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**STRENGTHENING EVIDENCE-BASED POLICY IN THE PUBLIC
ADMINISTRATION SYSTEM IN INDONESIA BY THE ANALYSIS OF SUPPLY
AND DEMAND IN THE POLICY COMMUNITY NETWORK THEORY**

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Abstract

The phenomenon of the abolishing of regulations, deregulation of thousands of regional rules, and the different data used by government agencies to tackle the same issues in Indonesia, give an essential message for increasing the use of evidence in the public policy-making process. This condition can be analyzed by the concept of supply and demand in the theory of policy community network. A policy is a product from several actors in which the actors and the relationships between them as a network can directly influence the success of the policy formulation process and the potency that those policies can be implemented. By knowing the quality and quantity of the supply produced by research, the demand side played by the policymakers can be encouraged to use the evidence as the basis of the policy made. The evidence supply issue can be understood by investigating the challenges faced by the researchers and research bodies, which are the interest related to policy, research capacity, and data availability. On the demand side, we can encourage the use of research as evidence in policy-making by creating an open and participative system. Through the analysis of supply and demand, this study is trying to propose strategies to strengthen the evidence-based policy and to broaden its influence at every stage of the policy cycle in Indonesia.

Keywords : Evidence-Based Policy, Analysis of Supply and Demand, Policy Community Network Theory

Introduction

Based on the data released by Scimago (2023), the number of research in Indonesia in 2021 were 49.350 studies. This number has significantly increased compared to 2017, where there were only 21.589 studies. This number makes Indonesia ranked 21st in the world. However, the large number of researches in Indonesia does not reflect the uses of this research. This notion can be seen; for example, in the 2022 annual report contains the development index for innovation in a country, Indonesia was ranked 75th in the world from the data of the Global Innovation Index. This ranking seems very different from the ranking of the number of studies in Indonesia.

Furthermore, the lower rate of the research use as evidence in the public policy made can be reflected by the abolishing and cancelling the implementation of some regulations. Until the mid-June 2016, there were 3,143 Local Regulations (Perda) that has been deregulated nationally, both at the provincial and district/city levels. It was cancelled through a Decree of the Minister of Home

Affairs because it was unconstitutional or contradicting the 1945 Constitution (Mancer & Kristiana, 2017)

In 2018, the Minister of Finance also abolished the implementation of Ministry of Finance Regulation number 210/PMK.010/2018 concerning Tax Treatment of e-Commerce. This regulation is cancelled to implement because there was confusing information regarding the content that leads to a confusing situation in the society.

The facts above urge the government to use more evidence as a basis in policy formulation because the purpose of the research is to realize it, not only to publish it (Aldi, Insiyah, Nugraha, & Raharjo, 2020). Evidence-based policy is considered to be the solution to increase the quality and the effectiveness of the policy in the public administration sector. This study aims to investigate the current condition of evidence-based policy implementation on the policy formulation process and the challenges that cause why this concept cannot effectively used in the policy-making in Indonesia. Furthermore, this paper will provide some inputs to strengthen the evidence-based policy in the public policy formulation.

The Theoretical Basis and The Conceptual Framework

Evidence-based policy is an approach which helps policymakers to develop a better-informed policy resolution by including evidence and plausible analysis in the core of the policy formulation process (Davies as cited in Nutley et al., 2009 p.5). Policy formulation must contain nuances of implementation and a measure of its success so that policies that have been formulated and embodied in the form of programs always aim to be implemented (Islamy, 2000). Another aspect that is involved in understanding the dynamics of such harmonious policy setting and implementation is community involvement as expressed by Islamy (2002) and Dunn (2000). It means that the concept of establishing and implementing policies must not only be aligned but also must be seen as part of people's lives in the environment.

In line with those experts, in this paper, we use the theory of participatory Policy Community Network to analyze the role of actors to provide and to use evidence in policy formulation that is based on the conceptual framework of supply and demand. Rhodes (2009) defined policy networks as 'formal organizational or informal relationship between governments and other actors structured around shared if endlessly negotiated beliefs and interests in public policy-making and implementation. The method used in this article is the literature review, which uses secondary data or sources in the form of journals, books, documentation, the internet and various libraries that are relevant to the issues or topics raised. In this study, supply is defined as the evidence available from research activities, while demand is the opportunities for the evidence to get access to policy formulation process. This analysis is essential to investigate the role of each actor to strengthen evidence produced in all stages of policy-making process in Indonesia.

In the policy-making process, data sharing needs to be done across and between institutions, research communities, and communities. This is useful for generating the analysis and evidence needs to understand whether policies are achieving their goals correctly, are working according to plan, and whether services are being delivered effectively. Thus, ideally, strong evidence should inform the government about "what is effective" as a basis for making decisions to continue, modify, or terminate various programs. This collaborative activities, show that policy should involve participation from many actors (Muadi, 2018)

Discussion and Analysis

a) The current condition and the challenges

Some factors identified that make the research cannot effectively contributes to the policy-making in Indonesia are as follows:

1) The different interest of the research and policy needs.

Formulating evidence-based policy goes beyond to use research as a basis. It includes experts analysis and leaders opinion. This policy-making characteristics lead the researcher to propose the appropriate research questions to generate the applicable research results that meet the needs and the logical thinking of policymakers.

From the perspective of interest, the current issues in Indonesia is the research topics are not in line with the needs of policymakers. It could be caused by the lack of communication and coordination of the research bodies and the user of the research result. By this condition, the supply side and the demand side are not meet in the equivalent point.

2) The capacity of the research

One reason for public policy implementation failure is the inaccuracy and incomprehensive research (Nawaludin, 2015). Based on the study of Rakhmani & Sakhiyya (2019), shows that Indonesian policy-making is predominantly informed by research with poor theoretical engagement, with no strong tradition of peer review and with legal threats to academic freedom.

In the context of human capacity, apart from dealing with individual research issues, capacity also concerns issues of research institutions. Within the bureaucratic structure, the government has a Research and Development Agency in each Ministry / Institution / Regional Government. The existence of sectoral egos, overlapping research materials, and long coordination chains between government research units are still common. The problem is more complicated when mapping the relationship between

research institutions in the bureaucracy and research institutions in universities.

In addition, research from government institutions also depend on the research budget. From the Ministry of Finance, in 2019, research budget in Indonesia (Gross on Research and Development, GERD) is about 0,25 from GDP. This figure is ten times lower than other countries in South East Asia, such as Singapore with 2,2%, Malaysia with 1,3%, Thailand with 0,6% and even Vietnam with 0,4%. Besides, the research is also limited by the annual budget in which the study is treated the same as other government programs that had to finish in one fiscal year. This dependency is not ideal for funding sustainable and long-term research. The complexity of the current bureaucracy has made the orientation of research merely an activity for budget absorption, not to produce innovation. As a result, the research is not comprehensive and accurate to be a solution for specific issues.

3) *Data availability*

Data is the main element that determines the level of policy quality . Invalid data can lead to erroneous policy analysis, resulting in incorrect results. The national data in Indonesia are mainly produced by Statistics Indonesia (BPS) and related ministry or government institutions. This public information should be provided and can be easily accessed by the public. The government has supported it by enacting Law number 14 of 2008 concerning the Freedom of Information. However, accessibility is still the main issue. The data is not available on the website that can be accessed by everyone. Besides, for the unpublished data, researchers often need to fulfil some unnecessary bureaucracy requirements that take a long time and to pay to get specific data. It is delayed or hindered research activities that in certain times make this result cannot be considered in policy formulations (Kasanah, 2017).

b) The Proposed strategy.

Based on the challenges that have been identified, some strategies can be proposed to endorse the use of evidence in the public policymaking process in Indonesia, both from the supply side and demand side that encourage the participation of actors in the policy community network, as follows:

1) Strategies from the supply side

a) Strengthening the research body

As the major actor of the supply side, the high-quality research result can be

produced by strong research bodies. It means the research body has all the requirements resource to run well, such as the availability of research fund, the professional researchers and the supportive infrastructure.

In terms of strengthening the research body budget, it means increasing the budget and optimized the budget spending on solving or addressing an issue. By this funding support of the government, the researchers can conduct the research that will contribute to the policy formulation in public sectors. To support the study, the research budget regulation in Indonesia has already mandated in Law number 11 of 2019 concerning National Science and Technology System. In article 62, paragraph (1) stated that the government establishes an endowment fund for research, development, assessment, and implementation to generate innovation. However, it is the responsibility to the research bodies to ensure that the research budget allocation must be measurable, can be relied on, focus on priority topics and accountable. By the existence of the endowment fund, the research can be conduct through the different fiscal year. It is a solution to the limited function of the annual research budget.

In infrastructure improvement, the government should prioritize the program in providing research infrastructures, like biomaterial, biomedical, the digital creative economy, as well as empirical data repository and depository. This infrastructure should be accessible for all stakeholders from academician, industrial actors and government institutions.

b) Increasing private sector involvement

To create a policy that fits specific sectors, the involvement of private sectors can lead to a robust based on data policy. This involvement can be encouraged by promoting the implementation of Ministry of Finance Regulation number 153/PMK.010/2020 concerning Gross Income Reduction On Specific Research And Development Activities In Indonesia. In this regulation, it is stated that domestic corporate taxpayers who carry out certain research and development activities can be given a reduction in the gross income of up to 300% of the total costs incurred for research activities, within a certain period.

This stimulus can significantly assist the policy formulation in Indonesia, especially in certain sectors and situations like the Covid-19 pandemic. Regulations related to incentives for research and development (R&D) activities are essential to encourage the discovery of the Covid-19 vaccine. Thus, there is an opportunity for policymakers to made a policy to restore health, social and economic conditions in Indonesia immediately.

c) Collaborative strategy

Synergy and collaboration is the primary key to innovation reinforcement, and it requires the research ecosystem and robust innovation. A strategy that can be implemented is to open the data or research result to be accessible by all. It is crucial to ensure that the same research is not carried out by various institutions separately. Furthermore, by creating a collaborative study, for example, the research body LIPI and universities can support each other with the privilege they have. For instance, the state of the art technologies infrastructure they have, the research centre and the human resource can assist in conducting high-quality research.

2) Strategies from the demand side

Make a participative system called Call for Research

Using the evidence to support policy decisions requires an opportunity for the research to get access into the policy decision-making process. It means that policymakers and decision-making processes should be open to incorporate such evidence. However, it is not a matter of pure will; evidence should be reliable, timely and easy to understand by the actors involved to contribute effectively to better policy decisions (OECD, 2012)

From the demand side, the strategy that can be proposed is by formalizing a participative or open tender in the form of "Call for Research" before making the policies. This program aims to accommodate the participation of researchers to contribute ideas and thoughts related to the object of the draft law to be made. This idea is based on the process of forming a law that regulated in some of Indonesia's laws. In Article 43 paragraph (3) Law number 12 of 2011, it is explained that "The Draft Law must be accompanied by an academic paper". The definition of an academic paper based on Article 1 number 11 of this Law is the text of the results of research or legal studies and other research results on a particular problem that can be scientifically accounted for regarding the regulation of the issue in a Draft Law, Draft Provincial Regulation, or Draft District/City Regional Regulations as a solution to community legal problems and needs. This provision shows that in making a law it is based on scientific research, even in Article 3 of the Presidential Decree Number 87 of 2014 concerning the Implementation Regulations of Law Number 12 of 2011, it is explained that the first part of the Draft Law is an Academic Paper. It means that the beginning of law is an academic paper.

Currently, the research carried out is still internal oriented, both from the Government (Research and Development Agency for Ministry Institutions or Non-Ministerial Institutions), House of Representatives (DPR) which has a vision of optimizing support or Center for Regional Studies and Budget (DPD). The tools that are owned by both the Ministry, DPR and DPD in conducting research are still internal to the institution and do not reflect direct community participation. Ideally, in making academic paper

should involve researchers outside the scope of the initiator as a form of community participation (Aldi et al., 2020).

Law number 12 of 2011 only regulates this concept in the process of formulating the law. However, it can be adopted and used broadly by all government institution as policymakers to produce the more applicable policy related to its institution that is based on evidence from empirical studies.

Conclusion

Reflecting on the complexity of public administration, a more scientific approach might help policymakers address the intricacy of the problems and reduce the level of uncertainty. In this case, evidence-based practice will be able to provide an overview or explanation not only of how a decision or strategy was taken, but also why the decision or plan is appropriate.

The evidence-based policy has helped the public to understand a policy because it is well-informed about decisions in the formulation of policies, programs and projects, by placing the best available data from research results as the heart of policy development and implementation. To strengthen the evidence-based policy in the policymaking process, we can strengthen the role of the supply side in the policy network that are researchers, research bodies, government and private sectors to provide the reliable evidence from the research.

From the demand side, we encourage the broader use of evidence in policymaking process by creating participative open system "call for research" in government agencies before making a public policy.

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