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Ngos in development: tales from outer island Indonesia

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Ngos in development: tales from outer island Indonesia

Ngos or non-government organizations (*Yayasan(s)*) have been long on the Indonesian scene. They work in many spheres, including health, education, agriculture, rural banking, credit unions, cooperatives, the environment, labour associations, and legal and human rights, making key contributions in these fields. They range from large organizations with several hundred staff and branches in most provinces to small units with a handful of persons in a few villages. They are usually dominated by either 'development' or 'political' thrusts, where the former goal of raising living standards preoccupies the majority.

This article addresses some findings of a study from 1990 to 1995 of 'grass-roots' development ngos in remote areas. It draws on the author's book, *Tales of Regional Development; Ngo-Community Cooperation in Outer Island Indonesia* (Avebury, 1996). The study focussed on circumstances with unique features, but many problems unveiled resembled those elsewhere in Indonesia and other poorer parts of the world.

Most development ngos essentially believe that economic and social improvement in poor places is held back by 'incomplete markets'. Inputs crucial to introducing new ideas and technologies - information, credit, and fertilizers - are either not available or inordinately expensive, while outputs from technologies may be hard to sell. Such incompleteness needs to be resolved through selective interventions. Ngos likewise maintain that targetted communities should play critical parts in projects, furnishing their own management, labour and other local materials to complement provisions of outside resources. They also usually judge that individual initiatives should be small, attempting a wide distribution of benefits and spread of viable activities from numerous scattered points.

Ngos thus sponsor many little projects, providing data, training, capital and purchased materials to complement local efforts and encourage autonomous and equitable development. Markets are seen as encouraged to work better, spurring growth which spreads into surrounding areas and thence into whole regions.

Development ngos in the 1990s involve some 10 per cent of global foreign aid disbursements - around US\$8 billion a year - and are thus significant in economic development. Substantial further funds and in-kind assistance come from chiefly private sources within countries concerned. Although contributions to Indonesian ngos are below the international average, they are still considerable and deserve scrutiny.

Certain key questions arise with ngos, including the viability of their institutional structures, the effectiveness of their ways of organizing projects, the nature of their relations with government, donors and other ngos, and their impacts in terms of economic growth, equity and other objectives. These questions are now reviewed in relation to experiences recounted in the study. Independent examinations of ngos are rare, partly because operations are small and scattered but also because staff do not like scrutiny. It is hoped the following discussions add usefully to a small literature.

The district involved and *yayasan cinta desa*

The study focussed on Bandar Kubu, a fictitious name for a real district or *kabupaten* on the fringes of the Indonesian archipelago. It scrutinized ngo ventures in this district, concentrating on the *Yayasan Cinta Desa* (the Association that Loves the Village) which worked on the 50 km long island of Batu Putih; this was 4 hours' boat journey from the mainland, and had a population of 10,000 people. The study also reviewed ngo activities on the mainland itself.

Batu Putih island was poor and undeveloped, albeit with good potentials for improvement. Its climate was dry and water was short for most of the year. Its chief subsistence crop was maize, supplemented by sweet potatoes and cassava; these were grown both in compounds surrounding peoples' houses and in clearings or *ladang* scattered through huge dry scrublands. The mainland had similar features, but benefitted from the presence of Bandar Kubu town connected to the interior by good roads.

'Store' cattle were Batu Putih's main cash crop, with animals grazing freely over scrubland and being sold for final fattening on the mainland. Goats were kept and sold by numerous households, while chickens were primarily maintained for subsistence. Some cash earnings were used to buy rice, but there was frequently a 'hungry time' (*musim lapar*) late in the long dry period. Then poorer families with no cattle and few assets faced particular difficulties.

People lived in hamlets or *dusun* of 20-60 households, with 4-5 *dusun* being grouped in a village or *desa* under the usual Indonesian system. Infrastructures were poor, and 'roads' were rocky tracks only suitable for walking. Malaria and diarrhoea were endemic, being main causes of death. Batu Putih and Bandar Kubu were indeed classic remote territory, being part of the poorest rural region of Indonesia. Annual 'imputed' incomes including values of subsistence products averaged US\$130 per head, although this covered wide differences between individuals. Only a few wealthy households had enough cash to adopt new technologies which might improve living standards.

The *Yayasan Cinta Desa* (the '*Yayasan*') typified small grass-roots units, and in 1995 had four staff under its leader Abdullah Rahim who managed a printing business in Bandar Kubu town. The names of the *Yayasan* and its staff are assumed, so as to cover their identities. All *Yayasan* staff originated from Batu Putih, in a feature characterizing many ngos whose members came originally from poor places and now attempt to improve them economically. Such altruism is important, although the same persons usually want reasonable financial returns from their endeavours.

The *Yayasan* had worked on Batu Putih island since the mid 1980s and implemented numerous small projects. It had collaborated with several foreign funders, but during the six years of the study was associated with a European agency, Development Initiatives (DI). It was helped as well by in-kind contributions from people on the mainland, although these were limited in such a poor region. Abdullah Rahim saw his ngo's efforts 'as a matter of accompanying the people, passing ideas and information to them but encouraging them to organize projects and make their maximum contributions'. Communities were hence expected to voluntarily provide all necessary labour and local materials, in return for *Yayasan* support. Ngo activity in Batu Putih and Bandar Kubu was particularly significant, owing to restricted government services in that region.

Walls

One ultimately successful project of the 1990s was building peripheral stone walls or *pagar umum* around hamlets, ranging in length from 2 to 10 kms and protecting interior precincts from cattle and sheep. The *Yayasan* provided a small 3.5 tonne truck, driver and mechanic, all of which enabled stones collected over a wide area to be carried to where they were needed. Communities supplied necessary labour and much of the organization. The walls replaced palm leaf fences around individual compounds, which were easily broken and rarely lasted more than a season. They better resisted animal depredations, were permanent, helped families grow better crops, and were enthusiastically welcomed by villagers. Their technology was well known, accordingly involving little training. Six walls were constructed during the study in what were big projects by the standards of such a small ngo, and final results were good.

Most male villagers participated in the project, working every day for 2-3 months of the dry season in groups of 20-30 respectively collecting stones, loading them on the truck, and building walls. These groups or *kelompok(s)* are traditional vehicles for community tasks in the Malay world, having an elected head and secretary and offering economies of scale and coordination. Constructing walls was hard, for coral stones were heavy and could inflict severe cuts. But individuals' willingness to work in this way facilitated project execution, and in fact countered difficulties from weak village leadership arising in projects discussed below. The *Yayasan*'s utilization of *kelompok(s)* raised the key question of how effectively ngos organize projects, and was certainly a positive aspect.

Yet arranging construction of walls was not easy, causing many problems for those concerned. One big almost disastrous setback during the first project in 1991 sprung from serious corruption in the *Yayasan*. The *Yayasan* was larger at that stage, comprising 8 staff including a deputy leader, Rosli Kassim; the latter was a university graduate like his boss, Abdullah Rahim, but came from another district hundreds of kilometres away. Abdullah's strong leadership was temporarily removed, for he went to his business' s head office in Java for 8 months leaving Rosli in charge.

Rosli now emerged as a clever political schemer, who craftily collaborated with the *Yayasan* treasurer, Rafidah, and later engineered further defections. The couple set out to undermine projects, profit personally, get rid of Abdullah, and claim the ngo as their own. Fortunately their first attempt to steal donor funds by grossly overquoting truck transportation to the island was countered when a donor agency representative checked the transaction. Their next action in appointing a crooked driver and mechanic who used the truck for private contracting was stopped by furious community members. The guilty operators were dismissed by the two remaining 'loyal' remaining staff of the *Yayasan*, who then handled the truck themselves.

Such corruption constituted ‘free riding’, where individuals in an organization circumvent its purposes to serve their personal advantages. It is wont to occur in non-hierarchical agencies like ngos, especially when leadership is weak or weakened. The ‘shock’ springing from consequent losses of funds and staff may well destroy ngos with limited assets, and that was only avoided in this case by Abdullah’s prompt return from Java, the shedding of renegades, and Development Initiatives’ continuing strong support. Its probability of re-occurring was further lowered by only recruiting replacement staff who came from Batu Putih and had close connections to Abdullah. It was also diminished through more cross-checking of activities, partly in conjunction with community groups and Development Initiatives. This incident of corruption bears on the key question of the viability of the institutional structure of ngos, indicating possible severe problems that may nonetheless be lessened by suitable precautions.

Despite the corruption and other setbacks, however, six walls had been built around six hamlets by 1995. Outcomes were positive in terms of the key question of growth and equity, since large gains from reduced crop damage and new crops easily offset expenditures on construction and helped all villagers. Benefits likewise flowed from concomitant learning experiences of the *Yayasan*, community groups and Development Initiatives. These experiences and associated adjustments to behaviour and organization not only improved wall projects, but also advanced other initiatives in a significant broader process of economic and social transformation.

Animal projects

The cattle projects of the *Yayasan*, communities and Development Initiatives entailed providing money for one store bullock or heifer to each participant in a number of groups. The participant would purchase an animal, tether and fatten it on gathered fodders, sell it 9-12 months later to a travelling dealer, and finally repay money into a rotating fund enabling someone else to get a beast in turn. But surpluses earned beyond the repayment would also allow the person to buy another animal. Goat projects, commenced subsequent to cattle schemes, comprised distributing three young females and one male to each participant, who following two years’ breeding would repay the same number of animals in kind to a rotating fund. Cattle and goat projects were both targetted at poorer women at Development Initiative’s insistence, and once more implemented through *kelompok(s)*. Cattle and goat technologies were broadly known to villagers, and expectations of good cash incomes drew ready interest in these initiatives.

The cattle schemes were disastrous, however, with no benefit to those concerned. They suffered from too hasty implementation and lack of training in fattening techniques, under circumstances where peoples’ knowledge of what to do was patently insufficient. They further required periodic monitoring and advice, as well as medicines to treat ailments. Yet these supports were barely provided by the *Yayasan* which had also grossly overestimated feed availability and cattle growth rates, meaning animals had to be kept far longer than expected and even then did not attain planned weights. These difficulties and the underestimation of vehicle costs also featuring wall projects related to another facet of the viability of ngos’ institutional structure, especially where they are small; this is the characteristically low technical expertise of staff, which is a marked scale diseconomy and only remediable by specialist outside help. Yet all these technical problems went unrecognized by *Yayasan* staff, and no assistance was solicited.

Neither was the targetting of women with cattle fattening successful, for the latter was conventional male work and female involvement was opposed by the male hierarchy. The *Yayasan* and communities had realized this constraint at the start, but under circumstances with parallels in many aid contexts had not opposed Development Initiatives in its culturally inappropriate idea. The focus on poorer women was also found ‘too difficult’ by *Yayasan* staff, involving as it did even more training and monitoring and greater risks of failure. In practice, therefore, those who actually got cattle were prosperous male farmers, although these used ‘front females’ to display animals during visits of donor agency representatives. That subterfuge was quickly recognized by Development Initiatives, which consequently almost cancelled all its links with the *Yayasan*. The cattle projects also entailed problems in handling the relatively large amounts of cash, including some further corruption by Rafidah as the ngo supervisor.

The pretended targetting of women once more concerns relations of ngos with donors (and other parties), where such behaviour undermines mutual trust and should unequivocally be avoided. The difficulty of working with poorer women raises the question of ngos’ ways of organizing projects, resembling other experiences in trying to assist less well off persons and indicating such setbacks

deserve better appreciation. The problems with cash also pertain to organization, suggesting amounts handled should be minimized. All these setbacks in cattle projects meant villagers barely repaid their original capital, achieving negative returns from the enterprise.

Goats were introduced to replace cattle as they were sold, with smaller animals being seen to involve smaller losses, less risk and easier husbandry. This time plans were canvassed thoroughly with communities and donor representatives, and targetting women was accepted by villagers - goat farming was culturally acceptable as womens' activity. But the *Yayasan* now ensured that responsible goat *kelompok(s)* were truly womens' groups, thus guarding against assertions of male influence. There was too preliminary training of those involved, followed by regular monitoring of their activities. Consequent to difficulties with cash, animals were repaid 'in kind' as noted above, where this was advantageous in being a familiar system.

Yet training and monitoring proved even now inadequate, as illustrated by serious 'cut mouth' or *mulut luka* outbreaks during very wet weather in early 1994; these prevented animals from eating, and at one hamlet resulted in almost all project goats dying. And although outbreaks should have been treated with a certain anti-bacterial drug and more corralling, *Yayasan* staff seemed unaware of that. They still did not seek advice from outside, notably from government researchers well briefed on such issues. Following the outbreaks and pressures from DI, however, checking visits by specialists were arranged and monitoring intensity enhanced. Quite good outcomes were obtained, and taken with growing experience of women involved seemed likely to secure better growth and equity than originally anticipated.

Water closets

These as the final example of small projects provided further insights into ngos. They were implemented after renegade *Yayasan* members had departed in mid-1992, and thus did not embrace corruption. They entailed supplying participant households with purchased materials, enabling them to build a closet comprising a squat bowl, adjoining water tank, pipe and septic tank. They differed from walls and animals in being a 'new technology' for villagers who had customarily used waste ground. They were estimated to save each participating household 15 working days per year by reducing diarrhoea, and also to achieve community health effects. But although these advantages were barely perceived by villagers at the start, the *Yayasan* easily got participants who would accept materials; these persons further agreed to repay the value of what they had received in instalments to a rotating fund, enabling others to get toilets in turn. Such ready initial acceptance and apparent commitment characterizes poor communities, although subsequent preparedness to follow guidelines is not so certain. The basic technology of toilets was simple, and could be managed by the *Yayasan* without outside advice.

Implementing the closets raised problems, however, not the least of which were due to the *Yayasan*(s) behaviour. The heavy commitments of remaining staff to walls meant preliminary discussions of the project were perfunctory, doing little to raise appreciation of benefits; households were accordingly disinclined to do much with materials, meaning only a few had finished toilets one year later. There was as well minimal training in construction, causing mistakes which had to be corrected. In these circumstances of restricted *Yayasan* attention, the quality of heads of responsible *kelompok(s)* and government hamlet and village leaders became more significant to what occurred. Thus in one case the resignation through unrelated factors of a dynamic hamlet leader meant toilets were suspended for a year until a replacement was elected. In a further instance a *kelompok* appeared successful with several members finishing closets, until these proved to be a small clique around the head; because the latter was not *au fait* with other members they did not participate, only making progress when he was replaced.

As with walls and animals, however, the *Yayasan*, communities and donor representatives ultimately overcame these difficulties through 'learning by doing' and better cooperation. The *Yayasan* undertook more training and monitoring, as well as 'political' activity interacting with villagers, *kelompok* heads, other leaders and the donor. It likewise stopped distributing materials for water closets until participants had completed digging and further work signifying commitment. Communities in turn became more aware of closet advantages, with increasing support from all concerned including local leaders. Donor representatives who had put pressure on the *Yayasan* following early poor results also grew more active, checking not only ngo staff but participants themselves. These changes meant projects came to be completed better and more quickly. There was

too growing interest in surrounding hamlets, and autonomous extensions of closets without assistance were commencing.

The experiences with water closets related to the question of how ngos organize projects and harness community efforts, indicating setbacks that may nonetheless be overcome through progressive adjustments. With some exceptions mainly connected with serious early mistakes, closets eventually produced clear net benefits for those concerned.

Other ngos and government

Other development ngos working in Bandar Kubu district varied from agencies like the *Yayasan* to large organizations with 30-40 local staff. Those which were smaller encountered problems of the kind described, but also had advantages in conducting simple projects pertinent to community needs and harnessing substantial local resources. Larger ngos demonstrated marked economies of scale in some spheres, including purchasing materials and accessing outside information and funds; they further possessed higher managerial and technical expertise, springing both from greater information and more ability to hire specialists. They were too better able to undertake marketing which complemented the production side of their activities. They could with their bigger assets more easily resist outside shocks. All these aspects importantly improved the viability of ngos' institutional structures, and were critical advantages. But larger ngos were *not* so good as smaller counterparts at eliciting people's needs and harnessing community efforts. They frequently used outside resources more intensively, securing lesser contributions from participants themselves and causing sustainability difficulties when they eventually withdrew their support. Some of these cases are detailed in the author's book.

The Indonesian government at the centre often encouraged ngos, both as vehicles of development and useful means of defusing protests. But middle bureaucrats at higher provincial levels frequently disliked them, not only because most were fiercely independent but also because political ngos often had views contradicting their policies. Such officials additionally suspected ngo staff of stealing substantial donor funds for personal purposes. These attitudes again differed from those of local government village and hamlet heads, however, for such persons were almost uniformly positive while their help and cooperation were normally crucial in achieving useful results. Where local leaders were weak, it was much harder for ngos to achieve good outcomes.

Assessment

The *Yayasan Cinta Desa's* activities vividly bring to life some practical aspects of development by ngos. The *Yayasan* encountered many troubles despite eventual successes, but that is a reality customarily glossed over. Although its case and those of other ngos reviewed in the study are minor in the total picture, they are judged to illustrate important aspects of this approach to village improvement. They are therefore thought to justify wider observations.

These experiences and the author's knowledge of ngos elsewhere throw light on the key questions posed at the start of this article, indicating that the institutional structure of small ngos is vulnerable to corrupt behaviour. But strong leadership and good linkages to community groups and donor representatives can help counter this danger. Small ngos are also associated with low technical expertise, which needs to be overcome by help from specialists. Again, the ways in which ngos organize projects stand out as very advantageous in getting popular participation and marshalling local resources, although here too cooperation and operational efficiency need to be improved. It is also evident on this question that ngos have grave difficulties in assisting the really poor. The relations of ngos with government and other outside parties seem defective, with this seriously constraining access to technical information and skills and urgently demanding improvement. Finally, actual impacts of ngos on economic and social growth are mostly favourable and sustainable, especially following learning adjustments which were prominent in all projects.

While some necessary adjustments involve internal action by ngos, others require support by outsiders. Hence difficulties of working with the poor deserve fuller external recognition, with funding being increased to support greater training, interaction and time. The technical constraints of small ngos could be eased through the help of larger counterparts, which are better placed in securing information and other facilities. Already some ngos combine in 'networks' both to exchange information and give them more clout, and this feature should be encouraged. Technical constraints could likewise be addressed through more support by government research agencies, which often include specialists knowledgeable about innovations for village-level development.

Such closer cooperation while desirable at one level is not easily achieved, however, and consequent 'power' problems need to be recognized. Larger ngos may be tempted to absorb smaller counterparts, while government in its dominant position may merely use ngos to help implement what are often unsuitable policies. Small ngos will be reluctant to enter alliances with these implications, and reservations of middle-level officials may also make cooperation difficult. Yet given the huge persisting development problems and fact that a keen sector of society actively wants to help in solving them, surely more can be done to reach the kinds of accommodation just canvassed? The sides need to get together, first in mutual discussions and later in development schemes forming parts of regional improvement plans.

Ngos already play a significant role in developing rural communities. But they can clearly do more, vitally supplementing restricted official efforts and helping unleash potentials for economic and social growth. It seems wasteful not to harness their capacities more fully in the huge task of enhancing peoples' livelihoods in poor areas.

Further information

(1) **For further reading:** J. Clark, *Democratizing Development* (Earthscan Publications, London, 1991); Philip Eldridge, *Non-government Organizations and Democratic Participation in Indonesia* (Oxford, Kuala Lumpur, 1995); and J. Farrington and A. Bebbington, *Reluctant Partners. Non-governmental Organizations, the State, and Sustainable Development* (Routledge, London, 1994).

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