

Livelihood Changes of Construction Migrant Workers in the New Capital City of Indonesia

Fairuza Rakhsi Marella^{1*}, Cherlys¹, Shofiya Nurjannah¹, Aisyah Ratna Meiana¹, Auliya Widyaningrum Pratiwi SP¹, Arta Aditya¹, Budi Prasetyo¹, Finna Anindya Widyatna¹, Galih Wijaya Surya Putra¹, Benedictus Haryo Wisnugroho¹, Khansa Hafshah Salma¹, Gunawan Prakoso¹, Muhammad Syahrian Zulkarnain¹, Keisha Devana Rahadini¹, Nasywa Ramadhisa¹, Laila Amalia Wulandari¹, Widi Sari SPD¹, Muhammad Haikal Giffari Atallah¹, Zenobia Rahmadani¹, Radjani Shafa Permana¹, Reyna Normalita¹

¹ Regional Development Study Program, Department of Development Geography, Faculty of Geography, Universitas Gadjah Mada, Yogyakarta, Indonesia

* Correspondence: fairuza.arell@gmail.com

ARTICLE INFO	ABSTRACT
Keywords: Ibu Kota Nusantara, migrant workers, sustainable livelihoods, <i>sustainable livelihoods framework</i>, sustainable development Date logs: Received: August 22, 2025 Reviewed: Sept 10, 2025 Accepted: Nov 13, 2025 Published: Nov 14, 2025 How To Cite: Marella, F.R., Cherlys, Nurjannah, S., Meiana, A.R., Pratiwi SP, A.W., Aditya, A., Prasetyo, B., Widyatna, F.A., Putra, G.W.S., Wisnugroho, B.H., Salma, K.H., Prakoso, G., Zulkarnain, M.S., Rahadini, K.D., Ramadhisa, N., Wulandari, L.A., Sari SPD, W., Atallah, M.H.G., Rahmadani, Z., Permana, R.S., Normalita, R., (2025). Livelihood Changes of Construction Migrant Workers in the New Capital City of Indonesia. <i>Marcapada: Jurnal Kebijakan Pertanahan</i>, 5(1), 97–114. https://doi.org/10.31292/mj.v5i1.186	The relocation of Indonesia's new capital city (IKN) to Sepaku District, East Kalimantan, has triggered a significant influx of construction migrant workers, creating complex livelihood dynamics. The central issue is how this labor migration not only generates opportunities for improved welfare but also introduces new vulnerabilities across social, economic, and environmental dimensions. This study aims to analyze the livelihood transformations of migrant workers using the <i>Sustainable Livelihoods Framework</i> (SLF), which encompasses five core capitals. A qualitative descriptive approach was employed, combining in-depth interviews with migrant workers and local communities with supporting document analysis. Informants were selected through snowball and accidental sampling, and data were thematically analyzed to identify positive and negative impacts as well as cross-capital implications. Findings indicate that IKN development enhances <i>human capital</i> through skill acquisition and opens new economic opportunities (<i>financial capital</i>). However, vulnerabilities persist due to precarious employment, weak social protection, limited access to basic infrastructure, and environmental degradation affecting worker health. Thus, the success of IKN depends on policies that balance infrastructure development with the protection and strengthening of migrant workers' livelihood assets as key actors in national transformation.

A. Introduction

Labor migration refers to the movement of individuals from one region to another for work either temporarily or permanently, driven by push factors such as limited employment opportunities and low income in the place of origin, as well as pull factors such as new job opportunities in the

destination area (Hia et al., 2024). The development of the new capital city, *Ibu Kota Nusantara* (IKN), in East Kalimantan serves as a concrete example of how a national strategic project generates large-scale pull factors for labor migration. The relocation of Indonesia's administrative center from Jakarta to Penajam Paser Utara Regency, as mandated by Law No. 3 of 2022, designates Sepaku District as the core area of IKN's development. By 2023, the population of Penajam Paser Utara Regency had reached 197,634 people, with an additional 6,000 new migrants recorded in just the first half of 2023 (Purwaniawan, 2023). Most migrants came to work in the rapidly growing construction sector.

The migration flow toward IKN reflects three main patterns: (1) relocation of public sector employees and their families from Jakarta to IKN, (2) migration of workers from surrounding areas in East Kalimantan and other provinces attracted by new economic opportunities, and (3) temporary migration of construction workers directly involved in development activities (Shimamura & Mizunoya, 2020). This process creates the need for both social and economic adaptation among migrant workers. Social adaptation involves building relationships with local communities and understanding local norms, while economic adaptation relates to the ability to obtain and develop livelihoods (Sabariman et al., 2020; Afkar & Suryadarma, 2022). The success of this adaptation largely depends on workers' skills, education, and access to economic resources.

The construction sector acts as the main absorber of migrant labor due to its large and urgent workforce demands (Ramadhano & Lie, 2023). Jobs in this sector are relatively accessible, particularly for men from rural areas with limited education. Nationally, the construction sector contributes 10.7% to Indonesia's GDP and employs around 8.2 million workers (Balai Pelaksana Jalan Nasional Aceh, 2025). Migrant workers in this sector generally come from East Java, West Java, and West Nusa Tenggara, where local development characteristics influence migration patterns. However, the labor demand for IKN projects far exceeds local workforce availability. The Directorate General of Construction Development estimates a need for 250,000 workers, while data from the Construction Services Development Board (LPJK) in April 2022 shows that there were only about 46,000 construction workers in Kalimantan (Ministry of Public Works and Public Housing, 2022). This imbalance has become a major driver of interregional migration.

This situation raises an important empirical question: how do construction migrant workers in IKN adjust their livelihoods in a dynamic and high-risk environment? Migration to newly developed areas such as Sepaku brings both economic opportunities and socio-economic risks, including high living costs, job insecurity, and weak social networks. Labor migration in large infrastructure projects like IKN often generates more complex consequences than mere occupational shifts (Nusantara & Sihotang, 2024). Changes in work and social environments can affect the sustainability of workers' livelihoods in terms of income, job security, and long-term welfare (Rosiana et al., 2023).

To understand this complexity, an analytical framework is needed to explain the relationship between the assets that support migrants' livelihoods and how these assets change due to labor mobility. The Sustainable Livelihoods Framework (SLF) developed by the Department for International Development (DFID, 2001) is relevant because it provides a holistic approach to livelihood dynamics. SLF identifies five key capitals: human capital (knowledge, skills, health), social capital (networks and trust), natural capital (access to natural resources), physical capital (infrastructure and supporting facilities), and financial capital (income, savings, and access to finance). Changes in one or more of

these capitals can determine livelihood sustainability, especially amid changing work and social environments.

In the context of IKN construction migrant workers in Sepaku District, the shift in workplace location represents not only a geographic change but also a transformation in livelihood structures. Increased income may strengthen financial capital, while new skills gained from the project enhance human capital. However, challenges such as high living costs and weak social networks can undermine other capitals and threaten livelihood sustainability (Maksum, 2021). Therefore, analyzing changes in migrant livelihoods requires considering both internal factors (workers' strategies and capabilities) and external factors (work environment, policies, and socio-economic conditions of the destination area).

Previous studies have examined labor migration and construction sector dynamics, but most have focused on macroeconomic aspects, productivity, or contributions to national growth (Ramadhano & Lie, 2023; Cahyadi et al., 2023). Research on the socio-economic adaptation of migrant workers also exists but generally focuses on urban contexts or international migration (Sabariman et al., 2020; Afkar & Suryadarma, 2022). Studies addressing livelihood changes among migrants affected by large-scale infrastructure projects such as IKN which involve regional relocation and transformation remain limited. Thus, there is an empirical and theoretical gap in understanding how new development projects influence the sustainability of migrant workers' livelihoods in the construction sector.

This study aims to fill that gap by examining the livelihood changes of IKN construction migrant workers through the lens of the Sustainable Livelihoods Framework (SLF). This approach enables a comprehensive analysis of how migrant workers utilize and adjust their five livelihood capitals amid socio-economic transformations. Empirically, the study is significant because the IKN construction sector employs thousands of workers from diverse social and economic backgrounds. Theoretically, it contributes to advancing the concept of livelihood sustainability in the context of internal migration driven by new regional development.

This research carries strategic significance in two key dimensions: sustainable development and labor protection. The development of IKN requires not only the successful construction of physical infrastructure but also the social and economic sustainability of the communities directly involved (Cahyadi et al., 2023). Labor protection has become increasingly urgent given the high mobility of workers from various regions toward the IKN area, while social and economic facilities remain limited (Suhartini, 2023). Therefore, SLF-based analysis can serve as a policy instrument to ensure that the economic growth generated by IKN development does not come at the expense of workers' welfare, but rather promotes the integration of social and environmental dimensions into the development process (Tao & Shi, 2023).

Based on this background, this study aims to analyze the livelihood changes of IKN construction migrant workers in Sepaku District, focusing on the shifts in livelihood conditions before and after employment in the IKN project, encompassing the five main livelihood capitals in the SLF framework financial, physical, human, social, and natural. The findings are expected to provide empirical contributions to understanding the socio-economic implications of IKN development for migrant

workers and theoretical contributions to strengthening the concept of livelihood sustainability within the context of labor migration in Indonesia.

B. Research Methods

This research was conducted in Sepaku District, Penajam Paser Utara Regency, East Kalimantan, which serves as the core development area of the new capital city, Ibu Kota Nusantara (IKN). The relocation of Indonesia's capital from Jakarta to East Kalimantan has generated significant social impacts, particularly the influx of migrant workers in the construction sector. Sepaku District covers an area of 1,172.36 km², consisting of 11 sub-districts and 4 villages.

The research data were obtained from in-depth interviews as primary data, and from literature, publications, and official documents as secondary data sources. The interview method was employed to explore participants' experiences and perspectives in a detailed and dynamic manner (Nasarudin et al., 2024). Informants were selected using the snowball sampling technique to obtain data through networks among participants (Nurdiani, 2014), and accidental sampling to include respondents encountered incidentally but deemed relevant (Notoatmodjo, 2010). Data validity was ensured through source and data triangulation, by comparing information from migrant workers, local residents, and official documents to verify the accuracy and consistency of findings.

The analysis of migrant workers' livelihoods was conducted using the Sustainable Livelihoods Framework (SLF), which encompasses five main capitals: human capital (knowledge, skills, health), social capital (networks and social relations), natural capital (accessible natural resources), physical capital (infrastructure and supporting facilities), and financial capital (income, savings, and access to financial resources). These five capitals were used as the conceptual boundaries for assessing the extent to which IKN development affects the livelihood sustainability and well-being of migrant workers.

The data were analyzed using a qualitative descriptive approach to systematically, factually, and accurately depict field phenomena (Suryantoro & Kusdyana, 2020). The analysis process included data reduction, data presentation, and conclusion drawing, conducted iteratively to identify patterns, trends, and the meanings of change experienced by migrant workers across various aspects of their lives. This approach provides a comprehensive understanding of how migrant workers' involvement in the IKN development project shapes their lifestyle patterns, survival strategies, and socio-economic transformations.

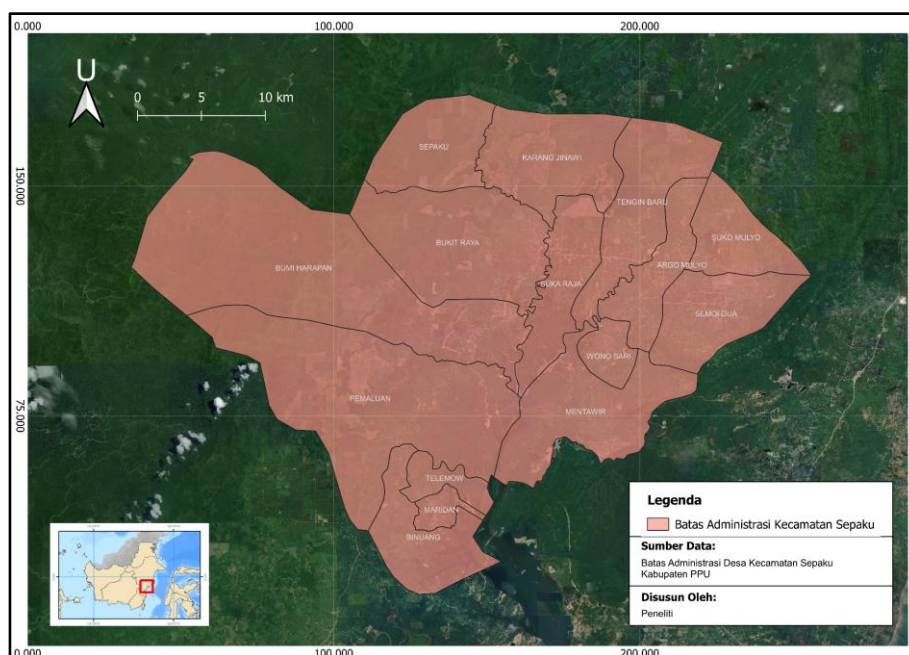


Figure 1. Research Study Area Map
Source: Processed from SAS Planet (2024)

C. Livelihood Asset Changes of Construction Migrant Workers in Indonesia's New Capital City (IKN)

The development of Ibu Kota Nusantara (IKN) in Penajam Paser Utara Regency has attracted construction migrant workers from various regions across Indonesia. This labor migration phenomenon has influenced the spatial, social, economic, and cultural landscape of the IKN area, particularly in Sepaku District, which serves as the core development zone. Beyond its impact on the local region, this migration has also transformed the livelihood patterns of the migrant workers themselves.

The migrant workers originating mainly from Java, Bugis, Sunda, Toraja, Batak, and Manado ethnic groups occupy a range of positions within the construction workforce structure, from manual laborers to skilled professionals. To understand the multi-dimensional livelihood changes experienced by these construction migrant workers, the Sustainable Livelihood Framework (SLF) is employed. This framework encompasses five key assets or capitals that underpin the livelihoods of migrant workers: human capital, social capital, natural capital, physical capital, and financial capital.

1) Human Capital

Human capital is considered significant because it reflects the adaptive capacity of migrant workers through the enhancement of technical skills, discipline, and physical and mental health, all of which determine work productivity. The human capital of construction migrant workers in Sepaku District has undergone changes in several aspects. In terms of skills and expertise, most migrant workers occupy positions as skilled construction laborers, such as stone masons, ironworkers, and carpenters, which require specific technical competencies.

Migrant workers, particularly those from Java Island are often perceived as diligent and resilient, enabling them to dominate the construction labor sector (Anaf, 2022). The government has introduced skill certification requirements for workers employed in IKN and provides training programs for prospective workers. Before working in IKN, many of these migrants had no formal

background in construction. However, the demands of this national strategic project necessitated rapid adaptation through on-the-job training provided by foremen and construction companies. Although many workers still lack formal certification, they are nonetheless employed based on the foremen's trust in their abilities, indicating a level of informal recognition of the competencies possessed by these migrant workers.

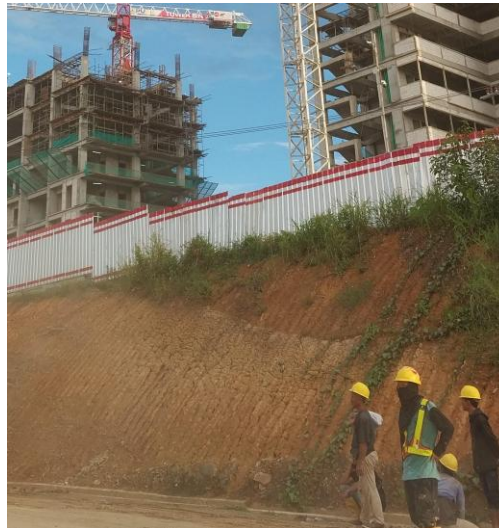


Figure 2. Construction Workers in Ibu Kota Nusantara (IKN)
Source: Author's Documentation (2024)

From the health perspective, migrant workers in Sepaku District face several challenges. The heavier workload, particularly among manual laborers, with working hours from 08:00 to 22:00 and only two breaks, imposes greater physical strain compared to their previous jobs in their home regions. This condition aligns with previous studies indicating that Indonesian migrant workers often occupy vulnerable positions, particularly in relation to working conditions and health (Suriastini et al., 2021). However, from the mental health perspective, feelings of pride arising from their participation in the construction of the new national capital have produced positive psychological effects. Workers feel a sense of importance and belonging to a major national project that not everyone has the opportunity to be part of.

Migrant workers have also demonstrated an increase in work discipline, resulting from limited transportation options, long distances between work sites, tight project deadlines, and strict supervision from multiple stakeholders. Their mindset has evolved, particularly in terms of time management and professional responsibility.

2) Social Capital

Social capital is used to assess the role of social networks, the foreman system, and cross-cultural interactions between workers and local communities, which function as mechanisms of social support and social control within the new environment. The social capital of construction migrant workers has expanded through the establishment of relationships in the workplace. Interactions among workers from various regions Java, Bugis, Sunda, Manado, Toraja, and Batak have created culturally diverse networks. The large presence of migrant workers, who make up

about 60% of the total workforce, has generated new social dynamics with the local community in Sepaku. This relationship is complex: on one hand, it stimulates the local economy through increased demand for goods and services; on the other hand, it may also lead to competition for resources.

The social capital of Indonesian migrant workers generally consists of three main elements, one of which is trust, manifested in the form of social assurance mechanisms that support workers' continuity, particularly when they face difficulties (Anggaunitakiranantika, 2021). Most local residents prefer to work in the palm oil plantation and mining sectors, which limits direct competition with migrant construction workers. In daily life, social interactions between migrant workers and local communities tend to be limited and transactional in nature such as renting rooms or buying goods from local stalls. One of the key pillars of social capital among IKN construction migrant workers is the informal network structured around the foreman system. The foreman serves not only as a superior within the work hierarchy but also as a central social node, maintaining group cohesion and solidarity among workers.

Meanwhile, the government has implemented regulations to control migrant workers' behavior, such as separating housing based on gender, which influences their social interaction patterns. These policies aim to prevent potential conflicts and maintain social harmony, thereby shaping a more formal social structure than that found in the workers' regions of origin.

3) Natural Capital

Natural capital reflects the relationship between workers and the natural resources in their work environment such as access to clean water and environmental conditions which are crucial factors for their well-being and livelihood sustainability. The natural capital of construction migrant workers in IKN has distinct characteristics compared to that of local communities. Migrant workers have limited access to the direct use of local natural resources, such as agricultural land or forest products, due to their focus on construction work. In contrast, local residents can utilize natural resources and manage their own land, while migrant workers depend more on company-provided facilities or the local market rather than directly managing natural resources.

The work location within the IKN development zone exposes workers to environmental conditions that differ from those in their regions of origin. Access to clean water and other basic natural resources is generally provided through project infrastructure or worker housing facilities, such as the Hunian Pekerja Konstruksi (HPK, or Construction Worker Housing). In these areas, water availability for migrant workers is ensured through standardized technical systems HPK facilities are equipped with a Water Treatment Installation (IPA) with a total capacity of 20 liters per second, supported by 12 groundwater tanks with a total storage capacity of 1,600 cubic meters (Indraswari, 2024).

The quality and reliability of these resources are generally better than in some of the workers' home regions, especially in areas with limited infrastructure or high population density, where water scarcity is a recurring issue. For instance, workers from drought-prone regions such as Grobogan or Indramayu often rely on emergency water supply from the local Disaster Management Agency (BPBD) during the dry season. Spatially, IKN's location with its raw water

sources derived from three reservoirs and four rivers shows a more favorable condition compared to Jakarta, which has been projected to reach a critical water status, with the Water Stress Index expected to increase to 52.03% due to high domestic demand pressure (Saraswati & Adi, 2022).

4) Physical Capital

Physical capital is considered because the availability of supporting infrastructure—such as the Hunian Pekerja Konstruksi (HPK, or Construction Worker Housing), transportation facilities, and workplace amenities directly affects workers' efficiency, safety, and comfort in their daily activities. Infrastructure and supporting facilities have become crucial elements in the everyday lives of migrant construction workers in IKN. The primary supporting facility provided by the government is the Hunian Pekerja Konstruksi (HPK), a high-density housing complex specifically designed to accommodate construction workers. The physical capital of migrant workers, represented by the HPK, consists of 22 residential towers capable of housing 14,736 workers. Each HPK tower is equipped with essential utilities, including electricity, clean water, and adequate sanitation systems.

The HPK buildings are four stories high, with a zoning layout that divides floors 1 and 2 into Type A rooms (17 units), and floors 3 and 4 into Type B rooms (25 units). Each room has an area of 3×6 meters (18 m²). Type A rooms are equipped with three single beds, under-bed storage cabinets, and one desk with a chair, while Type B rooms contain three bunk beds, allowing higher occupancy per unit (Satriyatama & Nugrahaini, 2024).



Figure 2. Construction Worker Housing (HPK)
Source: Author's Documentation (2024)

The strategic location of the Construction Worker Housing (HPK), situated close to the Central Government Core Area (KIPP), increases efficiency in both commuting time and transportation costs. For workers who are not accommodated in the HPK, alternative housing is available in nearby villages such as Bukit Raya, Sukaraja, Tengin, Pemaluan, and Semoi. These housing options include rented rooms, boarding houses, and guesthouses with varying quality

levels. The separation of housing based on gender reflects attention to worker comfort and safety. Safety equipment, first-aid facilities, and strict supervision systems are provided to ensure the protection of workers on-site. Work facilities equipped with modern construction tools and advanced technology provide migrant workers with valuable experience operating under high standards. This contributes to the improvement of their technical skills and professional expertise.

In terms of mobility, limited transportation options within the IKN area remain a challenge for migrant workers. The long distance between housing and work sites requires more careful transportation planning compared to their home regions, which typically have more diverse transport options. However, the gradual development of road and transport infrastructure as part of the IKN project has improved regional connectivity. Some companies provide dedicated worker transportation to address mobility constraints. In addition, several companies offer catering services that reduce the burden of meal preparation for workers. Laundry services, prayer facilities, and recreational spaces are also available to support their daily lives. Access to healthcare services and communication facilities (internet and phone) ensures that workers can maintain regular contact with their families back home.



Figure 3. Example of Transportation Used by Construction Workers to Reach Project Sites
Source: Author's Documentation (2024)

5) Financial Capital

Meanwhile, financial capital represents the most tangible economic dimension encompassing increased income, savings capacity, and access to formal financial services that enable workers to improve their household welfare in their home regions. Financial capital has undergone the most visible transformation among construction migrant workers in IKN. The higher wage levels offered, compared to similar jobs in their regions of origin, serve as a primary attraction for migrant workers. The payment system is appealing, with relatively fast disbursement in some cases weekly (piece-rate or “borongan” system) allowing workers to access their income regularly and providing financial security for their families back home. This creates greater economic stability than in their previous employment.

Although income levels have increased by around 60–120%, migrant workers face rising living costs, as the prices of goods and services in the IKN area are generally higher than in their home regions. This includes food, laundry, and accommodation costs for those not living in the

HPK. Consequently, workers have adjusted their consumption patterns by reducing non-essential spending, a change that, according to interview results, has indirectly helped them save more. Some workers benefit from the housing and catering facilities provided by their companies, allowing them to allocate a larger portion of their income toward savings. These infrastructural supports enhance workers' ability to save. The rapidly developing nature of the IKN area also provides migrant workers with improved access to banking and financial services. Several banks have opened branches or mobile units around the IKN zone to meet workers' financial needs. Money transfer services for remittances to families have become more efficient and affordable.

A number of workers have begun to utilize formal financial products such as savings accounts, health insurance, and even small-scale loans for productive purposes. Financial literacy has improved as workers interact more frequently with formal financial systems compared to their home areas. Despite higher living costs, the substantial increase in income enables many workers to save more and send larger remittances to their families. The regularity of wage payments contributes to greater household economic stability in their places of origin (Carr, 2014). These remittances not only cover daily consumption needs but also support long-term welfare improvements through investments in children's education, home renovations, and small business ventures. The improved stability of remittance transfers compared to previous jobs provides a stronger sense of economic security for workers' families, enhancing the overall quality of life for both the migrant workers and their dependents.

Tabel 1. Perubahan Penghidupan Pekerja Migran Konstruksi di Ibu Kota Nusantara (IKN)

No	Types of Capital	Before Working in IKN	After Wrking in IKN
1	Human Capital	- Did not yet have professional certification - Worked normal hours with a light workload - Maintained standard work discipline - Time management was not yet well-structured	- Received on-the-job training and certification - Worked from 08:00 to 22:00 with a heavier workload - Demonstrated significantly improved work discipline - Developed time management and professional responsibility - Experienced psychological pride from contributing to a national strategic project
2	Social Capital	- Network limited to the home region - Culturally homogeneous interactions - Traditional informal social relationships	- Diverse networks (Javanese, Buginese, Sundanese, Manadonese, Torajan, Batak) - Interaction with the local Sepaku community - Foreman system serves as a crucial social hub
3	Natural Capital	- Direct access to agricultural or forest land - Independent management of natural resources	- Limited access to local natural resources - Dependent on company-provided facilities and local markets

4	Physical Capital	● Private housing in home region ● Standard work facilities	● Construction Worker Housing (22 towers, 18 m² rooms with complete facilities) ● Alternative housing in nearby villages ● Modern construction equipment ● Safety equipment, first aid facilities, and strict supervision ● Dedicated worker transportation
5	Financial Capital	● Standard wage based on regional pay rates ● Irregular payment system ● Lower cost of living compared to Kalimantan ● Flexible spending habits ● Low saving capacity	● Fast or weekly payment system (piece-rate) ● Increased cost of living ● More frugal and planned spending patterns ● Improved saving capacity and stable remittances

Source: Author's Analysis (2024)

D. The Positive and Negative Impacts on the Sustainability of Migrant Workers' Livelihoods

The analysis of livelihood dynamics among construction migrant workers in the Ibu Kota Nusantara (IKN) development area in Sepaku District indicates ambivalent implications for livelihood sustainability. These findings align with Cahyadi et al. (2023), who emphasize that migration and occupational transformation within large-scale development contexts can simultaneously generate economic opportunities and social vulnerabilities for migrant workers.

These impacts emerge from the interaction between the five livelihood capitals human, social, natural, physical, and financial and the broader socioeconomic dynamics within the migration destination. Based on the SLF analysis, migrant workers who moved to Sepaku to participate in IKN construction gained exposure to large-scale construction practices (Stacey et al., 2021). Exposure to modern construction technologies, stricter safety standards, and collaboration with skilled professionals from diverse regions enhanced their technical competencies. Moreover, the dynamic nature of work in a national-scale project fostered adaptability, discipline, and problem-solving skills, enriching their overall human capital and strengthening their future competitiveness in the labor market.

Labor migration to Sepaku has also fostered cross-cultural interactions among workers from various ethnic backgrounds and with local communities. These interactions can build beneficial social networks, solidarity among workers, informal support systems, and the formation of migrant worker communities. The emergence of informal worker groups or solidarity organizations can serve as platforms for advocacy (Handoko et al., 2024) and support social adaptation in the new environment (Anggaunitakiranantika, 2021). Although construction workers do not rely directly on natural resources for their livelihoods, their presence in resource-rich areas forests, farmlands, and water bodies indirectly creates new economic opportunities.

In some cases, migrant workers have formed informal agreements with local residents to utilize unused plots or home gardens for small-scale vegetable cultivation. Others have engaged in limited non-timber forest product collection or small-scale fish farming, typically under local community

consent. However, such practices require careful regulation to avoid conflicts or competition over land and natural resources and to ensure compliance with legal and social norms. For long-term residents, integration into local agrarian systems may even enhance household food security.

The development of IKN has driven significant infrastructure investment, including roads, transport networks, housing, and public services such as health and education (Pramesti & Basuki, 2025). This finding is consistent with Wang et al. (2016), who note that improved infrastructure in major development zones directly enhances migrant mobility, accessibility, and temporary housing conditions. Studies by Wang et al. (2016) and Mottaleb & Rahut (2019) further highlight that physical infrastructure expansion generates social and economic multiplier effects, stimulating local economic activities. In IKN, such effects are visible in the emergence of new micro-economies, small trade, transport services, and construction logistics providing alternative income sources for some migrant workers. Thus, infrastructure development in IKN functions not only as a physical transformation tool but also as a catalyst for socioeconomic change, echoing Mottaleb and Rahut's (2019) observations in other developing countries.

Employment in the IKN construction sector has provided substantial income growth for migrant workers approximately 60–120% higher than their previous earnings. Regular and stable wages have enabled workers to send remittances to their families, improving household welfare and allowing for savings and small investments. However, the sustainability of these benefits depends on project continuity, contract duration, and workers' financial management abilities in the post-project period. Despite the economic gains, construction migrants in Sepaku face multiple challenges that threaten livelihood sustainability. Large-scale labor migration often brings vulnerabilities in access to basic services, job security, and social protection (Ayela & Degefa, 2022). Not all workers are equally able to seize new opportunities; some experience marginalization, exploitation, or declining living standards. Interviews reveal that many construction workers endure long working hours, heavy physical strain, and high accident risks, which may deteriorate both physical and mental health. Limited formal training and reliance on experiential learning also mean that acquired skills are often undocumented or unrecognized (Mbunda et al., 2020), leaving workers vulnerable once projects end.

The influx of migrant laborers into the IKN development area has transformed local social dynamics. While social interactions have created opportunities for knowledge exchange, economic networking, and adaptation, tensions have also emerged due to perceptions of unequal access to resources, job opportunities, and public facilities. Trentin et al. (2023) similarly highlight that rapid migration into development regions often triggers social frictions stemming from cultural differences, stereotypes, and competition over local resources. However, unlike Trentin et al., this study finds that such frictions in Sepaku rarely escalate into open conflict, instead manifesting as subtle social segregation and limited migrant participation in local community life. The study also identifies weak bargaining power among migrant workers, owing to the absence of formal organizations or mediating institutions to safeguard their rights a condition consistent with Jayaram & Varma (2020), who emphasize the importance of worker representation in strengthening migrants' negotiation capacity in new development zones.

IKN's construction has also caused significant ecological transformations in Sepaku, including land-use changes, deforestation, and pressure on water resources. Approximately 6,671 hectares of land have been converted from production forest to infrastructure and housing zones, increasing surface runoff and reducing groundwater absorption (Andita et al., 2023). Beyond physical effects, the sociological consequences are evident: workers and nearby residents experience declining environmental quality, livability, and public health (Wahyu & Frinaldi, 2024). It is estimated that IKN's development may result in the loss of around 66.1 million tons of carbon reserves and a reduction of 176.6 million tons of oxygen production about 61% lower than current conditions potentially affecting local and national air quality and contributing to global warming (Dzulfiqar et al., 2024).

Moreover, large-scale construction increases environmental disaster risks, particularly flooding, due to unmanaged waste disposal into rivers and reduced land absorption following forest conversion. These conditions not only threaten local ecosystems but also endanger the sustainability of migrant livelihoods that depend on nearby environments for housing and economic activities. Hydrological modeling projections up to 2035 indicate that planned land-use changes under the regional spatial plan could increase peak discharge and runoff volume by up to 38.8 m³/s (approximately 10% higher than current levels), signaling an elevated flood risk in the IKN construction area (Wisanggeni et al., 2024).

E. Implications for the Sustainability of Migrant Workers' Livelihoods

The analysis of both positive and negative impacts across various livelihood assets of migrant construction workers in Sepaku District provides a more comprehensive understanding of the dynamics of their livelihood sustainability. Beyond employment opportunities and income, the balance among different forms of capital human, social, natural, physical, and financial determines whether these assets collectively strengthen resilience or instead generate new vulnerabilities (Li et al., 2024). This implication is crucial to understand, as the development of the new capital city (IKN) as a national strategic project has the potential to serve as a momentum for livelihood enhancement but also presents long-term risks if social, economic, and environmental dimensions are not managed equitably and sustainably.

The implications drawn from this study can serve as a foundation for formulating inclusive development strategies, strengthening migrant worker protection, and ensuring that sustainable development goals align with the interests of affected communities. From the perspective of human capital, the sustainability of livelihoods will largely depend on the extent to which the acquired skills can be formally recognized and utilized in the labor market after the IKN project is completed. The study shows that while migrant workers experience increased income and technical skills during their employment in IKN construction projects, formal recognition of these competencies remains limited. This condition may hinder their career continuity post-project. This finding supports Zhi-Yang and Meng-Jia (2014), who assert that capacity improvement without formal certification only provides temporary benefits and prolongs long-term labor vulnerability.

In terms of social capital, this research identifies diverse interethnic interactions among Indonesian workers and highlights the role of the mandor (foreman) system as a crucial social linkage among migrant workers. This finding expands on Zhang et al. (2024), who emphasized that social

integration mechanisms are a key factor in sustaining migrant livelihoods. In the IKN context, social integration could be strengthened through inter-community communication forums and the provision of social spaces within worker housing areas. Conversely, if social tensions persist as noted by Wang and Gao (2022) migrant workers' social capital may weaken, limiting their access to employment opportunities and social support. From the natural capital perspective, the study finds that environmental conditions surrounding IKN construction sites directly affect workers' wellbeing and resilience. Migrant workers still face limited access to local natural resources and rely heavily on company and local facilities. This aligns with the views of Aziz et al. (2019) and Colucci et al. (2021), who argue that the sustainability of workers' livelihoods depends on the extent to which development activities are linked to resource productivity and environmental stability.

The study's findings on physical capital indicate that the availability of migrant worker utilities such as housing, safety, and transportation has improved compared to working conditions in their areas of origin. The provision of relatively decent accommodation and more organized inter-site transportation reflects ongoing efforts by developers and government agencies to enhance worker welfare standards. This supports Palmgren (2024), who found that improving basic infrastructure in major development zones increases work efficiency and reinforces migrant workers' perceptions of safety and comfort. Regarding financial capital, the findings suggest that although migrant workers experience income growth during the project period, the instability of work contracts and limited access to formal financial institutions keep them economically vulnerable. This situation reinforces the analyses of Ma et al. (2025) and IOM (2024), which emphasize that without adequate labor protection systems and financial literacy education, short-term income gains will not translate into long-term wellbeing.

Thus, the study concludes that the sustainability of migrant construction workers' livelihoods in IKN depends heavily on the synergy between the recognition of human capital, the strengthening of social integration, sustainable environmental management, equitable access to basic infrastructure, and microeconomic stability.

F. Conclusion

This study shows that the development of the National Capital (IKN) in Sepaku District has brought significant changes to the livelihoods of construction migrant workers, analyzed through the Sustainable Livelihoods Framework (SLF). The transformation is reflected across five main livelihood capitals: improvement of skills accompanied by health risks (human capital); the formation of interregional social networks despite limited interaction with local communities (social capital); restricted access to natural resources (natural capital); the provision of housing and work facilities constrained by transportation challenges (physical capital); and an increase in income accompanied by rising living costs (financial capital). Overall, labor migration to IKN presents opportunities for capacity building and improved well-being but also introduces new forms of vulnerability that may hinder livelihood sustainability. Therefore, policies focusing on worker protection, capacity strengthening, and social integration are essential to ensure that the benefits of IKN's development are experienced inclusively and sustainably.

Recommendation

The policy implications of this study emphasize that the development of the new capital city (IKN) must integrate the sustainability dimensions of migrant workers' livelihoods through the five key capitals. The government and relevant stakeholders should promote training and certification programs (human capital), strengthen social networks and dialogue between workers and local communities (social capital), ensure environmental protection and occupational health (natural capital), guarantee equitable access to basic infrastructure (physical capital), and provide social protection and access to formal financial services (financial capital). Thus, IKN development policies should not only focus on infrastructure expansion but also ensure the protection and well-being of migrant workers as an integral part of the national transformation process.

This study provides an initial understanding of the livelihood dynamics of migrant construction workers in the IKN development area. However, it has certain limitations, particularly the scope of field data, which is restricted to the early construction phase and therefore does not fully capture post-development conditions. Consequently, there are opportunities for future research to conduct longitudinal studies that monitor changes in the socio-economic conditions and livelihoods of migrant workers during the post-construction phase of IKN. Such studies would offer a more comprehensive understanding of the sustainability of well-being, labor mobility, and social adaptation dynamics after the completion of major construction projects.

References

- Andita, W. A. N., Rahmah, I. M., & Anggraeni, F. N. (2023). Analisis Perubahan Lahan pada Wilayah Inti Ibu Kota Negara (IKN) di Kabupaten Penajam Paser Utara, Provinsi Kalimantan Timur Tahun 2019 dan Tahun 2023 Menggunakan Sistem Informasi Geografi (SIG). *Jurnal Sains Geografi*, 1(1), 91–103. <https://doi.org/10.21009/JSG.v1i1.09>
- Anaf, J. (2022). Indonesian migrant workers: The migration process and vulnerability to COVID-19. *Journal of Environmental and Public Health*, 2022, 1-8. <https://doi.org/10.1155/2022/2563684>
- Anggaunitakiranantika. (2021). *Social networks: The survival strategy of Indonesian migrant workers in Hong Kong*. *Komunitas*, 13(1), 142-153. <https://journal.unnes.ac.id/nju/komunitas/article/view/27021>
- Ayele, L., & Degefa, T. (2022). Translocal vulnerability of temporary rural–rural labor migrant-sending households in Quarit district, Northwestern Ethiopia. *Comparative Migration Studies*, 10(1), 30. <https://doi.org/10.1186/s40878-022-00303-2>
- Aziz, S. A., Zelenáková, M., Mésároš, P., Purcz, P., & Abd-Elhamid, H. (2019). Assessing the potential impacts of the Grand Ethiopian Renaissance Dam on water resources and soil salinity in the Nile Delta, Egypt. *Sustainability*, 11(24), 7050. <https://doi.org/10.3390/su11247050>
- Balai Pelaksanaan Jalan Nasional Aceh. (2025, Juni 17). *Tingkatkan daya sektor konstruksi, Kementerian PU dorong peningkatan kompetensi berkualitas dan kompetitif*. Kementerian Pekerjaan Umum dan Perumahan Rakyat Republik Indonesia. <https://binamarga.pu.go.id/balai-aceh/berita/tingkatkan-daya-sektor-konstruksi-kementerian-pu-dorong-peningkatan-kompetensi-berkualitas-dan-kompetitif>
- Cahyadi, R., Hidayati, D., Abdurrahim, A. Y., Miranda, T. I., & Pitaloka, A. A. (2023). *Sustainability of the Local Community's Livelihoods and the Idea of the Modern City of Nusantara*. Dalam J. Lau, A. N. Alami, S. D. Negara, & Y. Nugroho (Eds.), *The Road to Nusantara: Processes, Challenges and Opportunities* (hlm. 225-245). ISEAS Publishing. <http://dx.doi.org/10.1355/9789815104233-017>

- Carr, E. R. (2014). From description to explanation: Using the Livelihoods as Intimate Government (LIG) approach. *Applied Geography*, 52, 110-122. <https://doi.org/10.1016/j.apgeog.2014.04.012>
- Colucci, V., Manfreda, G., Mendecka, B., Talluri, L., & Zuffi, C. (2021). LCA and exergo-environmental evaluation of a combined heat and power double-flash geothermal power plant. *Sustainability*, 13(4). <https://doi.org/10.3390/su13041935>
- DFID. (2001). *Sustainable Livelihoods Guidance*. Department for International Development (DFID).
- Dzulfiqar, F., Iriany, M. R., & Andini, S. C. (2024). Dampak Alih Fungsi Lahan Pada Kualitas Oksigen di Indonesia (Studi Pada Rencana Pemindahan Ibu Kota Negara Indonesia). *Peatland Agriculture and Climate Change Journal*, 1(1). <https://doi.org/10.61511/pacc.v1i1.2024.454>
- Handoko, W., Sulaiman, A. I., Sugito, T., & Sabiq, A. (2024). Empowering Former Women Migrant Workers: Enhancing Socio-Economic Opportunities and Inclusion for Sustainable Development. *Academic Journal of Interdisciplinary Studies*, 13(1), 199-210. Diakses 21 Agustus 2025, dari <https://pdfs.semanticscholar.org/23a3/4d0c782ab18665e82602d4714da8afb5c7db.pdf>
- Hia, J. R., Waruwu, E., Gea, J. B. I. J., & Waruwu, R. M. P. (2024). Menguak Alasan di Balik Arus Migrasi dari Desa Hilidaura Kecamatan Mandrehe Barat Nias Barat. *Management Perspective: Jurnal Penelitian Manajemen*, 1(4), 203-214. <https://doi.org/10.62138/management.v1i4.95>
- Indraswari, S. A. (2024, 16 Agustus). PUPR tambah 4 unit IPA cegah rusun pekerja IKN kekurangan air. detikProperti. <https://www.detik.com/properti/berita/d-7492630/pupr-tambah-4-unit-ipa-cegah-rusun-pekerja-ikn-kekurangan-air>
- IOM. (2024). *Fostering Financial Empowerment: A Needs Assessment of Financial Inclusion for Migrant Workers in Thailand*. International Organization for Migration, Thailand.
- Jayaram, N., & Varma, D. (2020). Examining the 'labour' in labour migration: Migrant workers' informal work arrangements and access to labour rights in urban sectors. *The Indian Journal of Labour Economics*, 63(4), 999-1019. <https://doi.org/10.1007/s41027-020-00288-5>
- Kementerian Pekerjaan Umum dan Perumahan Rakyat. (2022). *Buletin konstruksi*: Edisi 2 Tahun 2022.
- Li, Q., Xu, Y., Zhao, X., Xie, J., Jiao, T., & Su, Z. (2024). Research on the livelihood capital and livelihood strategies of resettlement in China's South-to-North Water Diversion Middle Line Project. *Frontiers in Sustainable Food Systems*, 8, 1396705. <https://doi.org/10.3389/fsufs.2024.1396705>
- Ma, L., He, Q., & Gan, Q. (2025). Impact of short-term labor contracts on financial health: Evidence from migrant worker households in China. *Economic Analysis and Policy*, 85, 448-463. <https://doi.org/10.1016/j.eap.2024.12.016>
- Maksum, A. (2021). Indonesian post-migrant workers: A challenging problem for human security. *Social Sciences & Humanities Open*, 4(1). <https://doi.org/10.1016/j.ssaho.2021.100223>
- Mbunda, U., Lello, D., & Tesha, D. (2020). Barriers of the recognition of informal construction workers towards improving their skills; The case of Recognizing Prior Learning (RPL) programme in Tanzania. *International Journal of Construction Engineering and Management*, 9(2), 63-80. <http://dx.doi.org/10.5923/j.ijcem.20200902.03>
- Mottaleb, K. A., & Rahut, D. B. (2019). Impacts of improved infrastructure on labor allocation and livelihoods: The case of the Jamuna Multipurpose Bridge, Bangladesh. *The European Journal of Development Research*, 31(4), 750-778. <https://doi.org/10.1057/s41287-018-0186-8>
- Nasarudin, N., Rahayu, M., Asyari, D. P., Sofyan, A., Fadli, M., Hari, K. K., ... & Sarie, F. (2024). *Metode Penelitian Kombinasi (Mixed Method)*. CV. Gita Lentera.
- Notoatmodjo, S. (2010). *Metodologi Penelitian Kesehatan*. Jakarta: Rineka Cipta.
- Nurdiani, N. (2014). Teknik sampling snowball dalam penelitian lapangan. *ComTech: Computer, Mathematics and Engineering Applications*, 5(2), 1110-1118.
- Nusantara, I. K., & Sihotang, H. T. (2024, Agustus). *Penguatan Ketahanan Nasional Masyarakat Lokal Menghadapi Dampak Migrasi Dalam Pembangunan*. Lembaga Ketahanan Nasional, Jakarta.

- Palmgren, P. (2024). Infrastructures of Social Reproduction: Migrant Survival and Economic Development at the Thailand-Myanmar Border. *International Migration Review*. <https://doi.org/10.1177/01979183241287465>
- Pramesti, N. P., & Basuki, I. (2025). Challenges and Opportunities in Managing Large-Scale Infrastructure Projects: The Case of Indonesia's New Capital Nusantara. *Jurnal Teknik Sipil*, 25(2), 1930-1943. <https://doi.org/10.26418/jts.v25i2.92564>
- Purwaniawan, N. B. (2023, Oktober 11). Penduduk Kabupaten Penajam bertambah 6.000 orang sepanjang 2023. ANTARA News. <https://www.antaranews.com/berita/3768291/penduduk-kabupaten-penajam-bertambah-6000-orang-sepanjang-2023>
- Ramadhano, I., & Lie, G. (2023). Dinamika Tenaga Kerja Asing Terhadap Tenaga Kerja Lokal: Implikasi dan Tantangan dalam Investasi Sumber Daya Manusia. *UNES Law Review*, 6(2), 5978-5990. <https://doi.org/10.31933/unesrev.v6i2.1435>
- Sabariman, H., Wahyudi, F. D., Amrullah, A., Sadiyah, S. H., & Ramadhan, M. F. (2020). Rasionalitas dan Adaptasi Sosial (Studi Kasus Penduduk Migran di Perdesaan Madura). *Jurnal Analisa Sosiologi*, 9(2).
- Saputra, N. C. E. (2021). Pengaruh Migrasi Terhadap Kesejahteraan Masyarakat di Indonesia. *Jurnal Pemikiran dan Penelitian Sosiologi*, 6(1). <https://jurnal.unpad.ac.id/sosioglobal/article/view/31930>
- Saraswati, M. K., & Adi, E. A. W. (2022). Pemindahan ibu kota negara ke Provinsi Kalimantan Timur berdasarkan analisis SWOT. *Jurnal Ilmu Sosial dan Pendidikan (JISIP)*, 6(2), 2598-9944.
- Satriyatama, B., & Nugrahaini, F. T. (2024). Identifikasi ergonomi terhadap antropometri pekerja pada kamar tidur Tower Eboni HPK IKN. *Dalam Prosiding Seminar Ilmiah Arsitektur (SIAR)* (hlm. 842-852).
- Shimamura, T., & Mizunoya, T. (2020). Sustainability prediction model for capital city relocation in Indonesia based on inclusive wealth and system dynamics. *Sustainability*, 12(10), 4336. <https://doi.org/10.3390/su12104336>
- Suhartini, E. (2023). Indonesian migrant workers after Job Creation Law: A challenging problem for protection welfare. *Jurnal Bestuur*, 11(2). <https://doi.org/10.20961/bestuur.v11i2.78442>
- Suriastini, N. W., Suparmi, N. L. E., & Utomo, A. (2021). Indonesian post-migrant workers: A challenging problem for human security. *Heliyon*, 7(11), e08439. <https://doi.org/10.1016/j.heliyon.2021.e08439>
- Suryantoro, B., & Kusdyana, Y. (2020). Analisis Kualitas Pelayanan Publik Pada Politeknik Pelayaran Surabaya. *Jurnal Baruna Horizon*, 3(2), 223-229.
- Stacey, N., Gibson, E., Loneragan, N. R., Warren, C., Wiryawan, B., Adhuri, D. S., ... & Fitriana, R. (2021). Developing sustainable small-scale fisheries livelihoods in Indonesia: Trends, enabling and constraining factors, and future opportunities. *Marine Policy*, 132, 104654. <https://doi.org/10.1016/j.marpol.2021.104654>
- Tao, S., & Shi, G. (2023). A coupled and coordinated analysis in livelihoods of poverty alleviation migrants from a just transition perspective. *Frontiers in Sustainable Food Systems*, 7. <https://doi.org/10.3389/fsufs.2023.1060401>
- Trentin, M., Rubini, E., Bahattab, A., Loddo, M., Della Corte, F., Ragazzoni, L., & Valente, M. (2023). Vulnerability of migrant women during disasters: a scoping review of the literature. *International Journal for Equity in Health*, 22(1), 135. <https://doi.org/10.1186/s12939-023-01951-1>
- Wahyu, A., & Frinaldi, A. (2024). Analisa Dampak Lingkungan Ibu Kota Nusantara. *Jurnal Kajian Hukum Dan Kebijakan Publik* / E-ISSN: 3031-8882, 1(2), 29-33. <https://jurnal.kopusindo.com/index.php/jkhkb>
- Wang, R., & Gao, Y. (2022). An evaluation of factors influencing urban integration and livelihood of eco-migrant families: Quantitative evidence from Western China. *Sustainability*, 14(23), 16249. <https://doi.org/10.3390/su142316249>

- Wang, T., Li, Y., Zhang, L., & Li, G. (2016). Case study of integrated prefab accommodations system for migrant on-site construction workers in China. *Journal of Professional Issues in Engineering Education and Practice*, 142(4), 05016005. [https://doi.org/10.1061/\(ASCE\)EI.1943-5541.0000288](https://doi.org/10.1061/(ASCE)EI.1943-5541.0000288)
- Wisanggeni, D. H., Sitorus, J. E., Putra, K. H. P., & Adityawan, M. B. (2024). Pengaruh Perubahan Tutupan Lahan Terhadap Debit Banjir di Kawasan Inti Pusat Pemerintahan (KIPP) Ibu Kota Nusantara. *Jurnal Teknik Sipil dan Lingkungan*, 9(2), 327-338. <https://doi.org/10.29244/jsil.9.2.327-338>
- Zhang, H., Cao, Z., Zhou, K., & Ji, Y. (2024). Research on the relationship between social capital and sustainable livelihood: Evidences from reservoir migrants in the G Autonomous Prefecture, China. *Frontiers in Environmental Science*, 11. <https://doi.org/10.3389/fenvs.2023.1358386>
- Zhi-Yang, H., & Meng-Jia, Z. (2014, April). *Study on Human Capital Loss and Restoration for Climate Induced Migrants*. Dalam 2014 International Conference on Economic Management and Trade Cooperation (EMTC 2014) (hlm. 470-475). Atlantis Press. <https://doi.org/10.2991/emtc-14.2014.79>