

Knowledge Sector Initiative

WORKING PAPER 14



The Indonesian Knowledge Sector: A Contextual Analysis

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Abbreviations and Acronyms

AIPI	: Akademi Ilmu Pengetahuan Indonesia (Indonesian Academy of Sciences)
ASEAN	: Association of Southeast Asian Nations
AusAID	: Australian Agency for International Development (now integrated into the Department of Foreign Affairs and Trade (DFAT) as Australian Aid)
Balitbang	: Badan Penelitian dan Pengembangan (Research and Development Unit within a Ministry)
Bappenas	: Badan Perencanaan Pembangunan Nasional (National Development Planning Agency)
CO	: Contributory Outcome
CSO	: Civil Society Organisation
DIKTI	: Direktorat Jenderal Pendidikan Tinggi (DG Higher Education)
DPR	: People's Representatives Council/Parliament
KASN	: Komisi Aparatur Sipil Negara (State's Civil Service Commission)
KC	: Knowledge Community
Kemendagri	: Kementerian Dalam Negeri (Ministry of Home Affairs)
KSI	: Knowledge Sector Initiative
LIPI	: Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Sciences)
Menristekdikti	: Menteri Riset, Teknologi dan Pendidikan Tinggi (Minister of Research, Technology and Higher Education)
NGO	: Non-Government Organisation

- PNPM** : Program Nasional Pemberdayaan Masyarakat
(National Programme for Community Empowerment)
- PRI** : Policy Research Institute
- PSF** : PNPM Support Facility
- RBO** : Rubric-based Organisational Assessment
- TAK** : Tim Analisa Kebijakan (Policy Analysis Team/PAT at Bappenas)
- UKP4** : Unit Kerja Presiden untuk Pengawasan dan Pengendalian Pembangunan
(President's Delivery Unit for Development Monitoring and Oversight)

Executive Summary



The Knowledge Sector Initiative (KSI) is a 15-year programme to help develop systems that will enhance the production and use of knowledge, especially research knowledge, during development planning processes and on priority policy issues in Indonesia. This report reflects on the context in which KSI is working and provides a ‘benchmark’ against which to measure progress. It focuses on four areas: the capacity of policy research institutes (PRI) (especially 16 that were selected on the basis of organisational and research capacity); the capacity of policy makers to acquire and use research knowledge; systemic factors that shape the production and use of research knowledge; and the level of engagement in certain ‘knowledge communities’ (namely village development, research and higher education, and bureaucratic reform).

Capacity of PRIs

Producing and communicating research: Among KSI’s partners, most PRIs had processes in place to translate their research agendas into more specific research plans. All organisations had internal quality control processes, although consistency in application varied. On policy relevance, several PRIs said they made recommendations, while others said they involved policy makers, and several PRIs had only recently turned their attention to planning for policy influence. PRIs could benefit from using more appropriate formats to share their findings with stakeholders. Most PRIs published research using a variety of channels, and felt they were reasonably well known among non-governmental organisations (NGOs), policy makers and academics. They felt they worked with fewer policy makers than civil society organisations (CSOs) and in an ad hoc way. Policy makers and CSOs sometimes used PRI research results, however, PRIs did not conduct specific assessments of whether and how research results were usable, useful and/or used.

Management: KSI-supported PRIs scored themselves strongly in relation to having a vision, an organisational strategy and a research agenda. Most PRIs were mainly or exclusively funded by donors, with most receiving funds from a range of donors, typically for between one and two years. They scored themselves positively on work-planning, management and organisational governance, financial and operational management practices and gender. However, they scored themselves lower for monitoring and evaluation, risk assessment and knowledge management. Human resource management received the weakest overall self-assessment scores across the 16 organisations.

Capacity of policy makers to acquire and use research knowledge

Centralised development planning: The Planning Ministry (Bappenas) had the potential to play a key role in improving the use of knowledge in development planning and encouraging other ministries to do so. However, it lacked the power to convene government stakeholders, particularly from larger ministries. Its re-casting as a government think tank (underpinned by its restructured policy analysis team) could help raise its status, however, it needs time to transition from purely responding to short-term ministerial requests to undertaking longer-term cross-sectoral research. Moreover, the creation of a knowledge centre to share national and international good practices had the potential to improve the quality of public policy making.

Demand: Bureaucratic rules around parliamentary submissions and consultation processes were poor drivers in motivating policy makers to consider and use high quality research in their policy work. The main drivers were often political and related to economic or monetary incentives (especially at the national or agency level), an assessment of power gained or lost, and bolstering individual status. Key technical reasons for using

research were: understanding the context; helping shape policies and strategies; making sense of potentially contradictory messages; monitoring and evaluation; and determining good practice. Nevertheless, decision makers (especially in the executive branch) prioritised statistical and administrative data ahead of research (and expert advice).

Scoping and communicating policy questions: When research was sought, questions were usually generated in an ad hoc manner and were often driven by directives from senior decision makers. If policy makers did have a policy question, they were not always good at communicating this to knowledge providers. Senior government officials were often unwilling to admit their lack of knowledge and were often suspicious of advice that contradicted their own positions.

Assembling research and expert knowledge: In order to procure research, mid-level civil servants (who were more likely to need research to draft policy) had to go through a lengthy and cumbersome chain of approvals until they reached a senior civil servant who could authorise the request. This often discouraged them from making a request at all. Internal research and development units were marginalised structures within ministries and tended to lack the capacity to produce high quality research. Decision makers, particularly senior civil servants from prominent ministries and those from ministries which had limited means to procure research, often sought to secure research funding and/or technical assistance from international/donor agencies and foreign universities. However, donor priorities and procurement processes limited the extent of local ownership.

Interpreting research and expert knowledge: Given this backdrop, the fluid nature of decision making and cultural factors, decision makers were more likely to invite trusted experts—usually as individuals from universities—to provide advice rather than to

formally commission research from a PRI. Not surprisingly, decision makers were most likely to learn from research and experts through social processes, such as formal and informal meetings, focus group discussions or seminars than from written reports and summaries (such as policy briefs). Linked to this, technical capacity among civil servants in assessing research methodology and reviewing research products tended to be weak.

Systemic factors that shape knowledge production and use

National level research productivity:

Research productivity in Indonesia was low. Between 1996 and 2008 Indonesia produced 9,194 published scientific reports, placing its scientific productivity below that of Bangladesh, Kenya, Lithuania and Nigeria, and far below that of neighbouring Thailand, Malaysia and Singapore. The Gross Expenditure on Research and Development per capita in 2013 was 0.09 percent – the lowest level of government expenditure on research among roughly equivalent economies – well below Association of Southeast Asian Nations (ASEAN) countries, such as Malaysia (0.64 in 2006), Singapore (2.29 in 2009) and Thailand (0.21 in 2009). Well over half of all research funding was provided by government, with private sector research funding still very low compared to other Southeast Asian countries.

Research funding and policy framework:

Although the National Mid-Term Development Plan was the official guide for ministries and local governments to develop their own development policies and plans, there was no clear strategy which translated this into a coherent set of research needs/questions. National research funds were channelled through a small number of government agencies, which set the research agenda and provided funding for research. However, they did not provide incentives for policy-relevant research, provide reliable funding schemes, prioritise social science research, have a strong legal basis, or provide enough funding

to play an effective role as an intermediary. Most research funding went towards academic research in the natural sciences, with 74 percent of the Ministry of Research and Technology's budget being allocated to science, technology and innovation government institutions. Only 25 percent of research was considered to be related to development policy. The Indonesian Academy of Sciences (APII) was well connected to key policy actors but needed more funding and support to improve its capacity to manage and communicate its funded research.

Key constraints in the use of knowledge by

decision makers:

were staffing structures in the civil service and rules to procure research. First, the division between technical and managerial specialists encouraged the former to think and act in ways that were not useful to the institution in which they worked. Second, the legal framework underpinning formal processes for procuring research was complex and ambiguous, inhibiting government institutions from formally commissioning PRIs to conduct high quality research. Although at the time of writing some reforms to these rules had taken place, further reform was necessary. These constraints were underpinned by systemic problems faced by the civil service. These included the inability of the civil service to recruit mid-career professionals, weak links between benefits and career progression on one hand and either individual or group performance on the other, and inadequate professional development. However, in 2014, the Government passed the Civil Service Law, which aimed to create a professional and non-politicised civil service that provided space for further reform.

Within the university system, research

tended not to be a valued function:

with academics not being paid directly for producing research. To supplement relatively low incomes, lecturers found additional income through consulting and providing advisory services for donors and government, or

leaving the university sector altogether. There was little to encourage the flow of knowledge between universities and government through formal processes, apart from contracts worth very little (and mediated through private consultancy firms), or agreements which only mandated general cooperation. Relationships between universities and government tended to be informal and based on personal relationships, unless donors intervened.

Facilitating engagement through knowledge communities

Generally, there were few formal spaces where different actors could come together and engage with one another on a regular basis to discuss policy and bring different types of knowledge to bear.

With regard to the knowledge community on **village development**, there were some links between domestic knowledge institutions and government agencies, albeit limited. However, demand for analysis on issues of community empowerment from government agencies had largely been satisfied by the World Bank. There was little research generated by domestic sources on the specific issue of village governance, a notable exception being research inputs provided by IRE, a PRI and other domestic NGOs, during the drafting of the Village Law.

With regard to the knowledge community focusing on **research and higher education**, no PRI had been asked to formally contribute to relevant policies. Knowledge required by policy makers in Bappenas and the Ministry of Research, Technology and Higher Education (Menristekdikti) were generated internally. However, the Minister of Finance, a key actor in this area, approached from an academic background, with an interest in improving the role of knowledge in policy making.

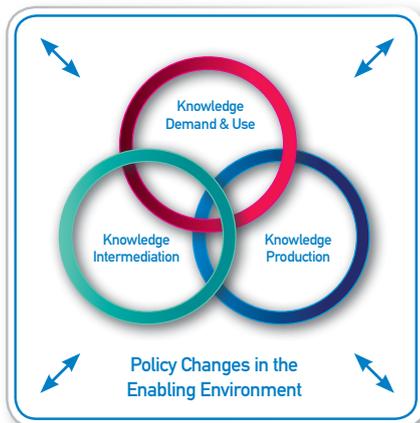
With regard to the knowledge community on **bureaucratic reform**, opponents to the reform of the Civil Service Law ensured a watered-down version. Nevertheless, a small group of academics was crucial in drafting, defending and passing the bill, while a newspaper

article written by a prominent official played an influential role. A reformist president and the need to write a set of implementation guidelines provide scope for further reform.

Knowledge exchange organisations: The media and civil society can play a key role in mediating knowledge and policy in knowledge communities. The media, however, is far from a neutral space with its interests shaped by ownership patterns, reflecting close links with big business and political parties. Further, they suffer from challenges in the quality of journalism, including narrow framing, over-privileging of often official or single sources, poor fact checking, weak links with domestic research centres and a lack of protection from the law, which makes investigative reporting risky. Moreover, risk-averse civil servants within government agencies often avoided engagement owing to a lack of trust.

CSOs have played a key role in complementing government policy and holding it to account. With better access to data on budgets and expenditures, they have been able to put pressure on the Government to design and implement policies more effectively. CSO links tend to be stronger with national-level parliamentarians, given their weaker analytical capacities, however, some policy makers felt that some CSOs lacked sufficient technical expertise, while others felt that CSOs were too confrontational.

Knowledge Sector Initiative



The Knowledge Sector Initiative (KSI) is a 15-year programme to help develop systems that will enhance the production and use of research knowledge during development planning processes and on priority policy issues. To achieve this, the programme was designed to work simultaneously on four elements: i) improving knowledge production, ii) building demand and capacity to use knowledge among policy makers, iii) strengthening knowledge mediation, and iv) promoting an enabling environment for using knowledge in public policy. The original Theory of Change identified four Intermediary Outcomes, one for each of these areas.¹

As part of a strategic planning process with the Planning Ministry (Bappenas) and KSI partners, work on the four intermediary outcomes was brought together, by focusing the work with partners on policy issues in three broad Knowledge Communities (KCs)²: i) the implementation of the new Village Law, ii) bureaucratic reform, and iii) reform aimed at increasing both the level of research funding and the emphasis placed on research in the university system. Three working groups involving government and non-government partners were established to facilitate this. The emphasis, until the end of Phase One (in June 2017), will be on developing closer interactions among KCs on specific policy issues within these broad areas.

¹ See the KSI Monitoring and Evaluation Plan, KSI, February 2014.

² A Knowledge Community (KC) is defined as an “adaptive ecosystem of individuals and organisations in the public, private and civil society sectors that are actively engaged in the production, transmission, demand and use of all kinds of knowledge that contributes to public policy processes.”

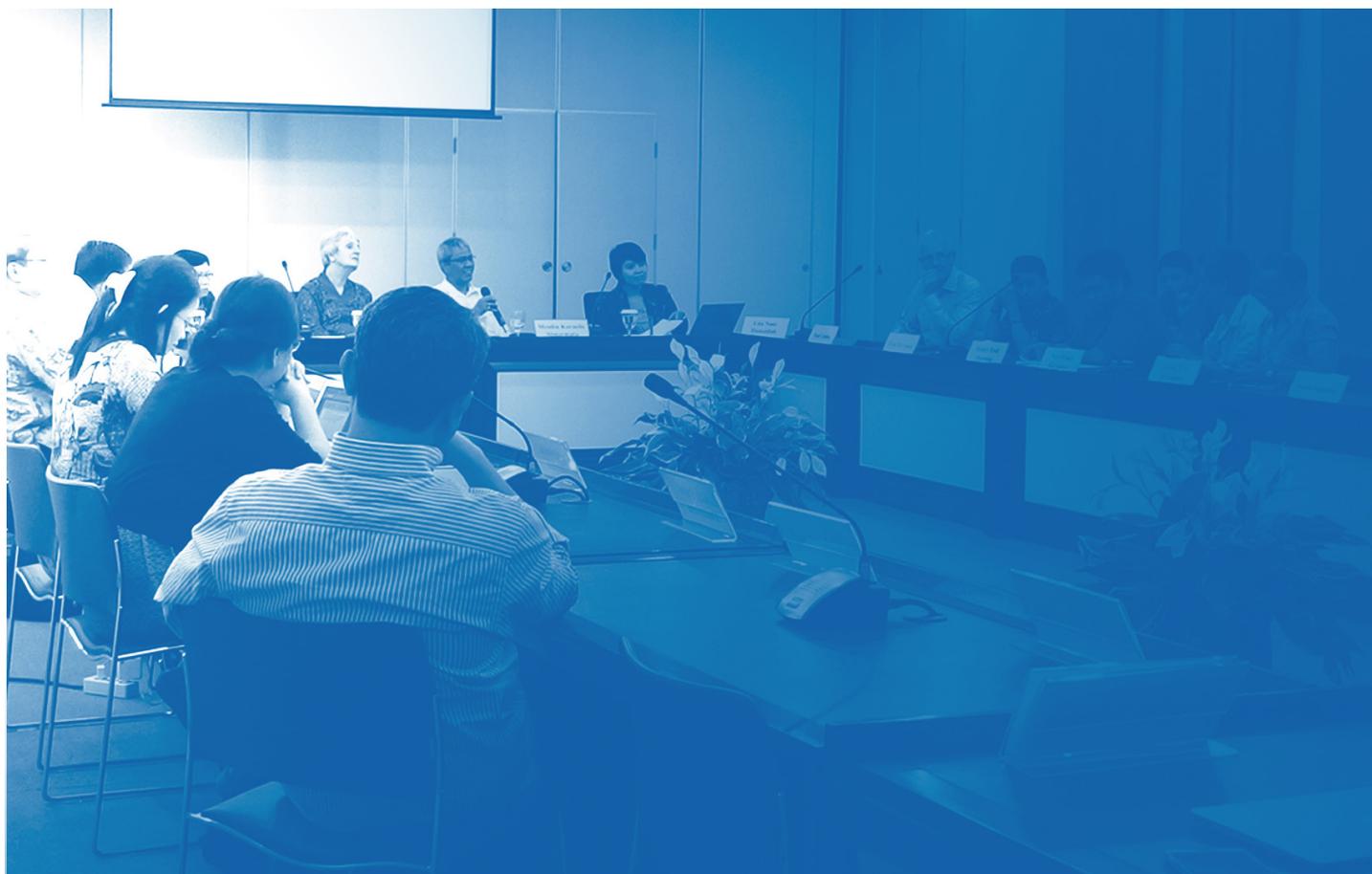
KSI supports a wide range of organisations, including PRIs, which are made up of NGOs, university research centres and think tanks; government institutions including Bappenas, various line ministries, research and development units within ministries (Balitbangs); and key bodies responsible for national level research and development, including AIPI and the National Research Council.

The objective of this report is to provide a 'baseline' for KSI on the context within which the interventions KSI is pursuing will take place, and, more critically, to provide a 'benchmark' against which to measure progress. The report draws on information that is largely (but not wholly) qualitative – primarily diagnostic studies undertaken during the project design process. This was supplemented by: additional grey and academic literature on knowledge related issues in Indonesia; further background studies conducted since

the programme began; specific baseline collection activities including a rubric-based organisational assessment (RBOA) of PRIs being supported by KSI (see Solidaritas 2015); a baseline study of policy makers (see Datta et al. 2016); a wide range of operational material, including programme emails and trip reports by KSI staff and consultants; and interviews with KSI staff or authors of some KSI studies to verify or elaborate this information. A full list of references is provided.

The report is in five chapters: Chapter Two highlights the capacity of PRIs to produce and communicate research knowledge; Chapter Three explores policy makers' capacity to acquire and use research knowledge in decision making; Chapter Four focuses on systemic factors that shape the production and use of research knowledge; and Chapter Five focuses on the nature of engagement within the three KCs.

Meet & Greet with Bappenas & partners director. www.ksi-indonesia.org



Capacity of Policy Research Institutes (PRIs)

Knowledge Sector Initiative

PRIS

QUALITY AND RELEVANCE
OF RESEARCH

COMMUNICATION OF RESEARCH
AND POLICY INFLUENCE

ORGANISATIONAL
STRENGTH

This chapter first provides a general overview of the capacity of Policy Research Institutes (PRIs) across the country and then more specifically describes the capacity of the 16 KSI-supported PRIs. We identify three broad areas of capacity (which inform the structure of each section of the chapter): quality and relevance of research; communication of research and policy influence; and organisational strength.

PRIs across the country

This section explores capacity issues among PRIs in Indonesia in general, drawing primarily on diagnostics produced to inform KSI's design between 2010 and 2011.

Quality and relevance of research

PRIs were staffed with highly qualified researchers illustrating the increased level of human capital available in Indonesia. Moreover, there was a large quantity of applied research in Indonesia. However, the quality of this research was seen as generally inadequate. In

many cases, researchers lacked the capacity to develop high quality proposals, identify trends, draw conclusions and make concrete practical recommendations (Suryadarma et al. 2011; McCarthy and Ibrahim 2010; Karetji 2010).

There were several reasons for this. For instance, many researchers lacked access to international and national academic literature. At the national level, the Directorate General for Higher Education in the Ministry of National Education (DIKTI) had a list of grants it awarded, but no online publication system or searchable database. University journals were not digital (with a few exceptions), while few research materials were searchable (Suryadarma et al. 2011; McCarthy and Ibrahim 2010; Ardiyani et al. 2012).

Researchers were more comfortable using externally developed analytical frameworks, where locally developed frameworks would be more relevant (Karetji 2010).

Quality checks on academic research processes or products were weak. Only

the top Indonesian academic journals out of 245 journals accredited by DIKTI had a peer review system. DIKTI did not appear to exercise quality checks on outputs from research grants, while research papers were rarely available electronically, and thus were not subject to public scrutiny. Moreover, in some university research centres, senior academics were known to use the research of their students without crediting the source (Ardiyani et al. 2012; Karetji 2010).

Communication of research and policy influence

In relation to the communication and influence of research, few research projects were designed to have policy impact. While a typical research project in a university would cost around IDR 150 million and last for one year, there was often nothing to show for it in terms of a formal report, articles or briefings. Centres were often protective of their research and tended not to share findings externally, at least not widely. University researchers generally had little capacity to push good research results into policies and programmes, while communicating research was seldom viewed as relevant for academic researchers. Few PRIs had conducted client and stakeholder mapping exercises and they rarely asked users how they might like to receive research products and in what formats (Karetji 2010; Nugroho et al. 2016).

While PRIs often knew that fostering open and productive working relationships with government officials could help ensure policy-relevant research produced in formats that were likely to be read, this required key personnel to invest time, which many organisations could not afford. However, some academics worked with NGOs, who were more comfortable undertaking advocacy, to impact at programme and policy levels (Karetji 2010).

Organisational strength

Here we discuss the organisational strength of PRIs. Using the framework developed by Solidaritas (2015) we divide this into three

parts: strategic strength, financial strength, and internal management. We do this for PRIs nationally by drawing primarily on KSI diagnostics, and for the organisational strength of KSI-supported PRIs we draw on the aforementioned RBOA.

Strategic strength

Many PRIs depended on their founders or senior individuals (and their networks) to secure funding, strategic direction (including the focus of research work) and operational issues (such as how fees were distributed). This often saw 'rising stars' leave PRIs to set up their own firms where they had more control over contracts and income (or join international organisations where they might have more intellectual freedom and higher income). This subsequently fragmented (or depleted) the sector and many PRIs were unable to develop specialist or niche areas of focus (Karetji 2010).

Financial strength

Most PRIs in Indonesia, even those that were university-based, lacked core funding. As a result, they were under continuous pressure to secure a steady stream of what were mostly short-term contracts and projects to keep themselves afloat. With incomes for junior and mid-level researchers relatively low, they were encouraged to supplement these incomes through teaching and training, resulting in less time for, and consequently poorer quality, research (Karetji 2010 and Sumarto 2011; Suryadarma et al. 2011; Datta et al. 2014).

Among non-governmental PRIs, the transition from dependence on donors, whose agendas were continuously shifting, to national and local sources of funding was a struggle. Regulatory constraints inhibited PRIs from securing government funding, while some feared that doing so might see them having to compromise their ethics (we discuss this in more detail below). Philanthropic donations, especially for research, had not become popular in Indonesia, and were not tax deductible (Karetji 2010; Sumarto 2011).

Internal management processes

Many PRIs (both university- and non-university-based) lacked the capacity to fully cost their work (often not recognising the financial cost of their in-kind contributions) and effectively generate and manage revenue streams (Karetji 2010).

PRIs also lacked systems to monitor and evaluate their research to account for resources spent and systemically learn lessons (Karetji 2010).

PRIs that had a broad project and client base did not help their employees develop professionally. Young researchers lacked clear career paths, and rarely received support from more senior researchers; they were expected to learn on the job. Working in isolation, they were responsible for their own development, often relying on externally funded scholarships or offers for collaboration from international institutions to boost their capacity (Karetji 2010; Suryadarma et al. 2011).

PRIs also neglected the role of support staff with expertise in administration, management, operations and human resources. If they were employed, they tended to be less qualified and poorly paid (Karetji 2010).

With regard to managing knowledge, PRIs

were reluctant to share research findings internally. Internal seminars where research results were presented for discussion and where ideas could be exchanged were rare, while the desire to avoid criticism by colleagues meant that discussion and debate was limited. Thus, research tended to be an individual, rather than collective, endeavour.

PRIs supported by KSI

Here we discuss the capacity of the 16 KSI-supported PRIs drawing on the RBOA by Solidaritas produced in 2015. The findings here may differ from the findings about PRIs in general and at the country level, given that: 1) the RBOA was conducted in 2015 while the diagnostics were mainly produced between 2010 and 2011; and 2) KSI-supported PRIs were selected on the basis of criteria including organisational and research capacity. Table 1 below provides a graphic of the results by element and aspect of capacity. The size of the circles represents the proportion of PRIs that rated themselves weak, fair, good or very good. The final column on the right indicates the proportion of PRIs that did not answer. In the text below, we refer to average scores where 1 is weak and 4 is very good.

Table 1: Results of the RBOA

Element (and relevant contributory outcome (CO))	Aspect	Weak	Fair	Good	Very Good	...
Quality and relevance of research (C03)	Implementation of Research Agenda					
	Quality Assurance					
	Relevance of Research for Policy					
Communication of research and policy influence (C03)	Policy Engagement Planning					
	Appropriateness for Target Audience					
	Publication of Research Products					

	Organisational reputation among Policy Makers					
	Organisational reputation among Stakeholders					
	Organisational reputation among Academic Actors					
	Collaboration with Policy Institutions					
	Collaboration with Non-government Organisations					
	Use of Research by Policy Makers					
	Use of Research by Non-government Stakeholders					
Organisational strength (C02)	Vision of Change					
	Organisational Strategy					
	Research Agenda					
	Financial Sustainability					
	Work-planning					
	Monitoring & Evaluation					
	Organisational Management & Governance					
	Financial & Operational Management					
	Risk Management					
	Knowledge Management					
	Gender					
	Policy Engagement Planning					
	Human Resource Planning					
	Recruitment & Selection					
	Staff Development Mechanism					
	Performance Management					

Quality and relevance of research

On quality and relevance of research, the RBOA referred to: 1) the implementation of the research agenda; 2) quality assurance; and 3) relevance of research for policy. Across these three elements, organisations rated themselves on average 2.88.

With regard to the implementation of their research agenda (2.94), most organisations had processes for translating their research agendas into more specific research plans or proposals as well as for reviewing external proposals and requests to ensure that topics were in line with research themes or strategic priorities.

In terms of quality assurance (2.75), organisations varied. All organisations conducted internal quality control processes, although the consistency and focus of such quality control and the involvement of external actors varied.

In terms of the policy relevance of the research (2.94), the organisations that rated themselves good or very good generally considered their research as relevant due to the clear recommendations they made. Several organisations emphasized mechanisms that allowed policy makers to engage directly with their research, as well as producing research on a timely basis. However, none of the 16 partner organisations cited any objective assessments about the relevance of their research, and four organisations commented specifically on the lack of an objective basis for assessing the relevance of their research.

Communication of research and policy influence

On communication of research and policy influence, the RBOA referred to two elements: 1) the packaging of evidence (on which organisations scored themselves at an average of 2.58); and 2) the demand and use of evidence by intermediaries and policy makers (see above).

The packaging of evidence comprised three aspects: 1) policy engagement planning (2.6); 2) appropriateness of research products for

the needs of the target audience (2.5); and 3) publication of research products (2.63).

On policy engagement planning, the organisations that rated themselves very good or good integrated engagement with external actors into their research process. However, the seven organisations which rated themselves as fair or weak had only recently begun to turn their attention to policy influencing. On the extent to which research products were appropriate for the needs of target audiences, 10 of the 16 organisations rated themselves as fair, indicating room for improvement through, for example, using more appropriate formats. No organisation cited any form of structured feedback from users and only one organisation cited an opinion from a third party. Regarding the publication of research results, nine of the 16 organisations assessed themselves as frequently publishing their research through a variety of channels, including mass and social media, as well as academic journals.

The demand and use of evidence by intermediaries and policy makers comprised two aspects: 1) organisational reputation (among policy makers, CSOs and academics); and 2) their impact on the policy-making process (through collaboration with policy-making institutions and CSOs and through the use of research outputs by policy makers and CSOs).

On organisational reputation, organisations on average scored themselves 2.59 across all three types of actors. Organisations considered themselves to be known and viewed positively among them and considered at least some of their research products to be known and considered relevant and credible.

In terms of collaborating with policy-making institutions, organisations rated themselves 2.63 on average. Most organisations rated themselves fair, tended to work with fewer policy-making institutions, and did so in a limited or sporadic way. In terms of collaborating with CSOs, organisations rated themselves on average 2.84. Most organisations frequently and actively collaborated with CSOs. In terms of research use by both policy makers

and civil society stakeholders, organisations scored themselves on average 2.43 and 2.5 respectively. Both policy makers and civil society sometimes or frequently used parts of organisations' research results.

In terms of impact on the policy-making process as mentioned above, organisations lacked specific, documented evidence of their influence on policy, with evidence for selected ratings based on anecdotes. No organisation cited structured data on how it was perceived by external actors, either recorded directly from users or compiled from the broader population of relevant stakeholders. The extent to which organisations were asked/invited to participate in policy events, or their research was requested or accessed, was generally not systematically recorded.

Organisational strength of PRIs

Strategic strength

With regard to an organisation's strategic strength, the RBOA comprised the following elements: 1) an organisation's vision of change; 2) its organisational strategy; and 3) its research agenda. These elements received the strongest overall self-assessment scores across the 16 KSI-supported PRIs, scoring an average of 3.06. Of these three aspects, organisations scored strongest on their capacity to develop a research agenda (3.31).

Organisations that rated themselves good or very good regarding their vision of change felt these provided clear direction for the organisation, which in turn was understood by its staff. The majority of the organisations felt that their strategies were sufficient to guide the realisation of their vision, while most had developed a research agenda and defined priority issues in line with the issues they specialised in, based on their organisational focus.

Financial strength

Organisations scored an average of 2.64 here. The majority were predominantly or exclusively funded by donor organisations, although most received funding from a variety of different donors. Although some organisations set up business units to provide additional income, they provided only small amounts in comparison to donor-funded projects, or were unsuccessful. Nine organisations reported that the typical duration of funding was between one and two years. Two organisations reported funding duration of less than one year, while two organisations reported funding duration of more than two years.

Internal management processes

With regard to internal management processes, the RBOA comprised two broad elements: 1) organisational management; and 2) human resource management.

Organisational management comprised: a) work planning; b) monitoring and evaluation; c) organisational management and governance; d) financial and operational management; e) risk management; f) knowledge management; and g) gender. Across these elements, the organisations scored themselves on average 2.61, covering organisations' self-assessed work planning; management and organisational governance; financial and operational management practices; and gender (an average of 2.99). However, organisations assessed themselves lower for monitoring and evaluation, risk assessment and knowledge management, indicating room for improvement (an average of 2.12).

Human resource management comprised: a) human resource planning; b) recruitment and selection; c) staff development mechanisms; and d) performance management. On average, this received the weakest overall self-assessment scores across the 16 organisations (with an average score of 2.13). For all four aspects, no organisation rated itself as very good, and with the exception of the recruitment and selection aspect, the majority of organisations assessed each aspect as weak or fair. In general, there was very little evidence from the RBOA that organisations considered human resource management to be a strategic function linked to the longer-term development of their organisation.

Capacity of Policy Makers to Acquire and Use Research Knowledge

This chapter discusses the ‘state of play’ in relation to policy makers’ use of knowledge.

The chapter is in three sections: 1) the role of knowledge in centralised development planning; 2) general dynamics in relation to knowledge acquisition and use by policy makers at the national level; and 3) knowledge acquisition and use at the local (especially district) level.

Centralised development planning capacity

Here we discuss the capacity of the national development-planning agency, Bappenas, to use knowledge, but also to encourage other government agencies to use knowledge more systematically in their policy work.

Bappenas’s main functions were traditionally to plan, budget, coordinate and monitor development progress in Indonesia. However, during earlier administrations, the agency’s budgeting functions were transferred to the Ministry of Finance and some of its monitoring functions were transferred to the UKP4 (President’s Delivery Unit for Development Monitoring and Oversight). Bappenas has been left with long-, medium- and short-term development planning. Bappenas also played an important role in coordinating donors, the country’s role in the G20 forum, and Indonesia’s reporting against the Millennium Development Goals (now replaced by the Sustainable Development Goals) (Evolving Ways 2013; Mackenzie et al. 2015; Datta et al. 2011).

Bappenas had limited ability to shape policy processes and the use of knowledge across the Indonesian Government. Since Bappenas did not have the power to allocate or withhold funds, the communication channels and influence that it had (particularly with larger line ministries) appeared to be weak. These dynamics shape its ability to convene stakeholders across government to discuss the role of knowledge in policy making (Datta et al. 2014; Datta et al. 2011).

Moreover, Bappenas often lacked the resources needed for robust policy making. Human resource constraints meant that it often relied on consultants funded by the Government, but mainly donors, often with a high rate of turnover. Bappenas had few formal links with external knowledge producers and did not always have the resources to undertake its ‘flagship’ background study in-house to inform the medium-term development plan (Datta et al. 2011; Datta et al. 2014).

The Bappenas Policy Analysis Team (PAT or TAK) was initially seen as a stand-alone unit assembling/synthesising research knowledge and providing advice to the most senior officials in the ministry. However, it evolved to be embedded across all directorates general with a cross-sectoral policy focus. This saw the agency re-cast its role as one of a government think tank supporting the Government of Indonesia with advice, which it hoped would raise the agency’s status across government (Mackenzie et al. 2015; Datta et al. 2011; Datta et al. 2014; Evolving Ways 2013).

However, the TAK was struggling to respond to short-term ministerial requests as well as undertake medium- to longer-term cross-sectoral policy research. There was programme 'drift', potentially due to a lack of ownership among senior officials, unclear roles and functions, and a lack of well communicated programme design, governance and management arrangements. Day-to-day management had not been delegated to sufficiently low levels of staff, while planners who made up the nucleus of the TAK were being engaged on only a part-time basis, limiting its capacity. At the same time, the Australian Department of Foreign Affairs and Trade (DFAT) was being seen to play an overly influential role, funding externally recruited staff rather than supporting systems and capacities of Bappenas's own civil servants (Evolving Ways 2013).

As part of its desire to be seen as a think tank, Bappenas set up a knowledge centre in its International Development Cooperation Directorate to facilitate the transfer of good practices, experiences and lessons from overseas to national and local institutions across Indonesia, and vice versa. It aimed to improve the quality of national and regional development planning that in turn informed efforts to meet development goals.³

National-level capacity

This section on national-level capacity to use knowledge is in five parts: 1) the demand for knowledge, especially for research and expert knowledge at the national level; 2) how policy makers define their policy questions and communicate them to knowledge producers/experts; 3) how they assemble and procure knowledge; 4) how they interpret knowledge; and 5) the challenges they face in acquiring and using research and expert knowledge. In several instances we draw on a study by Datta et al. (2015) that explores the use of research knowledge by national-level decision makers.

Demand for research knowledge

Formal bureaucratic rules (such as the need

to submit an academic draft with legislative bills, as well as formal consultation processes during regular development planning processes) appeared weak in motivating policy makers to invest in, demand and use high quality knowledge in order to draft and implement policies. If knowledge were collected for bureaucratic reasons, it tended to be a 'tick-box exercise' where the research was often of poor quality, while consultation processes were largely ceremonial. In some cases, policy makers procured research knowledge to strengthen the ties of reciprocity (Datta et al. 2011; Suryadarma et al. 2011).

Other drivers for demanding high quality research or expert knowledge fell into three overlapping categories: 1) those which were based largely on economic or monetary metrics (such as boosting trade or making budgetary allocations); 2) an assessment of power gained or lost (such as defending or strengthening a decision, policy position, programme or budget); and 3) bolstering one's status (responding to ministerial or presidential requests, helping bolster the arguments of the People's Representatives Council/Parliament (DPR) members during political confrontations and/or highlighting the success of a political representative, in a context of heightened political competition) (Datta et al. 2011; Guggenheim 2012).

In some cases, policy makers suggested more technical reasons for acquiring research knowledge. As Figure 1 shows, these included (in order of preference): providing context (such as understanding policy problems and issues); helping develop policy and strategy; providing a degree of objectivity (when faced with potentially biased or conflicting research); monitoring, reporting and evaluating projects and programmes; and identifying good practice from overseas and within Indonesia (Datta et al. 2015).

Nevertheless, among those working in the executive branch of government, decision

³ <http://effectivecooperation.org/wordpress/2014/03/29/why-knowledge-sharing-matters-for-development-co-operation-2/>

Figure 1: Reasons for Acquiring Research across the Executive

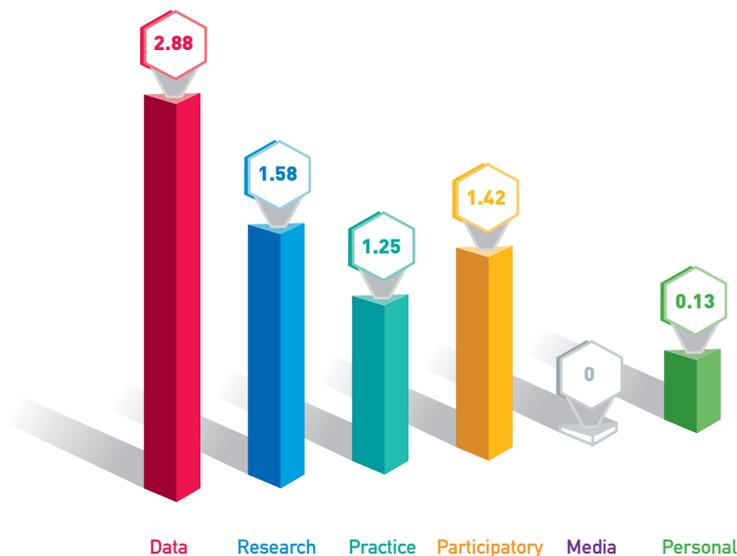


makers seeking knowledge were more likely to prioritise statistical and administrative data first, followed by research and expert advice. This was followed by citizens' perception and experience, then by policy implementation experiences and learning, as illustrated in Figure 2 (Datta et al. 2015).

Scoping and communicating policy questions

Research questions were usually generated in an ad hoc manner and were often driven by directives from senior decision makers. In a few cases, experts from PRIs (often from universities) and international organisations were brought in to help decision makers shape

Figure 2: Knowledge Preferences within the Executive



the exact nature of the question. However, such examples of good practice were rare. In some cases, decision makers who had an academic background suggested that this background helped them know what question to ask (Datta et al. 2015).

If policy makers did have a question, they were not good at communicating this to knowledge providers. Senior government officials were often unwilling to admit their lack of knowledge and were often suspicious of advice that contradicted their own position. Nevertheless, although many civil servants did not publicly welcome input, once personal relationships had been established and trust was built, many of these civil servants would freely discuss their issues and constraints with researchers and experts (Karetji 2010; Nugroho et al. 2016).

Assembling research and expert knowledge

In order to procure research, decision makers could make a request to their internal research departments or Balitbang. This was particularly true of the large line ministries which had one (some smaller ministries did not). However, mid-level civil servants (who arguably were more likely to need research to draft policy) had to go through a lengthy and cumbersome chain of approvals until they reached a senior civil servant who could authorise the request (and approve reports for circulation if they had been produced). This often dissuaded civil servants from making a request at all (Sherlock 2010; Cislowski and Purwadi 2011; Datta et al. 2011; Guggenheim 2012; Datta et al. 2015; Sherlock and Djani 2015).

In many cases, Balitbangs produced poor quality research knowledge. There were several reasons for this, including budget allocations for Balitbangs, which were on average a small fraction of the ministry's overall budget. High staff turnover often meant that high performing individuals were rotated out of the Balitbang into other bureaus, leaving lower performing staff to conduct research. These staff often received fewer benefits than staff elsewhere

in the ministry (reinforcing disincentives for higher performing staff to work in these units) (Suryadarma et al. 2011; Datta et al. 2011).

This meant that Balitbangs were often bypassed by senior civil servants who wanted research, however, there were examples of Balitbangs whose research quality was improving and who were contributing to decision making within their ministries. These included those in the Ministries of Finance, Trade, Health and Education (Suryadarma et al. 2011; Datta et al. 2011).

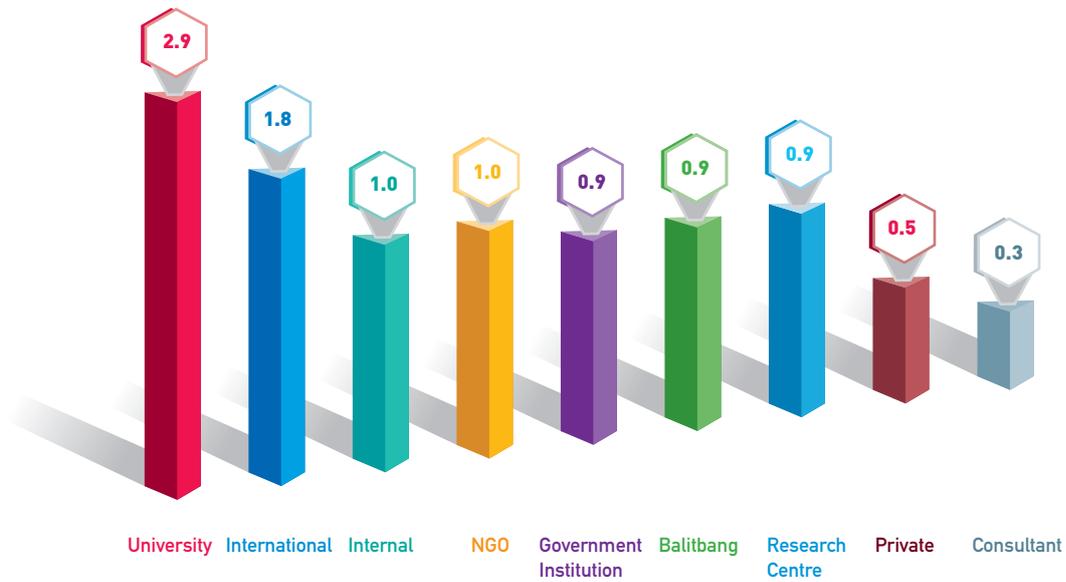
Decision makers, particularly senior civil servants from prominent ministries and those from ministries which had fewer means to procure research, often sought to secure research funding and/or technical assistance from international/donor agencies and foreign universities.⁴ However, donor preferences for research content and bureaucratic procurement processes limited the extent of local ownership (Datta et al. 2015).

Where senior civil servants wanted quick turnaround research/expertise, given the limited capacity of Balitbangs, few viable external knowledge producers and regulatory constraints (which we discuss below), they often turned to agencies such as the World Bank to undertake research (Suryadarma et al. 2011; Datta et al. 2015).

Cumbersome processes for procuring research internally, limited funding, and pressure to make decisions quickly meant that decision makers were more likely to invite experts—usually as individuals—to provide advice rather than to formally commission research from a PRI. As Figure 3 shows, decision makers within the executive branch of the Indonesian Government were most likely to consult experts in universities (at both the national and provincial levels), followed by those in international agencies, such as the World Bank and United Nations.

⁴ Indonesia's former vice president (Jusuf Kalla) was invited to speak at ANU, and was quite frank about utilising the input from ANU's Indonesianists in responding to IMF recommendations (Karetji 2010).

Figure 3: 'Go-to' sources of research and expert advice across executive

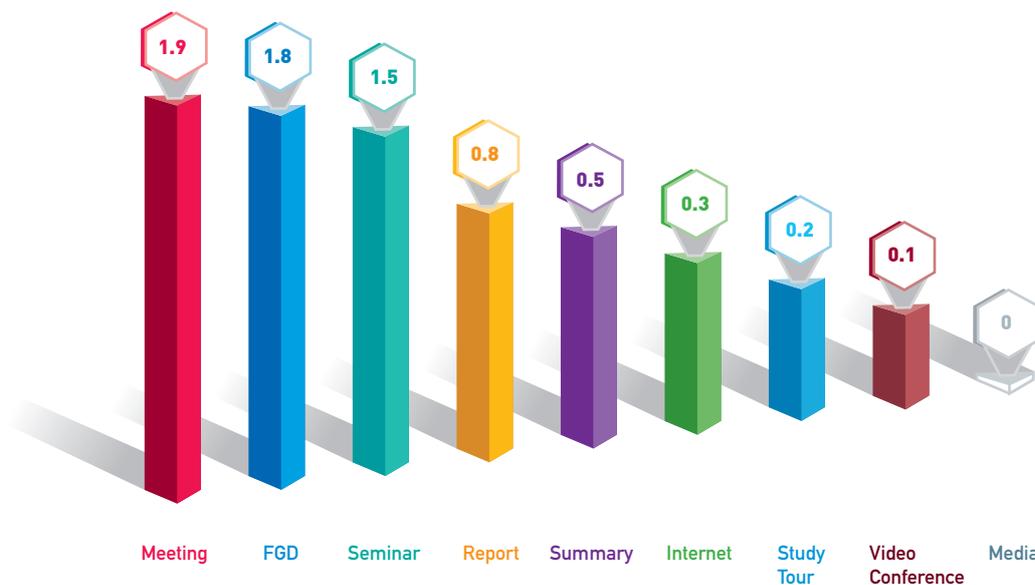


Interpreting the research and expert knowledge once commissioned or sourced Channels

As Figure 4 shows, decision makers, especially those within the executive branch of government, were most likely to learn from research and experts through social processes, such as formal and informal meetings, focus group discussions or seminars. The learning

from written reports and summaries (such as policy briefs) was considered less significant. This demonstrated both the verbal/aural nature of interpreting research and expert knowledge by policy makers, and also the potential for improvement in the use of written submissions and the production of more accessible, succinct and targeted advice (Datta et al. 2015; Karetji 2010).

Figure 4: Channels Used to Learn from Research and Expert Advice in the Executive



Quality

The technical capacity of civil servants to assess research methodology and review research products was weak. This was reinforced by research being seen by some as a means to an end (for instance, to back an existing policy or reinforce ties of reciprocity). Furthermore, given that the preferred method of processing research outputs was verbal/aural, it was difficult to assess how policy makers reviewed the quality of research inputs (Suryadarma et al. 2011).

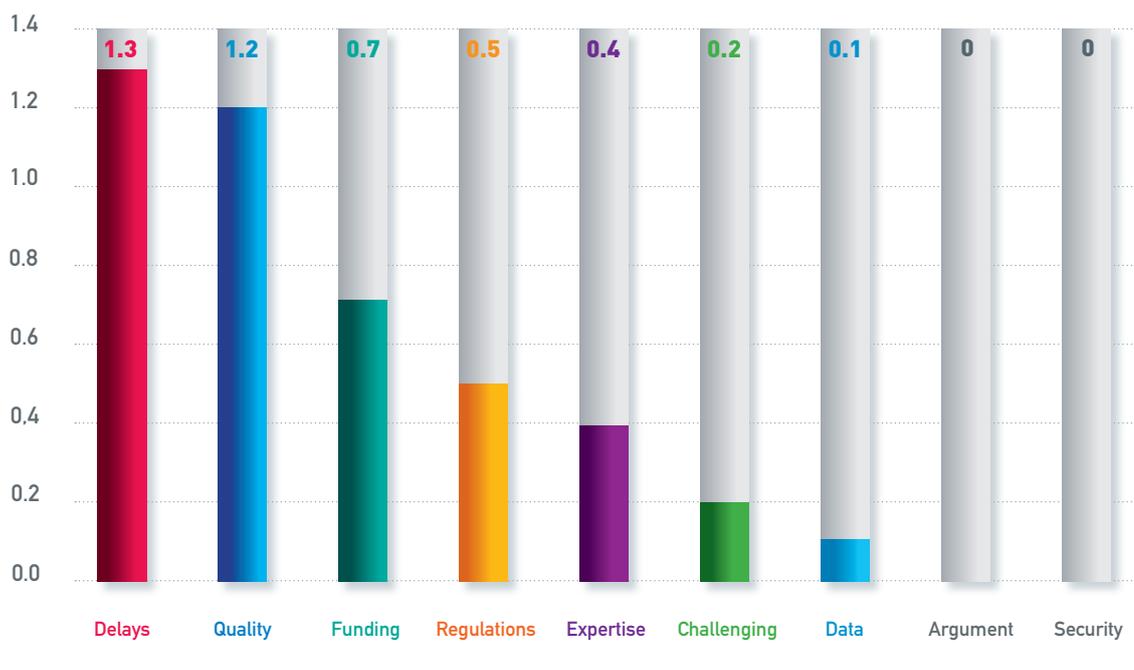
Nevertheless, some decision makers tended to manage the quality of the research or expertise offered by: (i) hiring what they considered to be the 'best' experts if they could afford them (and thus absolve themselves of the need to review their work); (ii) using their experience and personal judgement; (iii) monitoring the research process closely by asking researchers to report to them regularly; (iv) seeking validation from personal and professional networks; and (v) organising a review within their own bureau or sub-bureau.

Research produced by a Balitbang, however, was subject to more formal quality control processes (Datta et al. 2015; Karetji 2010).

Challenges to acquiring and using research and expertise

As Figure 5 shows, policy makers faced a number of challenges in acquiring and using research knowledge. The two biggest challenges were delays in producing and presenting research and the prevalence of poor quality research (particularly the lack of policy-relevant research). Other challenges in descending order of importance were: inadequate funding; regulations which prevented them from procuring research; limited availability of expertise on some key issues, especially at short notice; the limited political and economic space to put advice into practice; and a lack of high quality raw data (including readily available data from the National Bureau of Statistics at low cost) to inform research (Datta et al. 2015; Karetji 2010).

Figure 5: Barriers to Acquiring Research and Expert Advice across the Executive



Local-level dynamics

Here we discuss knowledge use among policy makers at local (especially district) levels. It has been more than one decade since the introduction of regional autonomy in Indonesia. In theory, the increased authority and power of local authorities increases the demand for more local, context-driven solutions, which provides more scope for knowledge to be developed and used with a focus on more localised concepts and issues (Karetji 2010).

However, in general there was little in the way of involving a wide variety of stakeholders (such as practitioners, experts, universities, business communities or civil society) in decision-making processes. While there was a lot of statistical data available, there were often competing data sets of questionable quality. They were not validated or made accessible to other agencies who had overlapping mandates and jurisdictions (Sutmuller and Setiono 2011).

In relation to analysis of such data, local-level sector agencies often found it difficult to: identify policy problems and thus define the right sort of question; estimate the cost of good research and secure a budget; or allocate too small a budget. Moreover, there was greater emphasis on allocating and spending money than on evaluating outcomes and impacts, while elected politicians were quick to agree to the adoption of visible (and political) solutions, such as building infrastructure. They lacked the patience to see what the research knowledge might say about appropriate solutions (Sutmuller and Setiono 2011).⁵

However, there were exceptions. Elected heads of local government, who were relatively autonomous from, for instance, business or unlawful interests, were more likely to incorporate a degree of entrepreneurship into their political strategies. This saw them make efforts to generate the popular support needed to get re-elected, gain promotion, promote their political careers or bolster their position with regard to the local parliament and political parties. This in turn saw some local leaders seek research knowledge. Research knowledge was more likely to be sought where heads of agency (particularly the head of the planning agency) were more 'professional' and were in the health and education sectors, where there was considerable political pressure to improve outcomes (Sutmuller and Setiono 2011; Guggenheim 2012; Rosser et al. 2011).

Nevertheless, the majority of PRIs and personnel were based in Jakarta and on the Island of Java. There was thus limited research capacity in the region to provide credible support on issues such as local markets and economies of indigenous groups at the village level. This limited the demand from local governments to local institutions. Coupled with limited access to international technical assistance, many local governments simply 'did without' (Karetji 2010).

5 These dynamics may be prominent at the national level as well.

Systemic Factors that Shape Knowledge Production and Use

This chapter discusses structural factors that shape (and constrain) the production and use of research and expert knowledge. It is in five parts: 1) national-level research funding and policy frameworks; 2) staffing structures in the civil service; 3) the rules and practices around procurement of research by policy makers; 4) civil service culture and practices more generally; and 5) the university system and constraints to undertaking high quality research. These factors have remained largely unchanged between the KSI design phase (when many of the documents from which this section draws were written) and the time of writing this baseline report. However, where significant, we do highlight instances where reform has taken place during the period 2013 to 2015.

National-level research productivity, funding and policy framework

When KSI was launched, the number of publications and patents in Indonesia was low. Indonesian researchers were less productive than those in most comparable countries per dollar of research funds invested. Between 1996 and 2008, Indonesia produced 9,194 published scientific reports, placing its scientific productivity below that of Bangladesh, Kenya, Lithuania and Nigeria, and far below that of neighbouring Thailand, Malaysia and Singapore. Among the Social Sciences Citation Index international peer-reviewed

journals, only about 12 percent of social science research publications with a focus on Indonesia were produced by authors based in the country, less than half that of Thailand and Malaysia (SCImago 2007; Suryadarma et al. 2011; Brodjonegoro and Greene 2013; Nugroho et al. 2016).

According to the United States Patent and Trademark Office, the total number of patents registered by Indonesians in 2008 was below those held by Singapore, Malaysia, Thailand and the Philippines. Further, the number of patents registered in Indonesia from 1992-2008 showed a tendency for foreign patents to dominate (Nugroho et al. 2016).⁶

Linked to low levels of 'productivity', UNESCO found that Indonesia recorded the lowest level of government expenditure on research among roughly equivalent economies. The Gross Expenditure on Research and Development per capita in 2013 was 0.09 percent.⁷ This was much lower than other ASEAN countries, such as Malaysia (0.64 percent in 2006), Singapore (2.29 percent in 2009) and Thailand (0.21 percent in 2009) (LIPI 2011: 58; Kemristekdikti

6 Directorate for Patent, Directorate-General for Intellectual Property Right, the Indonesian Ministry of Justice and Human Rights (2010).

7 "Prioritizing Research To Policy In National Development," presentation materials from Directorate General For Strengthening Research And Development, Kemristekdikti, in the International Conference on Best Development Practices and Policies in Bappenas, 19 August 2015.

2015; Nielsen 2010; Guggenheim 2012; see also Suryadarma et al. 2011).

The Government provided most research funding, with private sector research funding still very low. By comparison, in 2004, the proportion of the Government budget for research was 36.6 percent in Singapore, 15 percent in Malaysia and 55 percent in Thailand. The business sector made virtually no significant contribution to policy research for development in Indonesia (Guggenheim 2012; LIPI 2011: 58; Karetji 2010).

Although the National Mid-term Development Plan (RPJMN) was the official reference and guide for ministries and local governments to develop their own development policy and planning, there was no clear strategy that translated the development plan into a coherent set of research needs and questions. It is unclear if the RPJMN was linked to the Indonesian National Research Council research agenda (which, in covering 27 areas, seemed to lack focus). There did not appear to be a framework to guide universities to support high quality social science research (Nugroho et al. 2016; McCarthy and Ibrahim 2010).

National research funds were channelled through a small number of government agencies and research institutions, including the Ministry of Research and Technology, the Indonesian Institute of Sciences (LIPI), the National Research Council, Balitbangs, sub-national agencies, government-owned research institutes and state universities. They set the research agenda and provided funding for research. However, they did not provide incentives for policy-relevant research, have reliable funding schemes or prioritise social science research, have a strong legal basis, or have enough funding to play an effective role as an intermediary (Guggenheim 2012; AusAID 2012).

AIPI had strong networks with people and units in the Government, universities and independent research institutions and aimed to increase the amount of science funding (largely natural sciences) as well as explore opportunities for interdisciplinary study in

higher education. However, it needed more funding and support to improve its capacity to manage and communicate its funded research. To improve its capacity, 37 civil servants were seconded to AIPI, but they lacked the requisite skills, while the organisation had inadequate management systems, with the academy subsequently relying on a small group of professional staff to run it (Carden 2015a; Carden 2015b).

A recent development at the time of writing was the merging of the functions of higher education with research and technology to create the new Ministry of Research, Technology and Higher Education. The main objective appeared to be to increase Indonesia's research output, with however, a focus on the natural sciences and technological development (Nugroho et al. 2016).

Staffing structures in government agencies

Staff structures in the civil service proved a key constraint to the use of knowledge by decision makers. Government regulations on personnel management within the civil service (and the DPR) meant that units which provided information to decision makers were made up of two broad types of staff. Researchers or technical specialists provided expertise but lacked authority, while managers made routine administrative decisions but lacked subject expertise. Managers had limited opportunity to develop technical expertise, given they were rotated out roughly every two years (Sherlock 2010).

Although technical specialists were subordinate to managers, their performance was evaluated by external specialist agencies, such as LIPI (in the case of researchers), who in turn determined salary increments and career progression. Performance measures tended to emphasize formal qualifications and the production of outputs rather than results for end users, and they were dominated by the need to attain a numerical score. In sum, technical specialists were encouraged to think and act in ways that were not necessarily useful to the institution for which they worked,

and which resulted in poor relations with managerial staff (Sherlock 2010; Sherlock and Djani 2015).

Research procurement rules

A range of problems created by procurement rules and practices also hindered the acquisition of knowledge by decision makers. These were designed with the purchase of goods in mind, not knowledge services and meant that not-for-profit research centres could only bid for research projects that were less than IDR 50 million (less than US\$4,000). Only commercial entities could bid for sums higher than this. Not-for-profit centres could commercialise their work, but this created ethical dilemmas (meeting financial targets versus being embroiled in informal/unsavoury practices, which we allude to below) and could be costly both administratively and financially (because of complicated procedures and, as highlighted above, increased tax responsibilities) (Sherlock 2010; Suryadarma et al. 2011).

Many universities have sought government research contracts by working through consulting companies (which had limited expertise themselves and operated through personal connections with civil servants). However, this often produced poor quality research, diverted staff time and provided little career stability, especially for young researchers (Sherlock 2010).

The legal framework underpinning formal research commissioning processes was complex and ambiguous. There was a plethora of laws that shaped how public institutions could commission and use research, while several government agencies had their own set of procurement rules and practices, with civil servants unaware of the ways in which the rules could be applied, or unwilling to venture outside established practices. In addition, budget rigidities and inertia prevented or slowed the allocation and disbursement of funds to priority research projects on a timely basis (Antlov 2015b; Sherlock 2010).

Given this backdrop, there were very few channels for government institutions to

allocate grant funding to non-government research organisations. International donors had become a key intermediary linking policy makers and PRIs as well as a major source of finance for research knowledge for both sets of actors (Sherlock 2010; Datta et al. 2011; Guggenheim 2012).

An inhibiting regulatory framework and cultural features of the Indonesian context meant that informal or personal networks were hugely dominant in the way policy makers went looking for information (Sherlock 2010; Datta et al. 2011).

At the time of writing, there had been some reform to procurement rules. These comprised: the introduction of e-procurement, which made the tender process more transparent and increased the potential number of entrants to the market; changes designed to increase oversight to avoid conflicts of interest; the establishment of a procurement unit as a permanent body within agencies; the elimination of the need for every bidding vendor to go through a certification process; and an increase in the threshold for compulsory public tender to IDR 200 million.

However, procurement processes were still designed for major contracts for goods and services and not for knowledge services provided by universities or PRIs – even if the Public Procurement Policy Agency considered the rules broadly appropriate for the acquisition of research knowledge. The raised threshold was still low, given the size of research projects of not-for-profit organisations. Crucially however, PRIs were unaware of the changes that had been made, given they rarely dealt with government (Sherlock and Djani 2015).

Civil service culture

Limited flows of high quality research knowledge and unwieldy procurement rules and practices in the Government were largely due to weaknesses in the civil service, which suffered from systemic problems in recruitment, training, promotion and compensation. The lateral recruitment of mid-career professionals for limited terms was barred. Civil servants

thus entered the Government at a young age and were guaranteed tenure, salary, promotion and other benefits. However, the selection process was not always competitive, with the recruitment system said to be characterised by informal payments for entry into the system and for promotions (Datta et al. 2011; Sherlock 2010).

Despite job security, the system for determining overall pay and benefits was opaque, discretionary and prone to abuse, with weak links to either individual or group performance. Extra supplements in cash and kind comprised the bulk of remuneration of many civil servants. Performance criteria for promotion were weak and there were few credible sanctions for low performance and misappropriation (Datta et al. 2011; Sherlock 2010).

Training seemed to be general in nature, rather than technically or managerially based and emphasized compliance with rules rather than achieving the best quality results. A focus on process at the expense of outcomes was reinforced by the fear of being 'picked up' by the Audit Board of Indonesia (BPK), which oversaw the management of state funds (Datta et al. 2011; Sherlock 2010).

However, at the time of writing, there had been some notable reforms. In 2014, the Government passed the Civil Service Law, which aimed to create a professional and non-politicised civil service. It established a Civil Service Commission (KASN) to safeguard the neutrality of the civil service and monitor the meritocratic appointment of senior staff. It mandated the Senior Executive Service to introduce new leadership and management and the recruitment of civil servants on a contract basis to bring more specialised expertise into the civil service. The law, however, did not eliminate the division between technical and managerial staff, which was a major obstacle to the use of knowledge for policy (Sherlock and Djani 2015).

Many observers said the KASN is 'yet another commission' with no real powers, while the introduction of the merit system was

so vague and qualified that it was unlikely to challenge the status quo. Anti-reform forces, then, seemed to have effectively defended their domain. Nevertheless, while the drafting of implementing regulations had to obtain the approval of such forces (which we discuss below), there was some room for change (Mietzner 2014).

Another change was the introduction of the Bureaucratic Reform Allowance to create incentives for government to reform procedures and for individual staff to improve performance quality. While conceptually it was well intended, in practice it was flawed. The criteria for receipt of the allowance were often not relevant to the objectives of the agency and/or did not provide appropriate incentives for staff (Sherlock and Djani 2015).

Finally, the National Institute of Public Administration established a Policy Analyst position whose role was to carry out policy studies and analysis. Recruitment started in 2014 with the aim to have 300 analysts in place in central and local government by the end of 2015. However, their effectiveness was likely to be undermined by problems with inappropriate incentives created by the division between technical and managerial staff, as discussed above (Sherlock and Djani 2015).

Universities and research

Here we discuss some of the constraints university staff have in undertaking high quality research. Academics in universities were recruited mainly internally from the ranks of graduating students through largely opaque processes. As was the case with PRIs generally, the majority of Indonesia's universities did not seem to have a clear career path for researchers. Many university academic staff vied for management positions, such as faculty deans, presidents/rectors or vice-presidents (and became embroiled in university politics) rather than for research positions, which lacked both financial and stature incentives. To reinforce this, being a researcher was generally not seen as a

prominent career. The core motivation for being an academic was to be a lecturer and to have the autonomy to pursue other paid work (Nugroho et al. 2016; Karetji 2010).

University staff were responsible for teaching⁸, research and community service. However, most of their time was taken up with teaching, grading and administrative duties. They were not directly remunerated by their university for involvement in research. Low remuneration forced lecturers to find additional income through consulting and providing advisory services for donors and government or leaving the university sector altogether. University lecturers could make more than half of their total income off-campus – limiting lecturers' commitment to their university and any reform initiatives (Karetji 2010; McCarthy and Ibrahim 2010; Antlov 2015).

There was little to encourage the flow of knowledge between universities and government through formal processes, apart from contracts worth very little or

Memoranda of Understanding which only mandated general cooperation. As discussed, relationships between universities and government tended to be informal and based on personal connections. International agencies and donors played a prominent role in facilitating connections between universities and government through funding (Sherlock and Djani 2015).

8 The quality of education provided in Indonesian universities was low. Commitment to develop the quality of tertiary education appeared limited. For instance, the educational culture did not emphasize high standards in research methodologies. Those who could afford to acquired degrees from abroad (Karetji 2010).

Facilitating Engagement Through Knowledge Communities

Quality of relationships between actors in knowledge communities

In this chapter we discuss the quality of relationships between policy-making bodies, PRIs and other actors in the three KCs that KSI has established. This chapter refers to COs 1, 4 and 5. In KSI's current phase, the KCs are working on the following issues:

- Village Development, focusing on the implementation of the new Village Law
- Bureaucratic Reform, focusing on the implementation of the new Civil Service Law (which addresses systemic constraints described earlier)
- Research and Higher Education, aimed at increasing the level of research funding and the emphasis placed on research in the university system (which, again, addresses systemic constraints described earlier)

Before describing the work of the three KCs, we first describe the quality of relations between policy actors at an aggregate level.

General engagement

Given the fracturing of top-down hierarchical controls during *reformasi* and large-scale devolution across Indonesia, power to make decisions and implement policy has been devolved to multiple actors. At times, there are unclear divisions of authority between these actors and a lack of coordination, for example,

with government agencies competing with one another for resources, often leading to antagonistic relations (Datta et al. 2011).

Formal spaces where different actors can come together and engage with one another comprise mainly regular development planning processes, such as the five-year and annual government planning and budgeting cycles⁹, as well as ad hoc processes such as the development of legislation, regulations, and during the design and delivery of programmes (Datta et al. 2011).

Although there are budget hearings in the DPR (bottom-up development planning forums, or *Musrenbang*, and programme-specific socialisation meetings organised by Ministry of Communication and Informatics at different levels of governance) they tend to be largely ceremonial and rarely result in change. Apart from these, there are few regular opportunities to engage in substantive policy discussions on a sustained basis. Key knowledge actors tend to be academics from university research centres and have strong links with policy makers. Both formal and informal knowledge inputs from these academics are often drawn on to inform legislation, plans and budgets (Datta et al. 2011; Datta et al. 2014 unpublished).

⁹ In the cross-government coordinated 'Medium-Term Development Plans'.

Village Development

With regard to village development (and the related issue of community empowerment), there were several actors involved in facilitating this.¹⁰ The perspectives of these actors fell into two camps. The first (including parts of MoHA) favoured continued control by higher levels of government over village affairs, while the second (including the new Ministry of Village Development) favoured self-governance. Government actors in favour of centralised control drew on their own experiences, while in contrast, those actors in favour of self-governance drew on a wider range of knowledge, including that of citizens, academic experts and practitioners with relevant community development experience. For example, the Ministry of Villages, through the Secretary General, had made requests for research and analysis (Antlov 2015a).

There were a number of KSI- and non-KSI-supported domestic knowledge institutions that had an interest in village and rural development. The former included IRE, AKATIGA, SEKNAS FITRA, KPPOD, Sajogyo Institute and Article 33, while the latter included Pattiro, KARSA, Yappika and Iniatif. KSI provided grants to Balitbangs in MoHA as well as the Ministry of Agriculture. There were also several DFAT projects with an interest in village development, including KOMPAK, MAHKOTA, PNPM Support Facility (PSF) and MAMPU (Antlov 2015a).

There were some links between domestic knowledge institutions and government agencies in the area of village development, albeit limited. However, demand for analysis on issues of community empowerment (from government agencies such as the Coordinating Ministry of Human Development and Culture and MoHA) had largely been satisfied by the World Bank through the DFAT-funded National Programme for Community Empowerment (PNPM) Support Facility. There was little research generated by domestic sources on the specific issue of village governance (Antlov 2015a).

A notable exception was research inputs provided by IRE during the drafting of the Village Law, with its former Executive Director acting as expert staff to the DPR drafting committee. NGO inputs were also considered. This was a singular example and occurred with seed funding from KSI; it is hoped this activity could be replicated in future KSI work. Nevertheless, MoHA closed its doors to 'outsiders' during the drafting process, enabling it to maintain the status quo where it regulated how village development occurred. However, as highlighted above, the new Ministry of Village was more open to inputs from NGOs and reform-minded stakeholders (Antlov 2015a).

Research and Higher Education

There were several actors involved in the Research and Higher Education KC.¹¹ There were strong forces within the bureaucracy that argued for continued control of the sector, and it was felt that this might hinder progress towards increased knowledge flows between universities and policy-making institutions. Moreover, they tended not to have strong relations with one another, meeting infrequently. No PRI had been asked to formally contribute to policies related to research and higher education. Knowledge required by policy makers in Bappenas and Menristekdikti tended to be generated internally (Antlov 2015c).

10 They include the new Ministry of Villages, Disadvantaged Areas and Transmigration, a newly established DG for Village Government at the powerful Ministry of Home Affairs, Bappenas' Directorate for Urban and Rural Affairs, the Coordination Team for the implementation of the Village Law at the Coordinating Ministry of Human Development and Culture and TNP2K.

11 Included the new Ministry of Research, Technology and Higher Education (Kemenristekdikti) – formed through the merger of a DG from the Ministry of Education with the Ministry of Research and Technology, The National Research Council, AIPI, LIPI, Bappenas (given its role in preparing national development plans), the Ministry of Finance (on research financing issues), LPDP (the Agency for Education Endowment Fund).

Donor projects have had limited success in fostering sustainable links between universities and research institutes on one side and decision makers on the other. However, the Minister of Finance in particular had an academic background with an interest in improving the role of knowledge in policy making. The Ministry of Finance was also well known for demanding and using research and expert knowledge through, for example, its Balitbang, the BKF. APII had fairly strong links with a range of government agencies, while the recently announced Indonesian Science Fund provided more impetus for reform (Antlov 2015c).

Bureaucratic Reform

The deliberation of the Civil Service Act, passed in 2014, illustrated the wide variety of actors involved in this area, from the president, to parliament, senior bureaucrats and academics, and others with vested interests. There were some relevant examples of knowledge exchange on this issue. While civil society and the media showed little interest in the passing of the bill, a small group of academics focusing on public administration and bureaucratic institutions was crucial in drafting, defending and passing the Civil Service Bill. A May 2013 article in Kompas, by Sofian Effendi, played a crucial role in putting the Civil Service Bill on the president's agenda and the cabinet table through public pressure. These examples were fuelled by opportunism and could not have been predicted in advance (Mietzner 2014).

Opponents to the reform of the civil service blocked reform by stalling intra-governmental deliberations, conveying their interests directly to the top of government, mobilising supporters and using family connections. The Indonesian president, the vice president and UKP4, acted as moderators rather than decision makers. Fearful of provoking a backlash, the president strived to achieve consensus among all actors involved. The final act was considerably watered down, while the KASN, as discussed, lacked teeth. Despite this struggle, a more

reformist president and a new generation of reform-minded academics and planners in senior positions, backed by the new Civil Service Law, might create space for further, more significant reform (Mietzner 2014).

Knowledge exchange organisations

Knowledge exchange organisations were an important group of stakeholders in the knowledge sector. This group included: researcher networks, which provide forums for actors of both state and non-state knowledge suppliers to interact; institutional networks, such as the Consortium of Indonesian Development Studies; user forums, such as the Association of Indonesian Provincial Governments and the Association of Indonesian District and Municipality Governments; mass media; CSOs and national commissions. They play an important role in facilitating engagement between policy actors in the three KCs. We discuss two types of knowledge exchange organisations: media houses and CSOs, including NGOs (Karetji 2010).

The media provides a public forum through which policy discussions can take place. However, the media was far from a neutral space. Its interests were shaped by ownership patterns, which were concentrated and reflected close links with big business and political parties, suggesting they were more a key political actor than a forum for public debate. Further, they suffered from challenges in the quality of journalism, including narrow framing, over-privileging of often official or single sources, poor fact checking, weak links with domestic research centres such as SMERU and CSIS (but stronger links with international agencies such as the World Bank) and a lack of protection from the law, which made investigative reporting risky. Risk-averse civil servants within government agencies, who might possess more technical knowledge than politicians, often avoided engagement owing to a lack of trust in the media, but also a lack of capacity to engage (Datta et al. 2014 unpublished).

CSOs have played a key role in complementing government policy and holding it to account. With better access to data on budgets and expenditures they have been able to put pressure on the government to design and implement policies more effectively. CSO links have been stronger with DPR legislators. In drafting legislation, Members of Parliament (MPs) with access to far less analytical capacity than their counterparts in the executive, have turned more readily to CSOs for knowledge inputs (Mietzner and Aspinall 2010; Pradjasto et al. 2014; Datta et al. 2011).

However, some policy makers felt that some CSOs lacked sufficient technical expertise. Some CSOs were seen to be addressing this,

with one NGO, Kontras, for example, recruiting activists with Masters' degrees in human rights and environmental law. Some MPs felt that CSOs could be too confrontational in their approach, with some of their work being considered sensational, designed more to capture the attention of the media than to foster constructive engagement with MPs. Some MPs viewed CSOs with suspicion, particularly because many, if not all, tended to be funded by foreign agencies (Lay 2010; Guggenheim



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The Knowledge Sector Initiative (KSI) is a joint program between the governments of Indonesia and Australia that seeks to improve the lives of the Indonesian people through better quality public policies that make better use of research, analysis and evidence.

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