

CASE STUDY

Revisiting the Eastern Indonesia Knowledge Exchange (BaKTI)

Petrarca Karetji*

Eastern Indonesia Knowledge Exchange (BaKTI), Makassar, Indonesia

The Eastern Indonesia Knowledge Exchange (BaKTI) currently functions to encourage discourse and interaction on development in the region through the Eastern Indonesian Forum as a network of reformers, and supporting activities derived from the forum; knowledge exchange for the collection, collation and distribution of development knowledge; collaborate with local governments and communities in a variety of small scale activities initiated by local partners; and provide development project support functions to international partners seeking to develop projects in the region. This case study provides a brief update on BaKTI's current passage and reflections on the process BaKTI has undergone. It examines the conditions underlying the need to develop a regional based support office and related processes of development. Finally, outcomes that can be attributed to BaKTI are described, together with how these contribute to the global development effectiveness agenda.

Four years ago the author submitted a paper on the Eastern Indonesia Knowledge Exchange (BaKTI) and its 'journey of change' (Karetji 2005). BaKTI currently functions to encourage discourse and interaction on development in the region through the Eastern Indonesian Forum as a network of reformers, and supporting activities derived from the forum; knowledge exchange for the collection, collation and distribution of development knowledge; collaborate with local governments and communities in a variety of small scale activities initiated by local partners; and provide development project support functions to international partners seeking to develop projects in the region.

This short note provides a brief update on BaKTI's current passage and reflections on the process BaKTI has undergone, framed by the following questions: What were the conditions underlying the need to develop a regional based support office and related processes of development underway at the time? What can be attributed as outcomes of BaKTI in the region? How have these outcomes contributed to the global development effectiveness agenda?

Underlying conditions of development

As BaKTI serves international development agencies, national ministries/stakeholders, as well as local governments and civil society, the underlying conditions of development at each level must be considered. At an international level, BaKTI supports the development effectiveness agenda, seeking to decrease dependency of 'beneficiaries' on donors, and aiming to build partnerships, where programmes reflect local ownership and alignment to

*Email: pkaretji@bakti.org

national priorities. This marks a shift from externally set development agendas and planning, dependent on external capacity to manage and implement projects. This change, facilitated by the Paris Declaration on Aid Effectiveness, realises that development requires the collaboration of all stakeholders, based on joint development agendas, participative planning processes, and the development of local capacity to implement and sustain development projects.

At a national level, Indonesia has shifted from centralised government systems and structures to decentralised government systems, bringing about dramatic changes. This requires a shift in relationships as local governments take on more responsibilities and authority. In both conditions of change (aid delivery and governance), the role of local stakeholders, both government and civil society, are increasingly important. Relationships of dependence on international and national 'benefactors' are required to become relationships of 'interdependence' (Pierson 2000) if both agendas of aid effectiveness and decentralisation are to be achieved. However, such relationships between international, national and local development actors can only occur if each has sufficient knowledge of conditions, as well as confidence in the capacity of the other. This must be recognised as a process of development which cannot occur without facilitation and support.

At the local level in eastern Indonesia, the lack of access to information and limited communication has in turn limited the capacity of and confidence in local stakeholders. Almost all reports regarding the region provide a generalised perspective that human resources in eastern Indonesia are weak. Achievements were seen as sporadic, and participation in forums resulted mainly in negative feedback.

With such constraining conditions, shifts in national and international development planning and implementation approaches cannot be reflected in interdependent relationships with local stakeholders. In other words, relationships continued to be reliant on central government, external agendas, planning and capacity.

Increasing collaboration in the region

BaKTI's role has been to tip the balance of the scales and support interdependent relationships (Figure 1). The initial part of this process has been to provide access to information and data, serving to build both confidence and capacity of local development actors in interacting with others. Recognising that facilitating interdependencies or collaboration is in itself a development process, BaKTI as a knowledge exchange unit worked to profile and publicise local capacity and experiences, and support the Eastern Indonesia Forum as a multisectoral network of development leaders in the region.

This process of increasing effective interaction provides a foundation for effective development work. Limited interaction between individuals and organisations results in lack of trust, negative feedback (Pierson 2000), seemingly sporadic achievements, high set-up costs (Murphy 2006), limited effects of learning (Pierson 2000) and resistance to change (Mooradian *et al.* 2006). On the other hand, the facilitation of interaction between stakeholders resulted in increased levels of trust, positive feedback (Pierson 2000), individual achievements seen as part of a collective effort (Pierson 2000), decreased set-up costs, broader coordination and openness to change (Mooradian *et al.* 2006).

The Eastern Indonesia Forum is an example where the facilitation of interaction has provided positive results. During the first Eastern Indonesia Forum regional meeting, opinions voiced reflected lack of trust in national government and donor programmes in the region. Feedback on programmes was mainly negative. Comments reflected frustration at the seemingly meaningless achievements of particular regions/organisations, while

Tipping the Scales for Effective Aid/Development

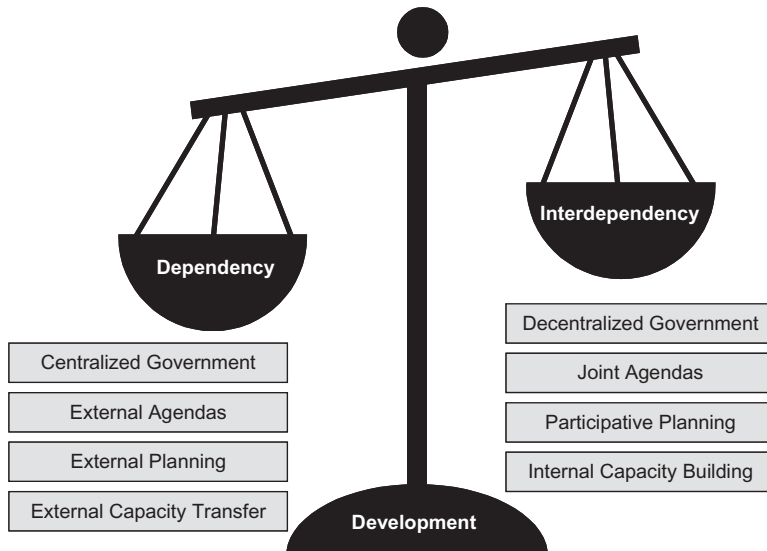


Figure 1. Tipping the Scales for Effective Aid/Development.

the lack of international support was blamed on high set-up costs. Lack of access and sharing of information resulted in limited learning on what works in the region. As the first forum of its kind, there was limited pre-existing coordination between government and non-government stakeholders.

The second forum took place in November 2005 and was attended by a broader range of stakeholders. Feedback was more balanced, and a vision statement and objectives of the forum were agreed to stimulate change. Coordination between provinces was encouraged through the establishment of local secretariats, decreasing the necessity and costs of having to establish BaKTI clones in each province. As participants and organisations became more confident, willingness to share and to learn from each other's experiences also increased.

The third regional meeting held in August 2007 provided a sense of collective achievement by reflecting on what the programme had delivered in various provinces. Although BaKTI was unable to implement activities in all provinces, output was considered as a collective result, as those missing out were able to learn from provinces where activities were implemented. Strengthened coordination structures were agreed to with four sub-networks established, one for researchers, one for community facilitators, one for women and a new forum specifically for heads of provincial development planning boards (BAPPEDA).

BaKTI's outcomes

Fostering of 'development collaboration networks' (Vangen and Huxham 2003), i.e. the Eastern Indonesia Forum, is an outcome in itself, as this network has been utilised by a range of bilateral agencies, international non-governmental organisations (INGOs) and central government (i.e. Ministry of Finance). Referring to Figure 2,

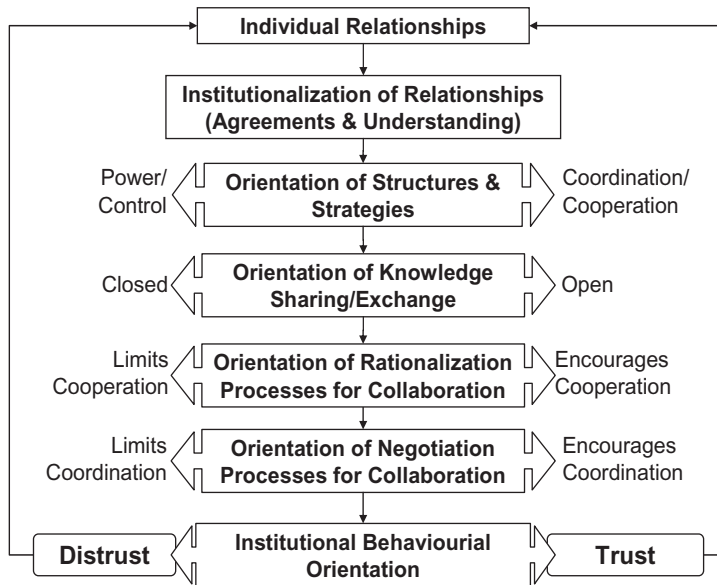


Figure 2. Relation between relationships, trust and knowledge sharing.

BaKTI provides the space for individual relationships to develop. This has led to institutionalisation of such relationships through agreements and common understanding between individuals involved. This was reflected in structures and strategies developed, oriented towards increasing coordination and cooperation, in other words, trust-building (Solomon and Flores 2001). Within this framework, BaKTI's role has been to encourage open sharing and exchange of knowledge, so that partners are more aware of the roles and capacity of others. This allows each stakeholder to understand the benefits of collaboration, as well as negotiate their own role and position. Overall, this process results in institutional behaviour that is trust-oriented because relationships rely on coordination and cooperation rather than power and control.

The Public Expenditure Analysis and Capacity Harmonization (PEACH) collaborative programme reflects this process. Individual relationships established through the forum led to agreements and understanding on the importance and benefits of implementing a public expenditure analysis. Structures and strategies were agreed emphasising coordination and cooperation. Workshops and seminars were held to ensure open knowledge sharing, while also allowing for each representative to rationalise the benefits gained from cooperation. The acceptance of each other's capacity allowed for smooth negotiations of roles and coordination mechanisms. Overall, the process has led to institutional behaviour which continues to operate, for example in Papua and Gorontalo, based on trust, allowing for further opportunities to be explored and developed. The significance of PEACH, in fact, lies not the report that was produced, but in the relationships established which provide the foundation for further development collaboration, utilising recommendations of PEACH.

Development collaboration networks also allow for more cost effective delivery of aid. The support budget for BaKTI to operate in the 12 provinces of eastern Indonesia was budgeted at around US\$1.3 million (2007 to 2008 budget). As a support facility, this budget allowed for a range of services (i.e. information request servicing, project dissemination,

project team recruitment, project management support for donor activities, and database management). If separate teams and contracts were required to implement these activities rather than combining under one support structure, the costs of such activities would actually prohibit many of these services from being utilised, leading to sporadic achievements and continued high costs of delivery in the region.

Contributions to the aid effectiveness agenda

BaKTI's approach and support role contributes directly to the aid effectiveness agenda. While decreasing transaction costs, BaKTI simultaneously increases the space available to build collaboration, which impacts on the effectiveness of external organisations in avoiding high set-up and communication costs. Each implemented activity has provided space for others to utilise in introducing programmes, opening doors to relevant decision makers, and decreasing the amount of time required to sift through negative feedback in order to obtain constructive input. This enhanced interaction through increased levels of trust (Nyhan 2000), positive feedback (Pierson 2000), collective achievements, decreased transactional costs, broadening of learning impact, increased coordination and openness to change leads to an increase in development effectiveness. The approach encourages ownership, ensures alignment, and increases harmonisation through knowledge sharing. All of these aspects also increase accountability on both sides and support agreement on results to be measured (Figure 3).

Conclusions

Significant changes in development approaches for more effective delivery must be supported not just at central government levels but also at the level of implementers on the ground, where issues of overlap, ownership, sustainability, and results occur. This is also the issue with decentralisation, where policies and regulations introduced at the national level greatly affect delivery of governance at local levels and have brought about conflict and new challenges for local government.

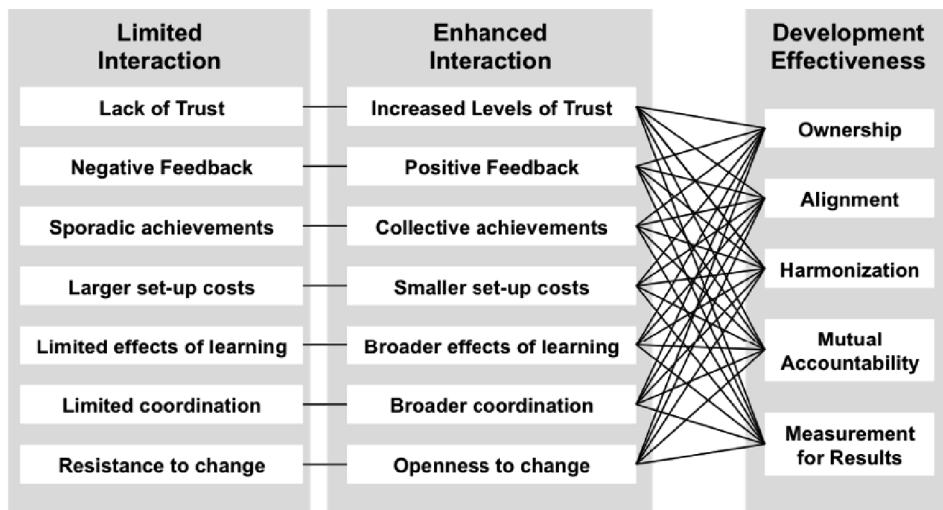


Figure 3. Increasing interaction for effective development and aid.

BaKTI's focus has not been on the content of development substance determined by national and international policy makers. The focus has been on the manner in which development efforts are communicated. In other words, how change is delivered based on the realisation that each level is dependent on the other to effectively and efficiently achieve expected results.

In this manner, BaKTI is able to adapt to and support changes in central government policies, i.e. decentralisation by increasing the awareness and capacity of local stakeholders in understanding and undertaking change. The approach has proven to be cost effective, and the fact that BaKTI's services are utilised and referred to by a broad range of stakeholders locally, nationally and internationally, prove that this is a necessary development support role.

As a support facility, the emphasis for BaKTI is in encouraging collaborative development, being processes of development seeking to optimise cooperation and coordination between development partners.

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Notes on contributor

Petrarca Karetji was born and raised in the remote highlands of Papua. He studied English Language Education at Satya Wacana Christian University, Central Java, Indonesia, where he commenced his career as a project officer (1992). Since 1994, Petrarca worked in a number of development project management consultancy firms, implementing human resource development projects including scholarships (AusAID), fellowships (Asian Development Bank) and training programmes (World Bank), nationally and internationally. Before joining the World Bank as a consultant assigned to the Support Office for Eastern Indonesia (SOEI), Petrarca managed Austraining Nusantara, a small consultancy firm (1995–May 2004) focusing on regional development projects. Petrarca commenced responsibilities as BaKTI Coordinator in December, 2004.

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