

The Knowledge Sector in Indonesia:

Higher Education and R&D Expenditure



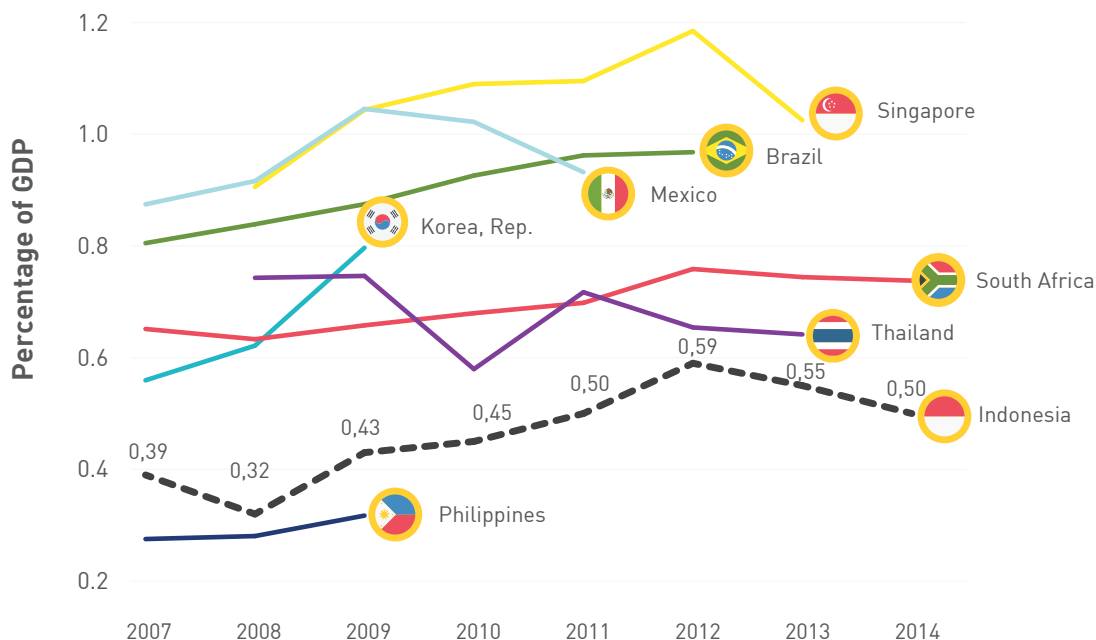
Indonesian Government Expenditure on Tertiary Education

Expenditure on tertiary education was on average 0.46% of GDP, 2007 – 2014, the second lowest amongst middle income G20 and ASEAN countries, higher only than the Philippines (0.29%).

Some limited catch up has been achieved. Expenditure on tertiary education as a percentage of GDP grew by 28%, 2007 - 2014, after South Korea and Malaysia.



Government expenditure on tertiary education



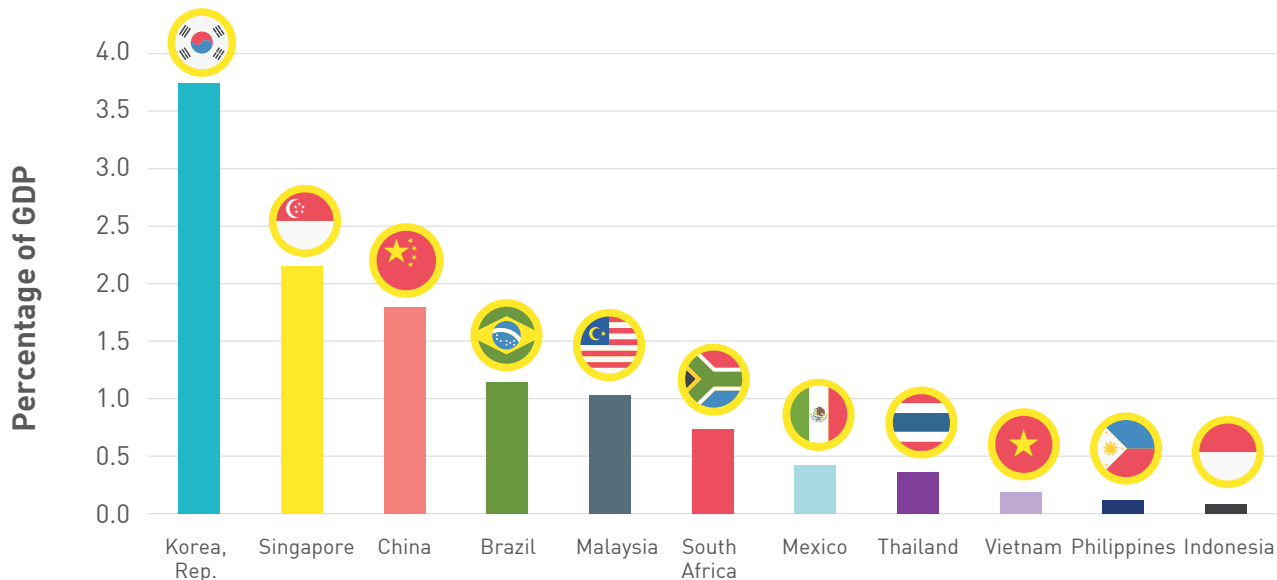
Expenditure on R&D

Indonesia's expenditure on R&D has been, on average, 0.07% of GDP between 2000 and 2013.

This is the lowest in the region and amongst G20 middle income countries, consistently below the Philippines by 0.09 percentage points.



Gross expenditure on R&D, 2011



Source: UNESCO Institute for Statistics, September 2016; uis.unesco.org

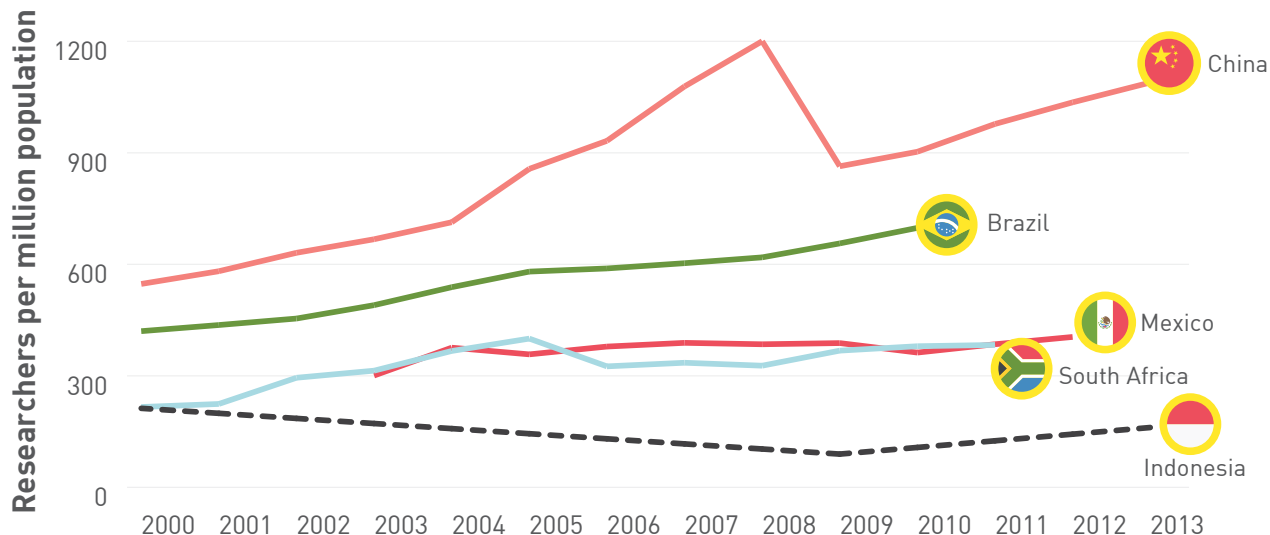
Number of Researchers

Indonesia has one of the lowest number of researchers per million people, second only to the Philippines, suggesting a weak knowledge sector.

This is a missed opportunity to support the diversification of the manufacturing sector. If government expenditure on tertiary education is increased further and sustained, it can support future catch up.



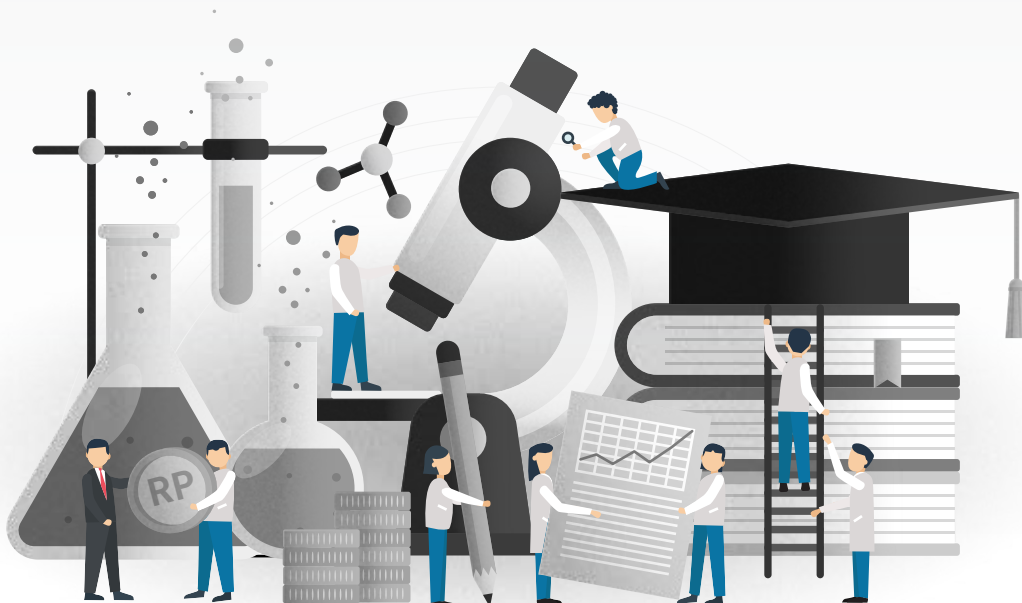
Researchers in R&D



Source: UNESCO Institute for Statistics, September 2016;uis.unesco.org

Better Policies Better Lives™

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.



Knowledge Sector Initiative

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