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Reconsidering the Concept of Good Governance: A Theoretical Discourse

Syarif Hidayat[a], Irma Indrayani[b], [a]Department of Doctoral Political Science School Universitas Nasional, Jakarta, Indonesia, [b]Department of International Relations Faculty of Social anda Political Science Universitas Nasional, Jakarta, Email: [a]syarif.hidayat@civitas.unas.ac.id, [b]irma.indrayani@civitas.unas.ac.id

This paper attempts to scrutinize the strengths and weaknesses of the concept of good governance, then to further carry out a "conceptual reconstruction" of the most suitable kind of governance for developing countries in general. Indonesia will be the focus of this paper. The authors argue that the existence of the current good governance concept and its practices were a part of a "tool" in guarding the international development agendas. As a result, the parameters that were derived also tend to be one size fits for all. It is therefore necessary to re-analyze the concept of good governance again to bring the "right" governance back in. The ability to adapt to the idea of management that are adjusted with the characteristics of the social, cultural, economic, and political characters of the community was the basic argumentation on the success of managing the state and society. In brief, the idea of governance proposed by the authors was based on, at least, four pillars; Development, Democracy, Socially Inclusive, and Cultural and Historical context (local content).

Key words: *State, Society, Democracy, and Governance.*

Introduction

The concept of good governance has provided much inspiration to some developing countries in Asia, South Africa, and Latin America, to reform state institutions (State Institutional Reform). This also includes the reform of government systems. The reforms are necessary to realize the development's goals and to implement democracy. However, as stated by Grindle (2011: 415), the main challenge for the concept of good governance is: does one size fit all? Grindle further explains that "A universal standard is important in the setting of international development agendas, but it has also been proven to be particularly unrealistic and frustrating especially for countries that have the farthest to go." The proposition put forward by Grindle

(2011) is very relevant and must be considered in addressing the existence of the concepts and applications of good governance policies in the process of reforming government systems and promoting the development of a country.
The main question is whether the concept of good governance, which is a universal standard to support the success of international development agendas, has been designed according to the required "size" when it is adopted and applied in Indonesia?

In a review of the theory of the New Emerging Way of Thinking about Government, Pierre and Peters (2000) explicitly point out that the basic concept of good governance lies in two main issues. First, changes in the role of society and the administration of the government. Second, changes in the government's capacity to respond and fight for the collective interests of the community, based on existing institutional corridors. Pierre and Peters (2000) mention that "the heart of democratic government or good governance concept is the government changing role in society and improving capacity to pursue collective interest under severe external and internal constraints".

The brief review above indicates that the focus of the concept of good governance includes two main aspects: "state" and "society." The representatives of the first aspect are Bureaucracy and Political Institutions (political office). Meanwhile, the representatives of the second aspect are Civil Society and Economic Society. Thus, at a more micro level, the governance relates to how these above four factors connect to solve various problems in achieving the goals of a state.

Hyden and Court (2002), for example, summarize the principle of good governance into six main issues:

1) Participation: the degree of involvement and ownership of affected stakeholders;
2) Decency: the degree to which the formation and the implementation of rules are done without humiliation or harm of the people;
3) Fairness: the degree to which rules apply equally to everyone in society regardless of status;
4) Accountability: the degree to which public officials, elected as well as appointed, are responsible for their actions and responsive to public demands;
5) Transparency: the degree to which decisions made by public officials are transparent and open to scrutiny by citizens or their representatives;
6) Efficiency: the degree to which rules facilitate speedy and timely decision making.

However, as stated by Grindle (2004), the fundamental weakness of the concept of good governance in the developing countries is in the application of the parameters that tend to be one size fits all. Because of this gap, it is reasonable that the critics of the concept of good governance have provoked a new generation of thinking. This new school of thought emphasizes the importance of understanding the context of the reforms in policy, institutions, and processes. It is further mentioned by the critics of good governance (Grindle, 2011) that the design of the policy interventions in a country certainly does not ignore time, space, historical experience, and capacity possessed.

This paper under the title "RECONSIDERING THE CONCEPT OF GOOD GOVERNANCE: theoretical discourse" provided a critique of the strengths and weaknesses of the concept of good governance to further conduct a "concept reconstruction" of management. This was more appropriate for Indonesia. For this purpose, the questions of this study were: a) what was the essence of the basic concepts of good governance? b) what were the criticisms raised by academics related to the weaknesses of the idea of good governance?; and c) how should the concept of governance be more relevant for Indonesia? To answer the above three questions, the researchers started by presenting a review of the historical background to establish the essence of the good governance concept in the next session. Then, the discussions will proceed with critical analysis of the weaknesses of the idea and implementation of good governance by referring to the ideas of good governance proposed by Grindle (2004, 2011) and Nanda (2006) as a comparison. After presenting the historical background, the essence of the concept of good governance, and the accompanying weaknesses, this article will conclude by proposing the "concept reconstruction" of management.

Literature Review

Background History and the Essence of the Good Governance Concept

Mkandawire (2007) identifies that, historically, the original notion of the good governance concept began with a discussion among academics in the African region related to efforts to design a theory of development that could create high economic growth, but also be inclusive and democratic. Although at this time, according to Mkandawir, many African academics themselves did not realize that the original inspiration for the concept of good governance originates from their understanding of contemporary social, economic and political realities that occur in their homeland.

In 1989, it was stated by the international community that the main cause of the slow economic growth in African countries was the lack of good governance. This belief was born and triggered by the publication of the World Bank report in 1989 that stated: "The litany of

Africa's development problems is a crisis of governance." In this report, 'governance' is defined as the exercise of power to manage a nation's affairs (Mkandawire, 2007: 679).

The poor image of the international community regarding countries in the African region then led academicians to discuss more relevant concepts of the development and governance. Among African intellectuals at that time was a belief in the importance of presenting state and society to guarantee the realization of three main objectives: 1) the governance of healthy economic development. The development of the governance that allowed the integration of efforts to create high economic growth, structural change, and the use of resources responsibly and sustainably in a very tight global competition; 2) The development of democracy and the respect to the rights of every citizen. The urgency to include aspects of democracy was to enable the action, which was the most effective drug, to overcome the reality of poor governance practices, which was a result of abuse of authority by the authorities; and 3) social inclusiveness, in a sense, to guarantee every citizen to get a decent life and to participate in every national affair (Mkandawir, 2007: 680). The above provides a brief description of the basic idea of the concept of good governance initiated by academics in Africa at that time.

Examining the brief review above, it is evident that good governance was positioned more as a tool to achieve these three essential goals by giving special attention to equity and inclusiveness. Therefore, the indicators used in measuring the existence and performance of good governance should be from the three main objectives above. However, in subsequent developments, the terminology of good governance was adopted by international business institutions, especially the World Bank. It was used as a new label for the condition to channel aid, and/or insurance to recipient countries (developing countries). This primarily related to the demand of a structural adjustment (2007: 679). The World Bank supported the Washington Consensus at the time. Here, the deviation of the concept of good governance from the basic idea as initiated by the African academics above was started.

Mkandawir (2007) explicitly states that the current good governance approach is very different from the original concept as contributed by African academics. One of the fundamental differences in question is that the concept of good governance built by African academics strongly opposes structural adjustment, while the idea that is developed by the World Bank is just the opposite. This becomes evident in the statement that:

> "The approach to good governance and economic policy that finally became dominant differed radically from that of the African contributors who were strongly opposed to adjustment policies because not only were they deflationary and thus not developmental, but also because they were externally imposed, weakened the state, and undermined many of the post-colonial 'social contracts'."

For African contributors, good governance was related to the broader issues of state-society relations. It was not just the technocratic transparency-accountability mode, which it eventually was assumed by the international financial institutions. The actual use of the concept of good governance sidestepped the central concerns of the Africans and rendered the notion purely administrative. All too often, it looked like a fallback position for failed policies (Mkandawir, 2007: 681).

In another section of his article entitled "Good Governance Concept Revisited", Ved P. Nanda (2006) not only criticized the ambiguity at the conception level, but also explained in more detail the derivation of the concept of good governance by the World Bank, IMF, and U.S. AID. The terminology of good governance, written by Nanda (2006), varies significantly in its definition. In the 1980s and 1990s, donor countries and other international institutions formulated conditionality for recipient countries to obtain loans. Commitment to the implementation of good governance was made one of the conditions by donor agencies, especially the World Bank, IMF, and U.S. AID, in assisting recipient countries. This assisting scheme comes with the requirements of good governance, which is known as "selectivity." With this scheme, donors not only demand recipient countries carry out economic reforms seriously, but also have to show clearly the practice of good governance.

What is the meaning of good governance by the donor agency? There is a strong impression that there is no specific standard related to the aspects, variables, and indicators attached to good governance. Although the World Bank, for example, has determined several elements of good governance, including political stability, law enforcement, corruption control, and accountability, other donors tend to have different criteria for proper governance (Nanda, 2006: 269).

As a result of the uncertainty of the parameters of good governance, it was not surprising then that the "selectivity" scheme initiated by the World Bank, IMF, and the U.S. AID encountered many difficulties in the implementation phase. To be able to succeed in reforming, Nanda wrote (2006: 269) that it is not enough to only present good governance as there are far more critical factors. This includes democratic support, ownership, commitment and, not ignoring, the cultural and historical context of the country concerned.

In 2005 (7-8 July 2005), the G-8 leaders held a high-level meeting in Gleneagle, Scotland, with the main agenda of formulating a combating poverty strategy in Africa. This meeting produced what was known as Gleneagles Communique (2005) that states: "the aid was to be focused on low-income countries which were committed to poverty reduction, to democracy, to accountability, and transparent government, and to sound public financial management "(Gleneagles Communique 2005, para. 27, 30, see White and Mahtani 2005). With the existence of this Communique, the priority of channelling foreign aid began to focus on countries that commit to implement good governance (Bhagwati and Gambari 2005).Foreign debt relief policies were also only given to countries that showed excellent performance in applying the principle of accountability (Wolf 2005).

As the previous experience, the implementation of Gleneagles Communique experienced many difficulties. One of the causes of difficulty was because there was no consensus about the criteria used in measuring good governance. As a result, there was ambiguity in the definition. This, in turn, had implications for the inequality of outputs produced, and the inaccuracy of targets achieved. Ironically, in terms of conceptual ambiguity, donor agencies continued to advocate for good governance in developing countries and served as the main prerequisite for channelling foreign aid.

The World Bank, for example, placed more emphasis on the economic aspects and capacity of the state (state capacity) in articulating good governance (Nanda, 2006: 274). Consequently, the focus of attention in allocating development assistance was more directed atthe efficiency of public administration, law enforcement, transparency, and accountability among other factors. This was because those factors were the main element of efforts to ensure the achievement of economic growth and development. This World Bank Program has received a lot of criticism from Nanda (2006: 276), who mentions that:

> “Based upon the experience and current trends, for governance reforms to succeed, the history and culture of the recipient country matter the most and must be given top priority. The World Bank, in the application of good governance concepts, does not show enough sensitivity to the issues in the developing states. As a result, it may not be able to succeed in achieving the results it seeks.”

On the other hand, the IMF, which started from 1997, introduced a new policy that explicitly states that the IMF will focus more attention and support in improving the economic performance and accompanying regulations. Therefore, good governance is articulated as essential preconditions for macroeconomic stability in recipient countries especially in countries, which has been merged as middle-income countries both in the short and long term (Nanda, 2006: 277).

Thirkell-White (2003), who conducted a study of the IMF's response to the financial crisis in Korea and Indonesia in the 1990s. This study criticized the IMF scheme, citing at least two fundamental weaknesses of the aid scheme to middle-income countries:

> “First, the policy is being steered by the IMF's Executive Board with unbridled discretion to make decisions no longer controlled by a rule-based framework.

> Second, the policy does not necessarily reflect the primacy of the needs or interests of those the IMF intends to help but rather of Western countries and Western NGOs that are far less affected by those decisions (Nanda, 2006: 120-21)."

This leads to questions about the concept of U.S. AID (United State Agency for International Development) regarding good governance and its implications for providing foreign aid. In November 1998, U.S. AID consolidated the conceptual framework to synergize between democratization and economic growth. This theoretical framework was based on four main pillars: law enforcement, elections, and political processes, civil society, and governance (see Center for Democracy and Governance in November 1998, 3).

In the paper on U.S. foreign aid that was released in January 2004, the terminology of good governance was not explicitly stated as a prerequisite for the distribution of US foreign aid, but the substance of the "regulation" stipulated in the paper implicitly confirms that. For example, it is stated that: "Allocate aid across and within countries is more selective," since "progress is a function of commitment and political will to rule justly, promotes economic freedom, and invest in people" (U.S. Foreign Aid 2004, 6).

Following up the mandate of the paper, U.S. AID then collaborated with the mint institution, the MCC (Millennium Challenge Corporation), primarily in selecting candidates (recipient countries) for development transformation. For that purpose, U.S. AID reduced at least 9 (nine) principles to achieve development goals: ownership, capacity building, sustainability, selectivity, assessment, results, partnership, flexibility, and accountability (U.S. AID 2005b). Meanwhile, MCC adopted 5 (five) of the six indicators used by the World Bank: the rule of law, government effectiveness, voice and accountability, control of corruption, and regulatory quality (Radelet, Siddiqi, and Dizolele 2005).

What were the critical points of interest to be highlighted, relating to the review of the historical background and the essence of the concept of good governance above? At first, the idea of good governance was built on a relatively clear philosophical foundation and was a relatively comprehensive concept. In its development, many experienced refraction/deviations both at the level of concept derivation and at the level of policy implementation. These deviations occurred when international institutions adopt the concept of good governance, including World Bank, IMF, and U.S AID who subsequently used as conditionality in distributing aid or assistance to recipient countries (developing countries).

Although in the late 1980s, African academics had not explicitly labelled the concepts they initiated as good governance, it was apparent that philosophically the "baby concept" they started was based on a strong desire to present economic development and the governance that can guarantee the realization of justice (equity) and social inclusiveness. Therefore, it was understandable that the concept of good governance was based on the importance of building state and society relationship that could guarantee the realization of three main objectives: the governance of sound economic development; democratic life and the respect for the rights of every citizen; and the creation of social inclusiveness.

The area of good governance was not only at the state level but also the level of society. The goals to be addressed were also relatively comprehensive, not only, in the economic dimension (growth and equity) but also included the aspects of politics (democracy), and social (social inclusiveness). Thus, good governance was not an end in itself, but instead was positioned as a tool to achieve these three essential goals by giving special attention to justice and inclusiveness.

However, as explained above, in its development, the terminology of good governance was adopted by international business institutions, such as the World Bank, IMF, and U.S. AID. This term served as a new label of requirements (conditionality) in distributing aid, and/or a guarantee from recipient countries (developing countries), specifically related to the demand of a structural adjustment. As a result, the concept of good governance was directed more towards guarding international development agendas and tended to use parameters that were one size fits all.

The derivation of concepts and the implementation of good governance policies was also challenging to avoid. This was because it had undergone many adjustments, or even refraction/deviation, to be in line with the interests of several international institutions. Among the bias from the intended concept of good governance was it focused only at the state level, while the initial concept also includes the social area. The bias could happen because of the belief of international institutions, especially the World Bank, that the poor performance of the government in providing public services was the main factor that caused the failure of most developing countries in utilizing foreign assistance/loans for economic development.

The bias of the derivation of the good governance concept was, in terms of perspectives and approaches used, dominated by economic discipline. Or in a more explicit narrative, it tended to be "economic bias." Even if the political perspective, especially democracy, was also accommodated, it was positioned more to support the economic agenda. Meanwhile, the initial concept of good governance, as stated above, was placed equally among the perspectives of economic, political, and socio-cultural approaches. This "economic bias" tendency implied that it was understandable if later, the derivatives of aspects, variables, and indicators of good governance were also very economically focused.
Adjustments in the derivation of the concept of good governance were apparent, for example, the World Bank placed more emphasis on economic aspects and the capacity of the state

(state capacity) in articulating good governance. Consequently, the focus of attention in allocating development assistance was directed more at the efficiency of public administration, law enforcement, transparency, and accountability. While from the IMF's point of view, it was explicitly stated that it would focus more attention and support in improving economic performance and accompanying regulations. Good governance was then stated as an essential precondition for the creation of macroeconomic stability in aid recipient countries, the main countries which emerged as middle-income countries. While U.S. AID integrated good governance in the formulation of a conceptual framework to synergize between democracy and economic growth, U.S. AID then reduced at least 9 (nine) principles to achieve development goals: ownership, capacity building, sustainability, selectivity, assessment, results, partnership, flexibility, and accountability.

In brief, the good governance parameters that were used by several international agencies can be seen in the following Table 1.

Table 1: Existing Good Governance Parameters

Institution	Parameter of *Good Governance*
World Bank and IMF	The efficiency of public administration, law enforcement, transparency, and accountability
U.S. AID	Ownership, Capacity building, Sustainability, Selectivity, Assessment, Results, Partnership, Flexibility, and Accountability
MCC (Millennium Challenge Corporation),	The rule of law, Government effectiveness, Voice and accountability, Control of corruption, and Regulatory quality

Discussion and Analysis

Criticism of the Concept and Implementation of Good Governance

The concept and implementation of good governance policies drew criticism from various circles, including both academics and practitioners. Conceptually, among the basic questions that had not been answered related to the concept and implementation of good governance, Nanda writes (2006: 270-271):

"Should economic performance be the sole or a primary measuring tool, or should the term be extended to encompass the governance of political entities: central or state governments or even municipalities? What was the political content of good governance? Were liberalism and the value of democracy be included as an element of that content, and, if so, how important were they? What kind of participation in decision making was envisaged, and by whom? What kind of accountability was required? How should universal standards be used to evaluate good governance? “

Several conceptual questions proposed by Nanda (2006) were primarily directed to three critical issues, which were also the main weaknesses of the concept of good governance. First, the question of whether good governance was only measured based on the achievements of economic development or performance. This must also include the performance of political governance in the administration of the state, which is implicitly relevant from the perspective used so far which was dominated by economic discipline. Second, the question of what the political content of good governance should be. What form of community participation should be involved? How accountability should be implemented? The criticism of the "arrogance" of the good governance approach that tends to ignore the social, cultural context, and politics in the country concerned. Third, the question of how the evaluation of universal standards for good governance could be applied? Including the mention of the absence of good governance parameters which tended to be one size fits all.

Furthermore, Nanda (2006: 269) asserts that to succeed in reforming, it is not enough to only present good governance, but also there more critical factors: democratic support, justice, commitment, and the cultural and historical context of the country concerned.

Additionally, Grindle (2004), in his article entitled Good Enough Governance: Poverty Reduction and Reform in Developing Countries, explicitly states that the fundamental weaknesses of the concept of good governance lies in the application of the parameters that tend to be one size fits all. As a result, at the implementation level, the parameters could not be applied because of their inability to explain: a) what was essential or not; b) what should come first and follow; c) what was the short-term and long-term target; d) what was feasible or not. Grindle (2004) then proposes the concept of "good enough governance," which he considers more realistic. In short, the focus of his governance concept rests on five basic principles as follows:

1) Accepting a more comprehensive understanding of institutions and government capabilities;
2) Being explicit about trade-offs and priorities that cannot be pursued at once;
3) Learning about what worked rather than focusing solely on governance gaps;
4) Taking the role of government in poverty alleviation seriously; and
5) Grounding action in the contextual realities of each country.

Essentially, it is quite clear that the above concept of good enough governance offered by Grindle (2004) emphasizes efforts to bridge the gap between theory and implementation at the level of reality. Here, Grindle does not explicitly question the feasibility and relevance of the basic concepts of good governance itself. The academic position of Grindle (2004) is increasingly evident in the second article, Good Enough Governance Revisited (2011) that states some critical (or essential) points for development. Nevertheless, it falls short of being a tool to explore what, precisely, needs to be done in any real-world context.

Reconstruction of the concept of good governance

After reading the discussion on the History and Substance of the concept of Good Governance, and several accompanying criticisms, it was possible to ascertain the need to "reconsider" the existence of the concept and implementation of good governance policies, which revitalized the current context. At least three main reasons underlined why efforts need to revive the concept and the implementation of the good governance policy.

First, historically, the concept of good governance that was born in the late 1980s, in its journey until now, had undergone many refractions, especially when the terminology of good governance was adopted by international business institutions, such as the World Bank, IMF, and U.S. AID. It served as a new label requirement (conditionality) in distributing aid and acted as a guarantee from recipient countries (developing countries). As a result, the concept of good governance directed more to guard international development agendas.

Second, the existence of bias from the intended context of the good governance. Academically, the good governance concept of good governance had undergone many adjustments. The derivation of concepts and implementation of good governance policies had undergone many modifications, or even refraction/deviation, to be in line with the interests of several international institutions. Among the bias from the intended concept of good governance was its specific focus at the state level, while the initial concept also includes the social area. The bias could happen because of the belief of international institutions, especially the World Bank, that the poor performance of the government in providing public services was the main factor that caused the failure of most developing countries in utilizing foreign assistance/loans for economic development. The bias of the derivation of the good governance concept was, in terms of perspectives and approaches used, dominated by economic discipline. In a more explicit narrative, it tended to be "economic bias." Even if the political perspective, especially democracy, was also accommodated, it was positioned more to support the economic agenda.

Meanwhile, the initial concept of good governance, as stated above, was placed equally among the perspectives of economic, political, and socio-cultural approaches. Third, technically, the implementation of the concept of good governance tended to use parameters that were one size fits all. Or in a more straightforward formulation of narratives, it tended to ignore the social, cultural, and political characteristics of the country concerned. As confirmed by Nanda (2006), the concept and implementation of good governance should not neglect the cultural and historical context of the recipient country. In another part, Grindle (2004), in his article entitled Good Enough Governance: Poverty Reduction and Reform in Developing Countries, explicitly states that the fundamental weaknesses of the concept of good governance lie in the application of the parameters that tend to be one size fits all. The next question is whether the concept of good governance must be "reconsidered". What and how should the revitalization of the concept and implementation of the policy be carried out? The revival of the concept of good governance should be initiated by criticizing the relevance of the terminology used. The word "good" that was attached to the concept of "governance," substantially did not give much significance, or even tended to present the impression of ambiguity and dichotomy. Normatively, the basic concept of governance itself already contains several “good” values. Reality then showed that the concept of governance contained several good values. Unfortunately, at the level of implementation, it produced different achievements. Some were successful, and vice versa. It was caused primarily due to the inaccuracy and properness of the concept of governance itself in relation to the social, economic, and political characteristics of the recipient country. Thus, the root of the problem was not in good or bad governance, but whether the concept was appropriate or not. Good was not necessarily appropriate, and vice versa. Success in carrying out good governance in a state and community level, ultimately, was mostly determined by the ability to adapt to the concept of governance that was suitable with the social, cultural, economic and political characteristics possessed. Furthermore, at the conceptual level, among the essential revitalization steps to be taken was to bring the governance back-in, which was to restore the essence of good governance to its origin.

According to Pierre and Peters (2000: 7), the heart of democratic government or good governance is the concept of changing government roles in society and changing capacity to pursue collective interest under severe external and internal constraints. The focus of the concept of governance lies in two main issues: a change in the role of the community in the government administration, and a shift in the government capacity to respond and fight for the collective interests of the community, based on the existing institutional corridors.

It is quite clear now that the concept of governance was fundamentally problematic in the relationship between the state and society. More concretely, the country, in this case, was represented by political office and bureaucracy. The community was represented by civil society and the economic community. Thus, the notion of good governance was more specific, related to how the political office, bureaucracy, civil society, and the economic community relate to one another to solve various problems to achieve the goals of the state. Of course, each area has its way to interact with each other at multiple levels (e.g., policymaking and policy implementation) and forms.

When revisiting the initial concept put forward by Chaucer and Shakespeare in the 17th century, the definition of governance is a method of management (Osborne, 1999). In its development, governance is then interpreted as the exercise of authority to manage collective goods. Specifically, the use of economic, political, and administrative power by the authorities to manage state and community affairs at all levels (Kaufmann, 2000: 22). This definition implies that governance is more comprehensive in scope than the government because governance does not only regulate the governance of the government, but also includes the management of interactions between formal institutions (the state) and the community (civil and economic society). In this relatively complex process of cooperation, the basic concepts of governance focuses on cultural values, social norms, and traditions that must not be ignored (Corkey, 1999; Sangita, 2002: 329). Furthermore, Sangita (2002: 3 29) explains:

> "Thus governance is beyond the formal institutions like the cabinet, the parliament, and the judicial system. It includes various levels of government (international, national, regional, and local) and other government agencies like public undertakings and autonomous corporations. Governance also refers to other private and civil society organizations, which interact with the government in decision-making and delivery of services. They include private companies, federations of industry and commerce, NGOs, and other stakeholders of the organizations."

The above formulation of the concept of governance proposed by Sangita (2002: 329) has many similarities with the wording of the Working Group of the International Institute of Administrative Science:

> " 'Governance' is as a process by which diverse elements in society wield power and authority, and thereby influence and enact policies and decisions concerning public life, economic and social development. These involve the relationship of individual men and women of the state and the organization of the organs of the state, the management of resources for current and future generations, and the relationship between countries" (Corkery, 1999).

By relying on the above concepts of governance, the authors explicitly define governance as an effort to build state and society relations that guaranteed the realization of three main objectives: a) sound economic development; b) democracy and the respect for the rights of every citizen; and c) the creation of social inclusiveness (Mkandawir, 2007: 680).

The area of governance was not only at the state level but also the level of society. There was an equality between the governance of the state and social security. The existence of governance itself must be positioned more as a tool to achieve the three essential objectives as stated above, by giving special attention to justice and inclusiveness. The implication was that the perspectives and approaches that tended to be "economic bias" because they were dedicated to guarding the International Development Agendas, which in the end abandoned further the accommodation of the equality between political and socio-cultural perspectives.

Furthermore, to respond to criticism from Nanda (2006) and Grindle (2004, 2011) on the concept of good governance, the proposed proper governance concept formulated more in the dimensions of the state and society area. Concretely, the country was represented by political office and bureaucracy, while the society was represented by civil society and the economic community. In these two areas and four dimensions/aspects, the governing principle must work, then adjusted to the specific social, economic, and political characteristics of the local community. The basic principle of governance in question consists of four main elements: Development, Democracy, Socially Inclusive, and Local content. In short, the construction of the revitalization area, dimensions/aspects, and governance principles were in Table 2 below:

Table 2 demonstrates that the first principle was Development, in a sense, presents the management of the development that enabled synergies between a) economic growth; b) structural changes; and c) the use of resources responsibly and sustainably.

The second principle was Democracy that was: a) the right of citizens to participate in decision making and in overseeing the administration of the government; b) Law enforcement; c) Accountability and public transparency.

The third principle was Socially Inclusive that was a) the right of every citizen to get the same rights in accessing economic and political resources; b) the same legal treatment, without differentiating status; and c) the establishment of mutual trust, both among the community, state administrators, and between the community and state administrators.

Table 2: Revitalizing the Arena, Dimensions / Aspects, and the Principles of Governance

ARENA	DIMENSION/ASPECTS	PRINCIPLES
State	Bureaucracy Political Office	• **Developmental** (Economic growth, equity, and responsible and sustainable use of resources) • **Democratic** (Guaranteed of citizens' rights to participate in decision-making and in overseeing government administration; Law enforcement; Accountability and public transparency) • **Socially Inclusive** (Guaranteed the right of every citizen to get the same rights in accessing economic and political resources; the same legal treatment, without differentiating status; and the establishment of mutual trust, both among the community, state administrators, and between the community and state administrators) • **Local Content** (Local social, cultural, economic and political characteristics that enable the building of ownership and commitment in the implementation of governance)
Society	civil Society Economic Society	

The fourth principle was Local Content. This last principle acted as a "frame" of the other three principles because, the proper governance principle would work if it did not ignore the social, cultural, economic and political characteristics of the local (local characteristics). With this kind of treatment, there will be a sense of ownership and commitment among the community (civil society and the economic community) towards the implementation of the development of the governance, and the governance at each level. Above all, the urgency to accommodate these local characteristics also aimed to eliminate the sceptical view of the parameters of good governance that had so far been implemented, which tended to be one size fit all.

Table 3: The comparison between the concept of *Good Governance* and *Proper Governance*

	Arena	**Dimension/Aspects**	**Principles/Parameter**
The concept of Good Governance	• **State**	• Bureaucracy	• Public Administration Efficiency • The rule of law • Government effectiveness • Voice • Accountability • Transparency • Control of corruption • Regulatory quality • Ownership • Capacity building • Sustainability, • Selectivity • Partnership • Flexibility Source: Nanda (2006: 274); U.S. AID (2005b); Radelet, Siddiqi, and Dizolele (2005).
	• **Society**	• Civil Society	
The concept of Proper Governance	• **State**	• Bureaucracy • Political Office	• Developmental • Democratic • Socially Inclusive • Cultural and Historical Context
	• **Society**	• Civil Society • Economic Society	

Overall, the similarities and differences between the concepts of good governance and proper governance could be seen in Table 3. In terms of "Arena," for example, both the concepts of good governance and proper governance put equal pressure on the state arena and society. These two areas were of equal importance because, in the dimension of democracy, the primary function of the state was as an organizer of government, and the society was the owner of sovereignty. Regarding the economic dimension, the state carried out supply functions, and society carried the demand function. The difference between the concept of right and proper governance then began in the formulation of dimensions/aspects of governance. The first concept tended to focus only on the "bureaucratic dimension" in the state arena, and "the civil society dimension" in the society arena. While the proper governance concept laid two dimensions of the state that were bureaucracy and political office, and two aspects of society that were civil society and the economic community. Next, the fundamental difference could be seen in the formulation of parameters from governance. More specifically, the concept of good governance offered a number of parameters from the bureaucratic and civil society and business that included: Public Administration Efficiency, Rule of law, Government effectiveness, Voice, Accountability, Transparency, Control of corruption, Regulatory quality, Ownership, Capacity building , Sustainability, Selectivity, Partnership, and Flexibility. On the other hand, the concept of proper governance downgraded several parameters based on four proposed principles proposed: Development, Democracy, Socially Inclusive, Cultural, and Historical Context.

Finally, the question about revitalization at the level of policy implementation must be addressed. The concept of proper governance was in line and supported Grindle's conception (2004 and 2011), which stated that to enable governance to work at the level of reality, then the parameters used must not be one size fits all. It also explicitly reduced: a) what's essential and what's not; b) what should come first and what should follow; c) what can be achieved in the short term and the long term; d) what was feasible and what was not.

Conclusion

After performing a careful examination of the theoretical discourse above, it becomes clear that, in its development, the concept of good governance had undergone refractions/deviations both at the level of the derivation of the concept and at the level of policy implementation. These deviations occurred, mainly, when the concept of good governance was adopted by international institutions, among others, World Bank, IMF, and US AID. They were subsequently used as a requirement in distributing aid/assistance to recipient countries (developing countries), especially the demand for a structural adjustment. As a result, the concept of good governance directed more towards guarding international development agendas and tended to use parameters that were one size fits all.

The derivation of the concepts and implementation of good governance policies was, in turn, difficult to avoid, as it experienced many adjustments to be in line with the interests of international institutions. One of the bias was in the area of good governance that emphasized on the state level, while the initial concept also included the society. This happened because international institutions, especially the World Bank, believed that the poor performance of the government in providing public services was the main factor that caused the failure of the developing countries in utilizing foreign assistance/loans for economic development.

Critics of the concept and implementation of good governance policies began to surface both from academics and practitioners. Nanda (2006: 269), for example, explicitly says, that to succeed in reforming, it is not enough to only bring good governance, but also democratic support, justice, commitment (commitment), and the country's cultural and historical context. Meanwhile, Grindle (2004) states that one of the fundamental weaknesses of the concept of good governance in responding to the challenges of governance system reform and development in the developing countries was that it applies parameters that tend to be one fits all.

The series of above statements indicated the urgency of "re-weighing" the existence of the concept and implementation of the good governance policy, then revitalizing the current context. Among the revitalization steps that must be taken was to criticize the relevance of the terminology of good governance itself, because the word "good" which was attached to the concept of "governance" did not produce significance. It tended to present the impression of ambiguity. The root problem was not in good or bad governance, but rather in terms of the appropriateness of the use of governance. Indeed, the successful implementation of the governance of the state and community was affected more by the ability to adapt to the concept of governance that was suitable with the social, cultural, economic and political characteristics of the community.

Based on the above theoretical considerations, the authors offer proper governance terminology (as a substitute for good governance., This means that the appropriate and "comfortable" governance that were in line with the characteristics of the state and society.

Moreover, an essential conceptual revitalization effort to bring the governance back-in was to restore the essence of governance to its origin. The basic concept of governance was not only governing government but also includes the governance of the interactions between formal institutions of the state and the society (civil and economic community). In this relatively complex process of cooperation, the basic concepts of governance affirmed that cultural values, social norms, and traditions must not be ignored.
Based on the above theoretical foundation, the construction of the “proper governance concept” that the authors proposed explicitly defined governance as an effort to build state-society relations that could guarantee the realization of three main objectives: a) sound economic development; b) democracy and the respect for the rights of every citizen; and c)

the creation of social inclusiveness. It meant that state and social security must be equal. The existence of government itself must be positioned more as a tool to achieve the three essential objectives as stated above, by giving special attention to justice and inclusiveness. Therefore, the principles and parameters of the concept of proper governance must be derived from these three main objectives. In short, the proper governance concept that the authors offer was based on, at least, four main principles: Development, Democracy, Socially Inclusive, and Cultural and Historical Context (Local Content).

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