

## The Implementation of participation principles in good governance

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### INFORMASI ARTIKEL

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### ABSTRACT

A Shift occurs on the development paradigm from the political development orientation, citizens' economy development paradigm up to local independence paradigm. With the participation, subsequently the development activities should be surely understood, not only considered as a responsibility but also require the citizens' participation in order to improve their life quality. Merjosari Village has the society participation channel in a form of a neighborhood group Savings and Loan named "Srikandi" as an opportunity for the society to improve their local economy especially family economy. Next, this paper used descriptive qualitative analysis. The result of the study showed that citizens' participation in neighborhood Group (RT) 06, Community Group (RW) 11, Merjosari Village, Lowokwaru District, Malang in increasing the family economy through Srikandi could be seen from a forum that accommodates society participation and capability to take a part so that it can continuously progress. The emphasis of Srikandi was on the economy development through informal sectors, such as on the small-scaled industries which can give multiplier effect in increasing family economy so that local independence can be reached.

### INTISARI

Pergeseran paradigma pembangunan dari orientasi pembangunan politik, paradigma pengembangan perekonomian rakyat sampai dengan paradigma kemandirian lokal. Dengan adanya partisipasi yang diberikan maka kegiatan pembangunan itu harus benar-benar disadari bukan hanya kewajiban semata tapi menuntut adanya keterlibatan masyarakat guna memperbaiki kualitas hidupnya. Kelurahan Merjosari memiliki saluran partisipasi masyarakat berupa simpan pinjam RT "Srikandi". Simpan pinjam RT "Srikandi" ini merupakan peluang bagi masyarakat untuk meningkatkan ekonomi lokal khususnya keluarga. Sesuai dengan tujuan penelitian yang telah ditetapkan, maka jenis penelitian yang digunakan adalah jenis penelitian deskriptif dengan pendekatan kualitatif. Hasil Penelitian ini menunjukkan bahwa Partisipasi Warga RT 06 RW 11, Kelurahan Merjosari, Kecamatan Lowokwaru, Kota Malang dalam Peningkatan Ekonomi Keluarga melalui Simpan Pinjam RT "Srikandi" bisa dilihat dari adanya forum yang menampung partisipasi masyarakat serta kemampuan masyarakat untuk terlibat sehingga keberadaan simpan pinjam RT "Srikandi" terus berkembang. Penekanan dalam simpan pinjam RT "Srikandi" ini adalah pembangunan ekonomi melalui sektor informal yaitu pada usaha-usaha berskala kecil yang dapat memberikan *multiplier effect* peningkatan ekonomi keluarga sehingga bisa terwujudnya kemandirian lokal.

## **1. Introduction**

Nowadays, it has been known that a shift has occurred on the development paradigm from the political development orientation, economic development orientation, development equalization orientation, environmental conceptual development, citizens' economic development paradigm up to local independence paradigm. The local independence paradigm has a meaning that a particular area has its own ability to develop its area. This local independence paradigm is parallel with the implementation of regional autonomy which uses bottom up approach. Since Five Years Development Plans (REPELITA) IV, the experience of bottom up approach has been introduced by the government, however in the real practice; the top down pattern is still used by the government. It is proven by the intervention of the higher government party (Adisasmita, 2013:11). Therefore, in the recent condition, the changes of the current procedures are not needed, but those procedure emphases along with the improvement of the implementation process are actually required.

Citizens' participation theoretically has been accommodated in the development plans procedure which is followed all this paradigm. If the citizens have not participated optimally, it is because the process of the citizens' participation raising has not fully understood by all related parties. As explained by Suryono (2010:225) that participation is often understood in many perspectives. The development planners, governments, and its apparatus consider the participation as a support which has to be given by the citizens toward the development plans decision which is determined from top (top down pattern). This outlook treats and puts the citizens into a position as the development object, and then all suggestion and aspiration are uncountable coming from the citizens (bottom up) are considered as a sheer desire. On the other hand, the intellectuals see it differently that the citizens are actually the master (subject) who can create their own developmental needs. This perception puts citizens in the position of equal power ship against the government and its developmental apparatus. Ideally, citizens are asked to make plans, involve, and evaluate the developmental process. Hereafter, the participation is not only a rhetorical development, but it becomes the style of development (Suryono, 2010:225). Moreover, according to Sedarmayanti (2009:282), participation is a principle and a character which reflects good governance. On the other hand, Ismoyo, Muluk and Saleh (2015) stated that good governance emphasizes on the compatibility among the actors; they are the government, the private sectors, and the society, which makes the inclusion of the stakeholders in the

development, becomes important. Therefore, the active participation from the stakeholders both from the private sectors and the citizens is required by strengthening their role in succeeding the policy.

In developmental activities, citizens' participation is an existence of the awareness and care and also responsibility of them toward the importance of the development which aims to improve their life quality (Theresia, 2014:197). So, with the participation given, the developmental activities must be truly realized not as a responsibility only, but also requires the citizens' involvement in order to improve their life quality. Indradi (2010:91) said that the effort to increase the citizens' participation can be conducted if the government establishes and sets a channel or an access for the citizens to take a part. Therefore, citizens' participation can be done if the government opens the participation channel opportunity without discriminating any particular citizens' community.

One of the areas which opens the participation channel opportunity is Malang City, East Java, Indonesia. Malang with the "Beautiful Malang" brand city has some villages which one of them is Merjosari Village, Lowokwaru District. Merjosari Village has a citizens' participation channel in a form of a neighborhood group Savings and Loan named Srikandi. This Srikandi Savings and Loan is an opportunity for the society to improve the local economy, especially family economy. The emphasis of this Srikandi Savings and Loan is on the economy development through the informal sectors; they are small scaled industries such as; cafeteria, salon, grocery stores, tailoring, and home bakeries. This local or citizens economy is in a big amount and various. It can be a golden opportunity to improve the life quality of the low level society if it is managed well. And on the further level, it is hoped to be able to reach the local independence. Therefore, in order to comprehend the success of the principle implementation in Merjosari Village, Neighborhood Group (RT) 06, Community Group (RW) 11, a study is needed to know the real condition in there.

Based on the problems above, the researcher is interested in studying and choosing a theme of "The Implementation of Participation Principles in Good Governance" with a study on participation of the citizens in Merjosari Village, Neighborhood Group (RT) 06, Community Group (RW) 11, Lowokwaru District, Malang City in increasing the family economy through the Neighborhood Group Savings and Loan, Srikandi.

In previous research Wahed (2010) – a researcher in School of Management and Information System, Victoria University – in titled 'value of people participation for good governance in developing countries' that research discussing about how the government in developing country respecting people

participation to achieving good governance, but not tell how participation principle implementation in good governance. Therefore, the research concerning the participation principle implementation in good governance is significantly needed. Based on the background explained above, the objectives of this study are to discuss the citizens' participation in the Neighborhood Group Savings and Loan, Srikandi and to analyze the citizens' participation in the Neighborhood Group Savings and Loan, Srikandi in increasing the family economy.

## 2. Theory

### *The Concept of Governance and Good Governance*

World Bank (1992) defined governance as the way state power is used in managing economic and social resources for development of society. The similar meaning was stated by UNDP (1997) which defined governance as the exercise of political, economy, and administrative authority to manage a nations affair at all levels (LAN & BPKP, 2000).

In the concept of governance, there are three legs and three domains. The three domains here include the elements of state, private sector, and civil society. The three components of the government should relate harmonically to each other in order to reach the synergy. The harmonic relationship and synergy among the three components of the government will be able to be reached if the three components have the same level and role and are able to control each other effectively.

The best practice of the governance is frequently called as good governance. As proposed by the World Bank (1992), 'good governance' can be defined as a solid and responsible development management implementation in accordance with the democratic principles and efficient market, avoiding the wrong investment fund allocation, and preventing corruption both politically and administratively, performing budgets discipline, and also creating legal and political framework for the growth of business activities (Mardiasmo, 2002:24).

UNDP (1997) formulated some main principles actualizing good governance including:

- a) Participation, the involvement of the society in generating policies, either directly or indirectly through the representative institutions which can distribute their aspiration. The participation is build based on the freedom of associating, speaking, and participating constructively;
- b) Rule of Law, a legal framework implementation without discrimination;
- c) Transparency, the openness built based on the freedom of getting information. The information

related to public which can directly be received by those who need on time;

- d) Responsiveness, public institutions should have quick response in serving the stakeholder;
- e) Consensus Orientation, oriented to the interest of wider society;
- f) Equity, every citizen has the same opportunity to receive welfare and justice;
- g) Efficiency and Effectiveness, the management of public resources is conducted efficiently and effectively;
- h) Accountability, the responsibility to the society for every activities conducted; and
- i) Strategy Vision, the government and society organizations should have a further vision (Mardiasmo: 2002:24).

### *Building Good Governance*

Building good governance is changing the state's ways of working, making the government accountable, and improving the competent subjects in foreign countries to participate in making a new generally beneficial system. In this context, there is no development purpose which can be actualized well only by changing the characteristics and the ways of working of the state and government institutions. It must be understood that in order to accommodate the diversities, good governance should reach any level of political areas as well. Therefore, building good governance is a massive social project. The effort should be conducted step by step. In Indonesia, the flexibility in comprehending this concept is needed so it can handle the reality.

### *Participation Indicators*

There are several indicators which are used to see the public participation, they are:

- a) The involvement of the apparatus through the value and commitment among the apparatus;
- b) The existence of forum which can accommodate participation;
- c) The representative, having clear direction, controllable, open minded and inclusive society should be placed as a society platform to express what they want;
- d) The capability of the society involved in the process of making decisions;
- e) The focus of the government is giving direction and inviting other people to take a part;
- f) The vision and the development are based on the consensus between the government and the society; and
- g) The access for the society to deliver their opinions in the process of making decisions (Krina: 2003).

### *Family Economy Theory*

In the system outlook, the welfare can be positioned as the output/ result of a process of available input (resources) management. So, when the available resources are processed, they will result an output/ result. Sunarti (2006) explained that the family welfare is distinguished as the economy welfare which is measured from the fulfillment of the family input (for example measured from the family income, wage, asset, and outcome) and the material welfare which is measured from various forms of materials and services accessed by family. The material welfare measurement is relatively easy and able to involve the fulfillment of family needs related to the material, such as clothes, foods, shelters and the other needs. Moreover, Sunarti (2006) explained that the indicators of the family economy/ welfare can be seen from: the income per capita, the income distribution, and the income proportion for foods.

### **3. Research Method**

This research used descriptive qualitative analysis. The focus of this research was the participation of the citizens in Neighborhood Group (RT) Savings and Loan, Srikandi, which was seen from the involvement of the Neighborhood Group (RT) management, the forum which can accommodate the participation and the capability of the citizens in Neighborhood Group (RT) 06, Community Group (RW) 11 in developing the Savings and Loan, Srikandi. It was also identifying the indicators of economy development through the business field developed by the citizens from the fund in the Neighborhood Group Savings and Loan, Srikandi. Furthermore, the location of this research was in Malang City with the research site was Merjosari Village, Neighborhood Group (RT) 06, Community Group (RW) 11, Lowokwaru District, Malang City. The data collection used observations, interviews, documentations, and triangulations techniques. The Informant on this research by 5 persons and this research has been held for 4 month. The research has held by using multiple informant for collecting data and data analyses. Next, the data analysis used the interactive model of Miles and Huberman started from data collection, data reduction, data display, and conclusion drawing/ verification.

### **4. Results and Discussion**

#### *Participation of the citizens in the Neighborhood Group Savings and Loan, Srikandi*

#### *The involvement of the village government in order to create the commitment of the Neighborhood Group Savings and Loan establishment*

The village government of Merjosari was committed in order to establish this Srikandi Savings and Loan. According Soebagiono Kasi notion that is Society Empowerment and Development, Sub-district Merjosari, this commitment was actualized by helping Srikandi Savings and Loan administratively. Besides from the administrative field, the commitment of Merjosari Village government was shown by taking a part in supporting the Srikandi Savings and Loan in order to improve the economy of the citizens in Neighborhood Group (RT) 06, Community Group (RW) 11. To support the Srikandi Savings and Loan in order to improve the economy of the society, according Soebagiono notion of Merjosari Village government supported by developing and training the skill and management field.

These skill and management developing and training were conducted by inviting some expert key speakers in each field, besides Merjosari Village government cooperated with some working units (SKPD) as well such as; Cooperatives and Small and Medium Industries Department (Dinas Koperasi dan UKM) of Malang in order to develop and train the society. Base on Soebagiono statement other than skill and management developing, Merjosari Village government also conducted technical supervising and training. These technical supervising and training were also conducted in the same way as the skill and management developing and training by inviting some professional key speakers in each field and cooperating with the related working units (SKPD) of Malang City.

The commitment of Merjosari Village government was also shown by continuously monitoring the activities which were conducted either by the Small and Medium Industriess (UKM), trading, or cooperatives industrial actors which were progressing in Neighborhood Group (RT) 06, Community Group (RW) 11 of Merjosari Village. Furthermore, Soebagiono supposed Merjosari Village government also became the facilitator of Srikandi Savings and Loan if they wanted to propose capital aid to the related working units (SKPD) of Malang City. Merjosari Village government facilitated Srikandi Savings and Loan by giving an easy access and helping for the arrangement of the reference for capital aid proposal addressed to the related working units (SKPD) of Malang City.

#### *The involvement of Neighborhood Group (RT) management in creating the commitment of the Neighborhood Group Savings and Loan establishment*

The management of the Neighborhood Group (RT) 06, Community Group (RW) 11 was committed to the

establishment of Srikandi Savings and Loan. The commitment was shown by the participation of the Head of the Neighborhood Group and the management in establishing Srikandi Savings and Loan. According Ayu, The Head and the management of the Neighborhood Group played role as the regulator and facilitator in the establishment of Srikandi Savings and Loan. Moreover, the Head and the management of the Neighborhood Group also played role in deciding the Head of Srikandi Savings and Loan where Ms. Ayu was chosen as the Head of Srikandi Savings and Loan. Next, Ayu, the Head and the management of the Neighborhood Group kept controlling the progress and the development of Srikandi Savings and Loan. Controlling was conducted by coordinating with the Head and the members of Srikandi Savings and Loan in order to get information related to its condition and progress.

*The Existence of forum which accommodates the citizens' participation*

Forums which accommodate the citizens' participation were available in both Merjosari Village government and Srikandi Savings and Loan. The available official forum in Merjosari Village aimed to accommodate the society participation through institutions, such as; Village Community Consultative Institution (LPMK), Neighborhood Group (RT), Community Group (RW), and Family Welfare Movement (PKK). In the forum, the society of Neighborhood Group (RT) 06, Community Group (RW) 11 could deliver their complaints, critics, and suggestions for Merjosari Village government. However, not all official forums in Merjosari Village conducted regular meeting with the society of Neighborhood Group (RT) 06, Community Group (RW) 11, only several forums which conducted regular meeting with the society, such as; forum in Family Welfare Movement (PKK). Family Welfare Movement (PKK) conducts a direct meeting with the society of Neighborhood Group (RT) 06, Community Group (RW) 11 once in a month on the third week.

Srikandi Savings and Loan provided a forum which accommodates the society participation as well, especially the members of Srikandi Savings and Loan. This forum was conducted every month on the third week along with the meeting of Family Welfare Movement (PKK), because some of the members of Srikandi Savings and Loan are also the members of Family Welfare Movement (PKK). In this forum, the members of the Savings and Loan could deliver their aspiration, complaints, critics, and suggestions for the progress of Srikandi Savings and Loan and the development of the society of Neighborhood Group (RT) 06, Community Group (RW) 11 in the future.

*The capability of the society to participate in the Neighborhood Group Savings and Loan*

The participation of the society in Srikandi Savings and Loan was very high, one of influence factor is supported by environment factor. It is parallelly connected with Prof. Balkin (on Snyder 2010) "active interaction with one's cultural environment is good for the soul". One form of the members' participation of Srikandi Savings and Loan was conducted by taking a part in saving and loan in Srikandi. The members borrowed some available fund from Srikandi. The loan was used by the members for various needs. Some members used the loan for consumption needs, some of them also used it for saving, and some others used it for production needs, such as for capital business additional in order to expand their business. Beside participation in the Savings and Loan, Srikandi members also actively participated by giving critics and suggestions in the organized forums in order to develop the Savings and Loan itself. Next, the members of Srikandi also actively participated in the activities organized. The high level of members' participation to involve in the Savings and Loan and to actively take a part in the forums and the activities makes Srikandi Savings and Loan has continued and developed up to now.

*The Citizens' Participation through Srikandi Savings and Loan in Increasing Family Economy*

*The Existence of Economy Increase from the Neighborhood Group (RT) Savings and Loan Fund Obtained by the Citizens*

The emphasis of this Neighborhood Group (RT) Savings and Loan was on the economy increase of the society in Neighborhood Group (RT) 06 Community Group (RW) 11 through the informal sectors, they are the small scaled industries, such as; cafeteria, salon, grocery stores, tailorings, and home bakeries. Next, Srikandi Savings and Loan became the opportunity for the society in Neighborhood Group (RT) 06 Community Group (RW) 11 to increase their local economy, especially family. A lot of people, especially Srikandi members used the loan from Srikandi to start a business, expand their business, and enlarge their capital business.

The loan which was lent through Srikandi Savings and Loan could give the input fulfillment of the families through the increase of the business income. It could also give an easy access for the society to obtain materials and services in order to fulfill the family needs and create the economy equality and distribution of the society surrounding. Besides, Srikandi Savings and Loan also gave the effect to the society economy in Neighborhood Group (RT) 06 Community Group (RW) 11, because most of the members borrowed some fund for businesses. The society in Neighborhood Group (RT) 06 Community Group (RW) 11 also received some

additional capital business to expand their home industries, so that it gave effects on the increase of the society income and the society economy in Neighborhood Group (RT) 06 Community Group (RW) 11.

## 5. Conclusion

Citizens' participation in Neighborhood Group (RT) 06 Community Group (RW) 11, Merjosari Village, Lowokwaru Districts, Malang City in increasing family economy through Srikandi Savings and Loan could be seen from the existence of the forum which accommodates the citizens' participation and capability to involve so that Srikandi Savings and Loan developed. The loan from Srikandi was used for consumption, production / small and medium scaled industries development activities, and saving. The emphasis of Srikandi Neighborhood Group Savings and Loan was the economy development through informal sectors, they are the small scaled industries, such as; cafeteria, salon, grocery stores, tailoring, and so on.

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