBATE ON URBAN SPACE, CHALLENGE, AND RESEARCH AGENDA¹

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ABSTRACT

Unstable economic conditions due to the financial crisis in 1997 and 2008 have made it necessary for Indonesia to seek alternative ways to escape such uncertain global economic conditions. In doing so, several development policies and innovative scenarios have been applied by the Indonesian Republic. The government has also attempted to relate such initiatives with global development actors, starting from the policy level up until the formulation of action plans. Nevertheless these efforts must be accompanied by a comprehensive approach, covering all activity aspects from the actors of development to collectively participate in development. This may also effect development of Indonesian urban space of which cannot be separated from such global conditions.

This article attempts to describe the impacts of development beyond the limits of administration as a result of globalization, occurring particularly in large cities, but also involving other cities Indonesia. In relation to this, the discourse on 'space' emerges in the context of urban planning, whether remaining to be oriented towards physical organization, or shifted to the new paradigm of which tends to view space as a product of global economic situations, community conditions, as well as values of local culture and foreign values (imported from the west). Therefore, this article begins its discussion on urban systems within the context of globalization and financial crisis, then proceeding with discussions concerning impacts towards urban structure, regional competition, urban identity, followed by discussions on financial crisis and the debate on urban space, and finally concluded with the research agenda.

Paradigm shifts have become one of the most urgent matters to study considering the challenges of inter-regional competition, regional autonomy, and financial crisis. Furthermore, this study may assist the space planners in better understanding the reasons that cause failures of policy and planning implementation that have been formulated. This article aims to awaken academicians in developing a research agenda in line with the debates of understanding urban space (particularly in times of financial crisis) but also serves as a critic and enrichment towards the literature related to global impacts towards urban structure, regional competition, and urban identity.

Keywords: *globalization, space, urban structure, regional competitiveness, urban identity.*

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