ABSTRACT
Founded in 1999, the Bandung Institute of Governance Studies (BIGS) is an NGO devoted to promoting budget transparency in Bandung city, West Java province. To date, BIGS has been successful in obtaining and disseminating city budget information, publishing several books as well as an annual poster which lists the budget allocations and unit manager names and telephone numbers for all 80 city government units. It has provided citizens, politicians, NGO staff, the media and students with training on how to analyze and use budget information in advocacy efforts. Information provided by BIGS has empowered the city parliament or DPRD to strengthen its role as a check on the executive branch of city government and is being used by government to reduce budgetary fraud and waste. BIGS has even taken some direct action of its own, bringing a well-publicized case of corruption against some Bandung city DPRD members that is still under investigation. Bandung city citizens’ awareness of the importance of the budget and the need for budget transparency has been raised, and the issue of budget transparency is being taken up in other cities and by other NGOs because of BIGS. Key to BIGS’ success has been its ability to bring its strategy in line with its organizational strengths and weaknesses. Other important factors include its reputation for honesty, excellence and sincerity, its charismatic leader, multi-year untied core funding, its wide network of government contacts, and its use of many different channels and formats to reach people. Finally, national-level decentralization and accompanying reforms created an enabling environment for organizations such as BIGS. BIGS’ success is not yet translated into a more pro-poor city budget. Perhaps most importantly, BIGS depends on other NGOs to serve as “pollinators” to put its information to work on behalf of specific groups such as the poor. In fact, BIGS does not target the poor explicitly, though budget analysis, training, and information dissemination are all activities that could be effectively re-designed with the poor in mind. BIGS’ citizen outreach is limited in both numbers and impact: a frequent criticism is that its budget analysis is too complicated for ordinary citizens to understand and use. The fact that it does not publish information on draft budgets, but only on approved budgets, also limits the ability of citizens and NGOs to use the information for change. Finally, entrenched local groups and dishonest leaders undermine some of BIGS’ attempts at reducing budgetary fraud and waste.

This case study was written by Laila Kuznezov, consultant (USA). Research was based on a field visit to Bandung, West Java, in March 2005. Reference is made to Biro Pusat Statistik (2000), www.kpu.go.id, www.bandung.go.id, www.bigs.or.id, and www.antara.co.id. Research team members included Janes Imanuel Ginting of the World Bank (Indonesia) and Gregorius Kelik Agus Endarso of the Pradipta Paramitha Foundation (Indonesia). Managerial, analytical, and editorial support was provided by Stefan Nachuk, Menno Prasad Pradhan, and Sachiko Miyata of the World Bank (Indonesia) and Winthrop Carty, Ash Institute of Democratic Governance, Harvard University (U.S.A.). Analytical and editorial support was provided by Susannah Hopkins Leisher, consultant (Australia). This case is copyrighted by the author, the Ash Institute, and the World Bank and may not be reproduced or reused without their permission.
INTRODUCTION
As part of its mandate to alleviate poverty in Indonesia, the World Bank is undertaking a series of case studies to promote better services, especially for poor and disadvantaged people. The case studies were chosen from the many innovative practices seen in Indonesian local government in recent years through a competitive outreach process managed by the World Bank. Donors, non-governmental organizations, and local government staff were contacted and encouraged to submit proposals regarding innovative pro-poor service delivery work that they either were undertaking or knew about. This case study examines a local NGO working to improve budget transparency in Bandung city, West Java province.

THE STUDY SITE: BANDUNG CITY
Bandung city (kota) is the capital of West Java province and the cultural center of the Sundanese ethnic group. The city, on a high plateau, is home to several well-regarded universities and institutes. It is also a manufacturing hub for textiles and garments for export, with many outlets attracting weekend shoppers from the nearby national capital; factories provide jobs for residents. Within the city limits there are also rural areas, however, and many of Bandung’s 2.5 million\(^1\) residents are small farmers. The poor comprise about 7 percent of the population.\(^2\)

BUDGETS IN BANDUNG
There is no Indonesian equivalent to the U.S. Freedom of Information Act that would require local government to make budget information (such as proposed or approved budgets or audited expenditure information) available to the public, though a discussion on a "Kebebasan Informasi" (Freedom of Information) Law is ongoing in the National Parliament. Citizens are generally unaware of the proposed law, and local governments are unmotivated to provide information voluntarily. Personal relationships remain key to accessing government information.

In theory, public input to the budget is ensured by the relationship between the city parliament (Dewan Perwakilan Rakyat Daerah or DPRD), with locally elected representatives from the 26 sub-districts (kecamatan), and the executive branch offices, headed by the Mayor’s office. The budget is developed by the executive branch and then submitted to the DPRD for review and legalization. Direct public participation in budget planning takes place at a series of Development Planning Meetings (musrenbang or Musyawarah Perencanaan Pembangunan) at local and district levels. However, these meetings focus more on ascertaining local leaders' priorities than on enabling debate between the community and the government. Since the budget is not publicly released or debated, direct citizen pressure on government is limited.

THE BANDUNG INSTITUTE OF GOVERNANCE STUDIES (BIGS)
The Bandung Institute of Governance Studies (BIGS) is an independent non-governmental organization founded in 1999 by several former students from the Department of Development Studies, Bandung Institute of Technology. Initially, the organization attempted to work directly on improving the delivery of basic services, but since 2002, it has focused on budget transparency.

BIGS has a multi-faceted mission to promote good governance, civil society and democracy and to empower civil society as well as government staff themselves to hold government accountable. BIGS believes the budget, as the primary mechanism for government to

---
\(^1\) www.bandung.go.id.
\(^2\) Biro Pusat Statistik (2000).
implement its policies, is key to understanding how the government plans to deliver on its political promises. Analysis of the budget can reveal how much money is allocated directly to programs and services that help or target the poor. BIGS wants to remove the “budget information imbalance” between government decision-makers and the public, between the legislative and executive bodies, and between managers and staff within government bodies themselves. The organization sees itself not as a monitor of the budget but as a provider of tools—it obtains and publishes detailed approved budgets showing what money is really spent on, as well as providing education and training on the budget planning process and how to participate in it, and on how to understand and use budgetary information. These “tools” are intended to enable others, including citizens, other non-governmental organizations, government bodies and the media, to monitor local government and eventually participate more effectively in the planning process which informs government spending priorities.

**METHODOLOGY**

Three researchers visited Bandung for eight days in mid-March 2005, conducting semi-structured interviews and focus group discussions with 29 informants. Informants were selected either because they could provide information about how BIGS works, or because they could speak about BIGS’ impact on the public, government officials, politicians, or themselves. Interviews were conducted with print and radio journalists, representatives of NGOs, recipients of BIGS training, members of an organization formed by BIGS (APAKB), DPRD members, and officials from the planning, water, finance, and treasury offices (Dinas Pendapatan Daerah/Dispenda). Interviews were also conducted with current BIGS staff, founding members, former researchers, and APAKB members now working at other NGOs or elected to the DPRD.

The following hypotheses were tested during the fieldwork:

- BIGS has improved governance in Bandung City via its budget transparency work.
- BIGS’ positive impact on governance has not yet extended to making the budget more pro-poor.
- BIGS is having an impact on citizen involvement in the policy-making process.

---

3 BIGS has not yet published or analyzed audited expenditure or variance data, or information on draft budgets.

4 Paraphrased from www.bigs.or.id.
HAS BIGS IMPROVED GOVERNANCE IN BANDUNG CITY VIA ITS BUDGET TRANSPARENCY WORK?

BIGS has been successful in obtaining and disseminating city budget information. Before BIGS put its spotlight on the budget, the practice of the city executive branch had been to provide only a budget summary to the DPRD, and no detailed budget breakdown was available to the public. Since 2002, through dogged and exacting research, BIGS has proven that it is in fact possible to obtain very detailed budget information.

BIGS disseminates budget information in several formats to a wide audience. An annual poster lists 80 city government units together with their budget allocations and the contact information (names and telephone numbers) for unit managers. The posters target the general public, so the information is presented in a simplified format. Of the 3,000 posters produced annually since 2003, half are sturdy enough to be posted outdoors, while the rest are regular paper posters distributed to activists, public officials, local leaders, and others who wish to display the information.

BIGS’ seminal publication is “The DPRD Expenditures” (Belanja-belanja Dewan), which analyzed budget data from 1997 to 2002. Research for this book uncovered major corruption in the 2002 DPRD budget and precipitated charges against several DPRD members (see below). Since 2003, BIGS has also published a book each year entitled “APBD Document” (Dokumen APBD) with the complete city budget (Anggaran Pendapatan dan Belanja Daerah or APBD), obtaining the information through its government and political contacts. About 1,000 copies are distributed each year, mainly to government officials, academics, and NGOs.

---

5 The 2003 poster title was “What’s Going On With Bandung City APBD 2003” (Ada Apa Dengan APBD Kota Bandung tahun 2003), which mimicked the title of a pop song that was very famous at that time, “What’s going on with you” (Ada apa dengannya). The 2004 title was “Announcement APBD 2004” (2004: Bewara APBD 2004).
BIGS’ bimonthly magazine, Bujet (“budget” in Sundanese), contains articles providing a more detailed and sophisticated analysis of the budget, as well as discussions of issues related to the planning and public consultation process. It is targeted to a more educated and activist audience. For example, the most recent issue (January-February 2005) included articles on budget transparency from a religious perspective and a report from a recent seminar run by BIGS in cooperation with the International Budget Project on applied budget work. 1,000 copies of the magazine are distributed to government officials, DPRD and political party members, NGOs, and universities every other month. Other BIGS publications include “You Better Know—Public and Apparatus Expenditures in APBD/Local Budget 2003” (Sebaiknya Anda Tahu—Belanja Publik dan Belanja Aparatur Dalam APBD tahun 2003) and “Those Who Have Just Shopped” (Mereka Yang Baru Belanja) (2004) with expenditure data for all Bandung city working unit activities.

BIGS does not rely only on the print media; it has a strong radio presence as well. In 2001 and 2002 it conducted a ten-session talk show on budget transparency on a local radio station. BIGS’ director is still a regular guest on local public affairs radio shows such as the “FDWB Talkshow,” appearing frequently to discuss budget transparency and other public policy issues. The radio programs are an important media outlet since they reach regular citizens throughout the province in an easy-to-understand format.

BIGS provides citizens, politicians, NGO staff, the media, and students with training on how to analyze and use budget information in advocacy efforts. BIGS offers training on the budget planning process, understanding the composition of the APBD budget, and how to analyze and use budget information and the planning process to advocate on behalf of citizen interests. Since 2004, BIGS has provided training for 94 people, of whom 55 percent are staff of NGOs or social organizations and 30 percent are students and other academics; the remainder are media, legislators and political party members. BIGS also conducts seminars, roundtables, and workshops for special groups on the same topics. For example, in February 2005, a workshop on budget planning was attended by DPRD members, government officials, members of the military, and the general public. An added benefit of the training sessions is that they present like-minded organizations and individuals with an opportunity to establish informal networks to further their budget transparency work.

Information provided by BIGS has empowered the DPRD to strengthen its role as a check on the executive branch of city government. The executive branch is responsible for developing the APBD budget and releasing it to the DPRD, which reviews and approves it. On paper these two bodies are equally powerful, but until BIGS began to focus on budget transparency, the executive branch tightly controlled the flow of information, forcing the DPRD to accept budget summaries rather than detailed budgets for review and approval. DPRD members reported that since BIGS began publishing the complete APBD budget in 2003, demonstrating that the budget is both obtainable and detailed, they have started to

---

6 The International Budget Project was formed in 1997 to improve the capacity of civil society to analyze and influence government budget processes, institutions and outcomes (www.internationalbudget.org).
7 FDWB, or “Bandung Journalists' Discussion Forum” (Forum Diskusi Wartawan Bandung), is a forum of Bandung journalists with the mission of strengthening democracy through the media. Since 2002, it has cooperated with MARA radio station on a weekly show about current affairs.
8 These shows reach an estimated audience of 35,000-40,000 listeners (phone interview with FDWB and a MARA radio reporter).
9 Interview with Komplen, an NGO working in Bandung district.
10 BIGS only publishes approved budgets, not draft budgets being developed and debated, so the information it provides concerns the current year’s operating budget (approved the year before) or the prior years’ executed budgets. BIGS does not yet present or analyze audited expenditures.
debate the budget in detail,\textsuperscript{11} and have even revealed questionable budget line items to the media in an effort to bring budget discussions into the public realm.\textsuperscript{12} In theory, with this new information they can question executive policy as reflected in the budget, and even reject the budget itself. Some DPRD members have begun to be proactive in requesting information, analysis, and guidance from BIGS.\textsuperscript{13}

**Information provided by BIGS is being used by government to reduce budgetary fraud and waste.** Since BIGS has begun to publicize its close analysis of the budget and the budget itself, the government has cut or decreased its allocation to certain line items which have been criticized as unregulated or unclear, and thus susceptible to corruption. In 2005, *Bappeda* (the city development planning board), the DPRD, and several executive departments made a number of changes to their budgets to reduce waste and opportunities for fraud. For example, the budget for staff travelling to other cities (*biaya dinas*)\textsuperscript{14} was cut by 10 percent, unclear budget line items such as “coordination and harmonization” were deleted,\textsuperscript{15} and the budget for stationery and photocopying was cut.\textsuperscript{16}

NGO activists, journalists and policy makers themselves report that since BIGS began to work on budget transparency, policy makers are “more careful” about budget formulation.\textsuperscript{17} According to them, this is because officials know that they cannot hide improprieties from BIGS. Everyone locally is aware of a case brought by BIGS to local prosecutors in 2004 charging that several DPRD members misused funds allocated to an “unregulated” line item (an item not explicitly covered by legislation or allocated to a particular department or service), and officials now take budget transparency seriously. BIGS’ reputation for being able to obtain budget data and the example of the court case have helped to increase pressure on policy makers to be more “correct” in formulating their budgets—to reduce allocations to unclear items and spending that is perceived to benefit government workers rather than citizens. Undoubtedly, BIGS has raised the profile of the issue of budget transparency among activists and policy makers alike, and they now believe that it is important for the government to be more transparent in order to increase public accountability.

**BIGS has taken direct action based on its own analysis.** In 2002, BIGS discovered that forty-five percent of that year’s DPRD budget had been labeled “miscellaneous” (*biaya lain-lain*), though according to usual practice in Indonesia, allocations to miscellaneous items should not exceed ten percent of the total budget. In early 2003 BIGS issued a press release pointing out the irregularity, which quickly captured citizens’ attention, as this was the first time such information had been made publicly available. BIGS’ findings were also carried by several local newspapers including *Pikiran Rakyat* (a major West Java newspaper) and broadcast on the radio.

\textsuperscript{11} Bandung Municipality DPRD member.

\textsuperscript{12} For instance, “unpredicted budget” (*biaya tak terduga*), “coordination costs” (*biaya koordinasi*), and “meals budget” (*biaya makan dan minum*) have been discussed (phone interview with BIGS head).

\textsuperscript{13} According to a DPRD member and former APAKB head.

\textsuperscript{14} Critics have pointed out that DPRD members’ travel often has unclear objectives, no follow-up, and is only for pleasure.

\textsuperscript{15} It is now embedded in the program budget.

\textsuperscript{16} In theory, greater budget transparency would change budget allocation from one year to the next, yet because BIGS has only focused on budget transparency since 2003, such changes would barely have had time to surface (Kabid Sosbud Bappeda Kota Bandung, or head of Bappeda’s Social Culture Unit, Bandung City).

\textsuperscript{17} The head of FPPM (National Forum for Popular Participation), one of BIGS’ founders, Deputy Director of Sawarung (Bandung Citizens’ Forum), a journalist for “Gatra” weekly magazine, and a member of Parliament.
BIGS originally intended only to publicize the information. However, in a separate case that year, 27 of the 1999-2004 term DPRD members of Padang City, West Sumatra, were charged with corruption and sentenced to six years in prison and a Rp. 200 million fine each (the case is still under appeal). This inspired BIGS to bring a case against the Bandung City DPRD to the district attorney, and when this produced no quick results, in 2004 it appealed to the National Ombudsman Committee. After that, the district attorney released the names of four people suspected of corruption, including the head of the previous DPRD. As of March 2005, this case was still under investigation, despite which three of the suspects had been re-elected to the current DPRD.

**Has BIGS’ Positive Impact on Governance Extended to Making the Budget More Pro-Poor?**

*Not yet.* BIGS believes that the current lack of budget transparency is largely to blame for city services that are still not pro-poor, meaning that expenditures are not specifically targeted to services which address the main needs of the poor. It realizes that focusing on budget transparency does not have a direct impact on improving services, especially those targeted at the poor. However, it assumes that citizens and citizen groups will learn how to use information about the budget to understand how budget allocation works, to monitor government performance, and to advocate for better performance for all citizens. Ultimately, BIGS hopes that by providing information as well as setting an example of how to act upon that information, individual citizens and activist groups will also become more active participants in the policy process.

To date, the education-focused Independent Teacher Aspirations Forum (FAGI or Forum Aspirasi Guru Independen) is the only known example of an NGO that has used BIGS’ information to advocate directly to the government. According to FAGI, there has been an increase in the city education budget from Rp. 17 billion in 2003 to Rp. 48 billion in 2005. It is possible that this increase is partially due to FAGI’s advocacy work on behalf of teachers and poor students, work that was inspired and supported by BIGS.

**Has BIGS Had an Impact on Citizen Involvement in the Policy-Making Process?**

*Bandung City citizens’ awareness of the importance of the budget and the need for budget transparency has been raised.*

Journalists, politicians, and local leaders have all noticed that the public is more aware of budgetary issues since BIGS began its work. For example, many people call or send short messages to radio shows asking how can they help monitor the budget, asking for BIGS’ indirect road to a pro-poor budget. FAGI is a forum of Bandung city teachers established in 2001 that aims to advocate on behalf of teachers and scrutinize education policy. One policy FAGI focuses on relates to new student enrolment in secondary schools. Under this policy, only students with good grades are allowed to enter public secondary school. The problem is that public schools are generally both cheaper and of better quality, while students with good grades are usually those who have already studied in public primary schools and have attended additional courses which are too expensive for the poor. As a result, many poor students are forced to attend private junior high schools which are lower-quality and more expensive. FAGI advocates a poor students’ quota for public secondary schools.

After being trained by BIGS, FAGI’s head realized the importance of budget information to their advocacy program. Hence, since 2004, FAGI has used BIGS’ information to advocate for a larger education budget (as provided for by the Constitution). FAGI also cooperates with BIGS to educate teachers about the education budget and train them in how to fight corruption through a greater understanding of the budget.

18 www.antara.co.id.
19 However, 2003 APBD data obtained by the research team does not coincide with this information, and the amount and nature of the increase is unclear.
20 Journalist, “Gatra” weekly magazine.
example, “Is there a budget to rebuild my local road?” or, “If our children’s school is broken down, does the government have the budget to rebuild it?” Local leaders (sub-district heads or *camat*), as well as informal community leaders such as respected activists or elders) who have displayed BIGS’ budget posters also report that citizens definitely take notice of the posters and respond to the information by questioning them. Service providers, such as the head of the city Education Department, are also beginning to be questioned directly by citizens.

Through its activities, BIGS has not only raised public awareness of the significance and function of the budget, but also of the fact that the public has a right to know the budget and how elected officials are spending it. As one DPRD member commented, “Citizens might never have known that the budget belongs to them; it…is known now!”

Journalists are making use of BIGS’ budget information to educate themselves and their audience. According to one journalist,22 before budget information was provided by BIGS, if journalists needed it, they had only government officials to rely on, and rarely got what they wanted. BIGS now provides an alternate, reliable source.

The issue of budget transparency is being taken up in other cities and by other NGOs because of BIGS. Although only one organization, the education-focused FAGI, appears to be actively using BIGS’ budget information for direct sector-specific advocacy (see above), a number of other NGOs are taking advantage of BIGS’ services to explore and work on budget transparency. Komplen, an NGO focusing on budget issues in the district of Bandung (*kabupaten* Bandung), uses BIGS’ budget information when talking with DPRD members.23 Persis (*Persatuan Islam*), a National Islamic organization which focuses on the pure implementation of Islam in Indonesia, has asked BIGS for advice on how to monitor budgets and prevent corruption and has been invited to attend BIGS training sessions.24 PAN (the National Mandate Party or *Partai Amanat Nasional*) has requested BIGS’ guidance in developing budget posters for another city, Sukabumi (also in West Java province). One member of the Jatinangor Citizens Forum who was trained by BIGS has already published the Sumedang city budget. Citizens from other cities such as Cimahi have also begun to respond to BIGS’ information, pressuring their governments to publish their budgets as well.25

**KEY FACTORS IN BIGS’ SUCCESS**

BIGS has deliberately tried out, and discarded, several approaches to improving service provision, ultimately settling on one that effectively exploits its strengths in research, analysis and publicity. BIGS’ earliest activities (1999-2001) were aimed at understanding and improving service delivery in the city and were not focused directly on budget transparency. Initially, it concentrated on research, but its early studies did not consistently target one policy area, and often

---

21 DPRD member.
22 “Gatra” magazine.
23 Bandung city and Bandung district are separate entities.
24 Journalist, “Gatra” weekly magazine.
25 Ibid., and many times the host of the Mara radio talk show.
BIGS’ first study focused on improving public services through the creation of an ombudsman’s office. In 2002 it conducted a “Report Card” exercise to gather client feedback on municipal services, but local service providers did not seem interested in responding to the results, or in adopting the “Report Card” methodology as a self-assessment tool. Nor, on the other hand, did citizens begin to pressure for better services as a result of BIGS’ research. In 2003 BIGS tried another tack, creating an activist organization, APAKB (The Alliance to Actively Participate in the Bandung City Budget Process, or Aliansi untuk Partisipasi Aktif Anggaran Kota Bandung), yet although its members remain active individually, APAKB has failed to become a strong community-based advocacy organization itself.

BIGS staff realized these efforts were not having much impact on service provision. Consequently, they began to focus on the wider issue of municipal budget allocation to services, and thus on budget transparency itself, in order to allow the public to see how the government sets priorities, and thus enable them to advocate for their priorities. A more transparent budget should, BIGS reasoned, facilitate a more participatory planning process, more efficient government spending, and ultimately, more effective public services.

BIGS is forthright about reflecting on its mistakes and failures. Its ability to bring its strategy in line with its organizational strengths and weaknesses has been key to its success. Rather than trying to “be all things to all people,” BIGS staff tried several strategies, and, realizing BIGS was not good at certain activities, refocused on its core strengths, which are research and analysis in a policy area that is key to achieving “downstream” impact on the public policy process (see text box).

Because it has developed a reputation for honesty, excellence and sincerity, BIGS commands the attention of government. The non-governmental sector in Indonesia, as in many other countries, has faced increasing criticism from donors, politicians, citizens and from within the sector itself in recent years. Critics accuse NGOs of being self-serving organizations aimed at winning grant money for projects, of having a negligible impact, and even of being the tools of politicians. BIGS has successfully built its reputation within this context. First, it has demonstrated that it has strong research and analytical skills—of which perhaps the most important is its ability simply to locate detailed budget information previously assumed by most to be unavailable. By publishing the information, BIGS has proved that it is not trying to control it, but simply to push for transparency.

Second, BIGS has proved its moral integrity by refusing to accept the standard kickback arrangement that goes with most government contracts. In 2002, it won a government bid for the establishment of a local ombudsman committee. However, there was an informal agreement that the winning bidder give 11 percent of the total contract to a certain government officer. BIGS refused. When the government insisted, BIGS threatened to cancel the contract. In the end, BIGS was successful in retaining the contract without the kickback—but this was likely its last government contract as both sides are now wary of working with each other. BIGS is also known for rejecting large “gifts” offered to its staff.
MSWP Case Study 4: Improving Budget Transparency in Bandung City, West Java Province

members. For example, one government officer attempted to offer a staff member a “holiday bonus” (THR or Lebaran) amounting to Rp. 2.5 million (USD 280), which is quite large relative to staff salaries (which run between Rp. 800,000 and Rp. 3 million a month). BIGS’ leader ordered it returned.

When BIGS conducted its “Report Card” survey in 2002, high-level officials were not interested in participating. Several years later, BIGS is getting a very different reaction to its activities. High-level officials often contact it to get information and educate themselves on various issues, and seminars are well attended. BIGS is a pioneer in the province for its budget transparency work, and has become well known as an honest organization with the public interest in mind. It is one of a small group of Indonesian NGOs doing relatively high-quality research. Its publishing and radio activities add to its reputation, as did its initiation of a high-profile court case. BIGS now has the attention of the government, which in turn allows its activities to have a greater impact.

BIGS has a charismatic and talented leader who encourages his staff to grow. BIGS’ leadership has been key to the development of the organization. By all accounts, the BIGS founder and head is regarded as an honest and principled man, and people trust him. Moreover, he places a great emphasis on staff development, delegating staff to represent the organization at events, encouraging them to publish, providing “training of trainers” to enable them to lead BIGS’ budget training sessions, asking them to lead research projects, and allowing junior staff to attend BIGS training sessions in order to improve their skills. He allows staff to work at other full-time jobs that are good for their personal and professional development, and which on a practical note often offer better pay. He initiated a staff scholarship program, partly funded by the Ford Foundation, for Master’s degrees and even the completion of Bachelor’s degrees (notably, BIGS’ janitor has just finished his Bachelor’s degree in Law and has become a member of the research team).

BIGS has received multi-year core funding, untied to specific projects, allowing it the freedom to choose activities and change strategies. Since 2001, BIGS has been able to partner with the Ford Foundation which has provided BIGS with ample flexible funding. This has enabled BIGS to avoid the government contracts and project-tied funding that many NGOs rely on for their core overhead expenses, and which often result either in mission drift or, conversely, in an inability to develop in new directions. Instead, BIGS has been able to re-focus its activities in line with lessons learned, and to experiment with risky partnerships (see below). Notably, Ford has allowed BIGS to learn from its mistakes, not demanding strict quantifiable results, such as a certain number of people trained, which might have tied BIGS to a strategy that it would rather discard. While the Program Officer who championed funding for BIGS has left the Ford Foundation, budget transparency remains a priority for the donor, so there is a strong likelihood that it will continue to provide flexible funding for BIGS for the next couple of years.

BIGS has been creative and open-minded in forging an effective partnership with an unusual partner. Notably, and not without controversy, BIGS has developed a cooperative relationship with one political party, PKS (Partai Keadilan Sejahtera), which assists BIGS in gathering the budget information which is distributed in the annual poster. Such a relationship could create the impression that the NGO and the political party are interdependent, or that BIGS has a more overt political goal, especially since the logos of both BIGS and PKS are printed at the top of the posters. Although both allies and skeptics alike have indeed questioned BIGS’ independence, BIGS does not worry about accusations of

26 Telephone conversation with BIGS head, May 2005.
27 Journalist for “Gatra” weekly magazine and Deputy Director of Sawarung (Bandung Citizens’ Forum).
28 Email from the Ford Foundation (29 May 2005).
partisanship, since it publicly invited any and all parties to cooperate with it at the start of the poster initiative; only PKS was interested. As a consequence of including the PKS logo, some posters have been torn down in neighborhoods where other parties are strong. Yet BIGS maintains that the logo inspires other parties to work harder to win voters’ hearts, promoting healthy competition; other parties have already begun to contact BIGS to learn how to become involved in budget work. By partnering with political parties, BIGS aims to encourage them to add budget transparency to their agendas, to test its own ability to maintain its independence, and to learn new advocacy skills.

BIGS has a wide range of government contacts to support its research, including a former BIGS staff member working with city government on budget development and several former APAKB members who have been elected to the DPRD representing various parties.

BIGS uses many channels and formats (radio, print, training, etc.) to reach people, resulting in an impact even beyond Bandung City. Its publications and frequent appearances on radio programs help it reach a wide audience, including those in neighboring areas who are now asking their local governments for greater budget transparency. BIGS also belongs to national NGO networks that allow it to learn from others and share its own experiences throughout the country. For instance, it was the example of a fellow NGO bringing a court case in Padang which encouraged BIGS to bring its own complaint.

National-level changes paved the way for BIGS to exist and work. After the fall of Soeharto in May 1998, especially under Presidents B.J. Habibie and Abdurrahman Wahid, the government in general and parliament in particular have become more “open” to the public, creating an enabling atmosphere for organizations such as BIGS. Decentralization, beginning in 1999, has also been key; local government assumed responsibility for the provision of many services and accordingly is expected to be more accountable to its citizens at the local level. Finally, breakthroughs in corruption cases in other areas, in particular the widely publicized corruption case involving all DPRD members in Padang, have pushed BIGS to make actual use of the budget information it obtains to hold government accountable.

FACTORS LIMITING BIGS’ SUCCESS
BIGS’ work needs “pollinators”—other NGOs using its information to advocate for budget transparency for specific groups or sectors—to increase its impact. BIGS has not yet been very successful in recruiting other NGOs to use its budget information and skills to work on policy-focused or sector-specific budget transparency advocacy. The lack of pressure from citizens and uptake by sector-specific or poverty-focused NGOs (except FAGI) reduces the pro-poor impact of BIGS’ work.

BIGS does not target the poor explicitly. In theory, BIGS’ work analyzing and releasing budget information will provide sector-focused organizations with the tools they need to advocate for pro-poor policies. Yet this has not happened. If the poor were an explicit target of BIGS’ work, perhaps activities specific to the poor might be included in BIGS’ work plan, leading more rapidly to pro-poor results. For example, analysis showing what percent of core service budgets goes to the poorest versus the richest neighborhoods might be useful enough to other NGOs to inspire them to take up such targeted advocacy themselves. A poverty-focused version of the poster might be issued, listing information about the ten government units found in a survey to be most relevant to the poor and posted in poorer areas.

29 PKS now holds more seats in the DPRD than any of the seven other parties represented.
30 Presentation at national conference on poverty alleviation and Millennium Development Goal achievement, April 2005.
areas. A training session could be tailored to the interests, abilities and needs of the poor, and offered in a way that is convenient and inviting to the poor. The needs of the poorest in particular are not likely to be met through “trickle-down advocacy.”

**Entrenched local groups and dishonest leaders undermine some of BIGS’ attempts at reducing budgetary fraud and waste.** Politicians have stepped in to defend allocations criticized by BIGS when the criticism is potentially damaging to the financial situation of popular groups aligned with local leaders. BIGS has to contend with the political realities of a newly decentralizing Indonesia, where citizens are still learning how to exercise their rights in the face of powerful local actors.

BIGS does not publish information on draft budgets being developed and debated, so policy-makers and citizens still do not have the necessary information to comment on budgets before they are made law. The detailed information which BIGS publishes on the budget pertains to the planning process of the previous year. BIGS does try to influence budget allocation during *Musrenbang* (Development Planning Meetings or *Musyawarah Perencanaan Pembangunan*), which are conducted annually to gather community ideas on local development for consideration during budget formulation. However, *Musrenbang* are seen locally only as an opportunity to “approve” the government budget, rather than as an opportunity to challenge and change it. By publishing only the approved budget, BIGS does protect itself from accusations that its information is not accurate.

**BIGS’ budget analysis may be too complicated for ordinary citizens to understand and use.** This criticism was voiced by all interviewees during this case study. However, one official commented that BIGS is “truthful” because it publishes the raw data rather than an opinionated summary and analysis. BIGS has not yet developed a way to ensure its complex analysis is used by other organizations or private citizens to reach their own conclusions and carry out advocacy efforts accordingly.

**BIGS’ work publicizing budget information still does not reach all citizens, especially the poor.** While the range of methods used to reach citizens is wide, 3,000 posters can reach only a small proportion of the city’s 2.5 million residents, and even radio programs only reach about 40,000 listeners. Limited access to print media and less than 100 percent literacy levels may also reduce the access of the poor to BIGS’ information.

Though budget changes have been made as a result (at least in part) of BIGS’ work, they may represent only reallocations to more obscure line items, with no real reduction in waste or fraud. One DPRD member suggested that only 50 percent of the supposed elimination of allocations to unregulated items is actually reallocated to more acceptable areas, with the other 50 percent simply moved to a more disguised location. Therefore, ironically, increased budget transparency may have the adverse effect of driving superfluous costs deeper into the budget, as dishonest bureaucrats get better at hiding their corruption.

**LOOKING TO THE FUTURE: HOW TO SUSTAIN SUCCESS**

Careful targeting and monitoring will be key to ensuring budget transparency really leads to improved service provision. The accountability, accessibility and motivation of actors such as legislators, politicians, and leaders varies considerably depending on the focus of their work, their constituencies, the level at which they work, and the stage(s) of law-making and budget formulation in which they are most involved—as well as on their personal characteristics. Policy advocacy NGOs like BIGS must take care to identify and usefully target the critical people, organizations, laws and stages of the process for their cause—budget transparency. While BIGS has had some success in bringing budget transparency
into the public arena, it may be that better targeting will help it achieve the budget transparency “holy grail”—budget reallocation according to citizen priorities.

In particular, budget variance should be analyzed year by year to determine whether allocations to basic services have increased, allocations to line items unregulated by law have decreased, and actual expenditures in fact conform to the approved budget.

**As a local NGO success story, BIGS is at risk of co-optation.** Bigger organizations often like to partner with small, successful organizations such as BIGS, whether it be to help the larger organization better achieve its mission, or—more cynically—to improve the larger organization’s image, creating the impression that it has local access and support, in order to attract more funding. Whether the motivation of the prospective partner is sincere or not, BIGS risks losing its independence. The government’s recent invitation to BIGS to partner with it on a project to improve the policy-making process presents another risk. Although BIGS would have the luxury of participating in this project without government funding, the new risk is that it become too closely aligned with the current administration, and is pushed—though slightly—away from its primary mission. With its current strong leadership and assured core funding, it is doubtful BIGS will want or need to go astray, but the more success it enjoys, the more often risks, heralded as opportunities, will present themselves, including damage to the organization’s reputation, over-extending organizational capacity, mission drift, and limits to organizational independence if BIGS is not strong enough to disagree with a partner.

**BIGS is a classic local NGO: started by a talented and charismatic leader able to attract skilled staff and make a difference.** Successful local NGOs often fail to transition smoothly to a new leader. BIGS’ leader has declared his intention to step down in October 2005. Whether from within or outside the organization, the new leader will need not only talent equal to that of his or her “shadow,” but a similarly inspirational personality. Skill alone is not sufficient for leadership of such an organization.