

SOUTHEAST ASIA

# Is Nusantara Ready? Analyzing the New Capital's Preparedness for a Historic Event

*The spotlight is on the government's plan to host the Independence Day ceremony in the new capital city, Nusantara (IKN), on August 17th 2024.*



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Indonesia's Independence Day is a significant annual occasion, marked with formal ceremonies attended by the nation's leaders and international dignitaries. Beyond the official events, various entertainments also added to engage the public. However, in 2024, the spotlight is on the government's plan to host the Independence Day ceremony in the new capital city, Nusantara (IKN), on August 17<sup>th</sup> 2024. If this come to pass, this year's ceremony will mark a historic milestone for Indonesia. IKN is envisioned not only as a launchpad for Indonesia's ascent to developed nation status but also as a tangible manifestation of the government's Vision 2045. The upcoming ceremony is seen as the initial step towards this vision. Yet, there are concerns about whether IKN is truly ready to host this significant national event.

The development of IKN is hailed as an ambitious project aimed at transforming Indonesia's capital landscape. Despite the enthusiasm, there is rising concerns regarding the IKN's preparedness and feasibility. The fact that IKN's infrastructure development has yet to fulfill its intended targets has roused public skepticism. This uncertainty is reinforced by the recent resignations of the IKN Authority (OIKN) Head, Bambang Susantono, and his deputy, Dhony Rahajoe, which have further impacted public perception of the IKN's readiness for this year's Independence Day celebration.

The resignation of these two OIKN leaders underscores the complexities of managing and carrying out the 252,000-hectare mega-project. **As of June 2024, total investments in IKN had only reached IDR 51.35 trillion**—a significant amount, but still far short of the year's aim of IDR 100 trillion. Moreover, this figure remains distant from the National Development Planning Agency's (Bappenas) estimated budget for IKN development, **which is IDR 466 trillion**. It seems likely that the state budget will certainly have to bear the brunt of the burden if the investment targets are not met.

**Land acquisition within IKN remains a key challenge.** This issue has been addressed by the Minister of Public Works and Housing (PUPR), now the Acting Head of OIKN, Basuki Hadimuljono. The government is working to settle issues with 2,086 hectares of troubled land through the Social Impact Management (PDSK) Plus scheme and is drafting a Presidential Regulation to clarify land ownership status by converting Building Use Rights (HGB) on Land Management Rights (HPL) to Pure HGB. These measures are intended to resolve land ownership overlaps and offer legal clarity for investors. This land issue could be the reason behind President Joko Widodo's nomination of Deputy Minister of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN), Raja Juli Antoni, as Acting Deputy Head of OIKN.

Public skepticism persists regarding whether the Independence Day celebration will still be held in Nusantara, given its disarray state. Preparedness includes not just physical infrastructure, but also organizational readiness and other supporting aspects. In this situation, many people wonder if the government will insist on having the ceremony at IKN or return to North Merdeka Square. This iconic structure from the Dutch colonial era has hosted many state events, including past Independence Day celebrations.

This circumstance has prompted various speculations. Some say the ceremony should return to Jakarta, the traditional venue for Independence Day celebrations. If the ceremony ultimately returns to Merdeka Palace, it could be interpreted as the government's failure to accomplish its ambitious goal of relocating the administrative center to IKN as soon as possible. On the other hand, it could also be considered as a practical move to ensure a smooth ceremony, as it has in previous years.

An alternative strategy is proposed for August 17, 2024. Coordinating Minister for Human Development and Cultural Affairs Muhadjir Effendy stated that the **government plans to conduct the ceremony from two locations:** IKN, led by President Joko Widodo and accompanied by the newly elected President Prabowo Subianto; and Jakarta, led by Vice President Ma'ruf Amin, accompanied by Gibran Rakabuming Raka.

This situation teaches the government to adopt a more realistic approach in setting targets and evaluating results. The development of IKN is indeed a long-term effort that requires continual commitment and dedication. Therefore, the reliability of the development roadmap, transparency and accountability in governance, prioritizing of community and environmental interests, as well as open communication regarding progress and challenges are critical to establishing public trust, which the government must strive to preserve.

As citizens, Indonesians primarily expect that projects such as IKN are not merely political promises but are carried out with careful planning and effective execution. If the government can make considerable headway, perhaps the grandeur of the Independence Day ceremony at IKN can be proudly witnessed in the future. Until then, the public may need to settle for a solemn ceremony at Merdeka Palace or held at two separate locations as planned by the government, which will undoubtedly incur enormous costs. Regardless of the scenario, the spirit of independence and patriotism must be upheld and cherished with significant meaning.

## **Conclusion**

As Indonesia approaches this pivotal moment, it is imperative that the government remains committed to its goals while being adaptable to emerging realities. The IKN project, if executed successfully, can serve as a beacon of progress and innovation, inspiring future generations and reinforcing Indonesia's status as a dynamic and forward-looking nation.

However, the path to achieving this vision is fraught with challenges. The government must address issues related to infrastructure preparation, financial viability, and sociopolitical dynamics. Effective public engagement, open communication, and international collaboration will be crucial in navigating these challenges.

The 2024 Independence Day celebration in Nusantara, if successful, will be a landmark moment in Indonesian history. It symbolizes more than just a geographical shift, but a transformative vision for the nation's future. The IKN project embodies the aspirations of Indonesia's Vision 2045, aiming to build a modern, sustainable, and resilient metropolitan core.

In the meantime, the spirit of independence and patriotism will continue to be celebrated, whether in the new capital or the historic grounds of Merdeka Palace. The ultimate goal remains the same: to honor the nation's heritage while ambitiously striving towards a brighter and more prosperous future.