

Good or Bad Governance for Whom? Governance is a Trojan Horse for Capital Expansion in Pati, Indonesia

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Abstract

Governance as theory and practice, since the end of the 20th century, has been disseminated as the best form of public management. This notion of governance emphasizes reducing state actor authority, and in the name of participation, the voice of the state actor is positioned on par with the voices of private actors and civil society. To support the concept of governance, international organizations and financial institutions (United Nation, World Bank & IMF) promote the principles of "good governance" as the antithesis of "bad governance" which is characterized as corrupt, undemocratic and detrimental to the people. This research challenges governance theory and practice, with a case study of Indocement Ltd (Heidelberg Cement Group) expansion in Central Java, Indonesia. This research uses an ethnographic method, which was carried out in two periods, in 2014-2015 and 2017-2018. The contribution of this research is that instead of being happily accepted by the people, governance and the principles of good governance were actually opposed by the grassroots community in the case of Indocement Ltd's development plan in the Kendeng Mountains, Pati Regency, Central Java. This resistance was motivated by the use of governance and the principles of "good governance" to force the construction of a cement factory. In fighting against these problems, the people's movement advocated democracy from below through a counter-hegemonic movement that involved people, until finally it succeeded in thwarting a project to build a cement factory in their place. For people who reject the cement factory plan, governance is "good" for capital, but "bad" for the environment and people's livelihoods.

Keywords: *governance theory, resisting good governance, people's resistance, democracy from below, cement factory development plan*

INTRODUCTION

Polemics about how the state is managed, or more specifically, how public management is organized, how public decisions are taken, and who the actors are involved, are topics of discussion that continue to this day. In countries that adhere to centralism or authoritarianism, the public management and decision-making process is monopolized by the elite or ruling class (Pepinsky, 2014). Meanwhile, non-state actors are placed as objects for every public decision. During the 20th century, the concept of government centralism was questioned and opposed, because it degraded the community's voice and placed the community not as the subject of policy. In this context, at the end of the 20th century, the notion of governance and the principles of good governance emerged (De Angelis, 2005; Kiely, 1998) which were raised and disseminated by international organizations and financial institutions (Farazmand, 2015; Springer, 2010).

The notion of governance emerged as a response to the state actors' overly large role which was considered to have triggered market failure and corruption which could create state failure. This problem is attempted to be resolved by dismantling the state actors' role in making public decisions and becoming equal with non-state actors, especially the private sector (De Angelis, 2005). In a more extreme context, the government's role is no longer as a decision maker, but simply as a referee or mediator in contestations carried out by civil society and the private sector. Apart from that, the role of the state in governance is to create market-friendly economic conditions (Farazmand, 2015), considering that governance aims is to create economic growth and this is possible when the economic sector is led by the private sector, not the state (Kiely, 1998). Meanwhile, the problem of corruption is attempted to be resolved through good governance principles which emphasize transparency, accountability and public participation in public policy.

Several studies have been carried out to analyze the implementation of governance and good governance (Demmers et al., 2004; Farazmand, 2015; Springer, 2010). Academics are divided into two perspectives when

analyzing governance theory and practice. The first perspective places governance and good governance as positive concepts that have encouraged increased economic growth (Fayissa & Nsiah, 2013), public trust (Said et al., 2016; Yousaf et al., 2016), quality of public services (Dwiyanto, 2021), and sustainable development (Stojanović et al., 2016). Meanwhile, the second perspective places governance ideas and practices within a critical analysis framework, so they tend to criticize good governance. This criticism can be divided into three things. First, governance becomes a tool for the neoliberalization process in the public management process (Kiely, 1998; Springer, 2010); second, disarming the role of state actors to be simply equal to that of the private sector and society, thus making good governance a tool of interest for the private sector (De Angelis, 2005; Jokinen, 2004); third, the notion of transparency, accountability and participation in good governance has been hijacked by the private sector to further its interests, this is possible because they have much greater economic power than public actors (Springer, 2010; Taylor, 2004).

In this polemic about governance, we can see that the first perspective uses an institutional theory which makes them unable to reach the hidden agenda of good governance. Meanwhile, the second perspective uses a political-economic approach which makes it possible to look at good governance practices in more depth. This article uses a political-economic approach and be used to analyze governance practices and the application of good governance principles in the conflict over the construction of a cement factory plan in the North Kendeng Mountains, Pati Regency, Indonesia. The economic-political approach and the locus of conflict for the construction of a cement factory in Pati were chosen to fill the research gaps in previous studies. De Angelis's (2005) study places its theoretical criticism of the concept of governance. Whereas research from Farazmand (2015), Kiely (1998) and Springer (2010) attempts to criticize the notion of good governance theoretically and with case studies at the country level. Meanwhile, Taylor (2004) shows the role of international financial institutions in promoting the notion of good governance until it is im-

plemented in many countries. In the Indonesian context, Wiratraman (2007) criticized the notion of good governance because it ignores human rights, making it vulnerable to triggering various practices of human rights violations. Looking at previous research, this article contributes to explaining the relationship between governance and the economic growth agenda in a local context, where government and private actors are involved together to smooth the capital accumulation agenda. Another contribution of this article is to show society's resistance against governance mechanisms, arguing that what is called "good governance" is good for capital while bad for the people.

The Origin and Problems of Governance and the Principles of "Good Governance"

Governance began to become a global discourse and was interpreted differently in the 1980s. The term "governance" in English derives from a term in Latin and Ancient Greek whose original meaning is "control, guidance and manipulation" (Keping, 2018). Since its emergence by financial institutions and international organizations, the original meaning of governance has changed. Until now there is no single definition to explain governance, many scholars define it in various and incoherent ways (De Angelis, 2005; Asaduzzaman & Virtanen, 2016). This ambiguity in the term "governance" is the "secret of its success" (Schneider, 2004: 25) and popularity because of "its ability to link up with many other arguments and theoretical concepts" (Schneider, 2004).

Although there is no single definition, one of the general characteristics of "governance" relates to efforts to differentiate this concept from the traditional concept of "government". In "government", the authority to carry out public policy and management is in the hands of the state actors. Meanwhile, in "governance" the authority of state actors is reduced, becoming equal to private actors and civil society (De Angelis, 2005). In other words, governance refers to the use of non-regulatory policy instruments to be proposed, designed, and implemented jointly between state actors and non-state actors (Jordan et al., 2003). The involvement of non-state actors in public policy and man-

agement cannot be separated from the claim that the government concept has created state failure and market failure so that governance mechanisms are positioned as a solution to this problem (Jessop, 1998).

Defining the involvement of nonstate actors in public decisions is a main characteristic of governance. This is like the definition from UNDP (1997: 11) that "governance transcends the state to include civil society organizations and the private sector because all are involved in most activities promoting sustainable human development". Meanwhile, the Commission on Global Governance (1995) provides organizational characteristics of governance, namely the involvement of many actors in public affairs, a continuous process to accommodate diverse interests and self-regulation to enforce compliance when managing conflict. This means that governance does not only emphasize the involvement of non-state actors, but also conflict management which sees that every interest can be accommodated for the main goals of governance, namely economic growth and market friendliness.

The Principles of Good Governance

Not long after the hegemony of the governance concept, financial institutions and international organizations promoted the principles of good governance. The use of the term "good" in good governance is to differentiate it from the opposite side of government management and public management, namely bad governance. Poor or bad governance is interpreted as a work environment that is corrupt, inefficient, unprofessional, unfriendly to the free market, and lacking the individual ability to fulfil even the basic needs of sustenance for vulnerable groups of society (Laha, 2016), so it is considered a threat to democracy. Good governance as a concept and practice exists to reverse what they mean by bad governance. By using the word "good", this notion tries to show its hegemonic side, that everything is good.

Good governance establishes indicators to ensure governance in a country. The keyword of good governance is that a "good" country is able to ensure that state actors' authority is reduced to the same level as civil

society and private actors. As an antithesis to what is claimed to be "bad governance" which creates market failure, good governance also emphasizes benchmarks for economic growth that require market friendliness as an indicator of a nation's progress. The World Bank (1992) defines good governance as "how power is exercised in the management of a country's economic and social resources for development". The word "development" referred to by the World Bank is a development based on capitalism which emphasizes economic growth. In more detail, the United Nation (UN) established 8 characteristics or principles of good governance. These eight principles were established to prevent a country from "bad governance". The eight principles of good governance include participatory, consensus-oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follow the rule of law (Gisselquist, 2012).

When it was first conceptualized in the 1980-90s, the notion of governance and the principles of good governance quickly spread widely and became hegemonic in many countries. The notion of good governance is promoted through various publications, seminars/public discussions, and research reports conducted by international financial institutions, such as the Asian Development Bank (ADB) (Jokinen, 2003), the International Monetary Fund (IMF) (Taylor, 2004), and World Bank (Kiely, 1998). Supra-governmental institutional organizations, namely the UN and also central capitalist countries, funded by multinational companies, are helping to promote this notion throughout the world (Farazmand, 1999). The introduction of governance and the principles of good governance was even carried out under pressure, which "under the instructions and pressures of donor institutions of the North (western governments and corporations), the United Nations enforced the demand and required countries on the South to adopt the notion of 'good governance' by implementing several structural and policy reforms in their governments and societies as a condition for international aid" (Farazmand, 2017: 600). They claim that good governance will create better democracy for countries in the Global South.

A more compelling strategy for implementing good governance is carried out through debt politics, where international financial institutions provide conditions for structural adjustment programs to implement good governance for indebted countries (Taylor, 2004). A study from Taylor (2004) shows how countries such as Congo were obliged to implement good governance because they owed money to the IMF around 1998. The same thing happened in Indonesia, after the 1998 economic crisis, ADB claimed that this happened because of bad governance, so they provide debt with the condition of implementing good governance, under the pretext of developing Indonesia's economy in a more appropriate direction (Hadiz, 2004; Jokinen, 2004). Furthermore, the pressure to implement good governance demands results for market-based sustainable development.

Limitations of Governance and Good Governance Principles

Theories about governance and the principles of good governance, instead of being accepted openly, have received various criticisms. Efforts to create governance to hegemonize public policy and management cannot be separated from the interests of capital. Through the good governance agenda, obstacles to the free market are designated as "bad governance" practices, something that is deemed to need to be removed because it hinders development. This can be seen from the link between governance and the restructuring agenda in various countries through the Washington Consensus, which emphasized liberalization, privatization and deregulation (De Angelis, 2005; Peet, 2009). The governance blueprint received criticism from the former president of Tanzania, Julius K. Nyerere when he made the keynote address at the UN Conference on Governance in Africa in 1998 by calling the notion of "good governance" a conceptual form of imperialism and colonialism. The conceptual form of imperialism is because developed countries and multinational companies impose this concept on developing and underdeveloped countries in the interests of capital expansion for the private sector "for globalizing corporate capitalism that

Table 1. General description of Indocement Ltd's construction in Pati Regency

No	General Description	Information
1	Name of activity	Construction of a Cement Factory and Mining of Limestone and Claystone in Pati Regency
2	Factory Plan Area	180 ha, with details: a. Factory footprint and buffer zone = ± 143.22 ha; b. Production Road= ± 20.14 ha c. Road Length= 2 km d. Road Width= 20 meters e. Dormitory/Office Location: ± 16.64 ha
3	Factory plan location permit	No. 591/608/2014 dated May 16, 2014
4	Factory Location Plan	Mojomulyo Village, Tambakromo Village, Larangan Village, and Karangawen Village, Tambakrom subdistrict
5	Mining Area Area	<ul style="list-style-type: none"> • Karst rock: 2.025 Ha (Tambakromo and Kayen Subdistrict) • Clay: 663 Ha (Tambakromo Subdistrict)
6	Mining Business License	<ul style="list-style-type: none"> • Karst rock: Kayandu Pati District, Number 545/002/2014 dated May 16, 2014 • Clay: Kayandu Pati District, Number 545/001/2014 dated May 16, 2014
7	Labor	Construction: 1,650 people Operations: 800 people

Source: EIA Indocement Ltd

seeks high profits" (Farazmand, 2017).

The second problem in governance is disarming the role of the state actors to be equal to that of civil society and private actors. In the concept of democracy, the state is the representation of the people and every policy from the state can be held accountable by the public by democratic principles (of the people, by the people, for the people). In this context, the interests of the private sector are subordinate to the interests of the public sector. However, in the governance mechanism, the state's authority is stripped away—which means the people's authority is also stripped away—and the private sector in non-regulatory policy instruments is given the authority to participate in deciding public policy, whose voice is the same as that of the state actors and civil society. With this governance mechanism, private actors, for example, multinational companies with enormous economic and political power, can easily dictate every public decision (De Ange-

lis, 2005). According to Farazmand (2017), this is a dangerous condition because it "tends to return humanity and civilizations back to the ancient and even barbaric ages." Through this governance mechanism, because the logic of private actors is to pursue maximum profits, it provides space for the private actors to grabbing of nature and people's lives for reasons of economic growth. In this context, instead of creating a better democracy, governance mechanisms actually create a democratic deficit.

The third problem is that the principles of good governance are normative values that are elastic, and can be changed to facilitate the interests of certain parties. These normative values can potentially be used by oligarchs or giant companies to achieve their economic interests. In this context, the principles of good governance are misleading because they have double standards which are often used by those in power to justify injustices committed (Farazmand, 2017).

METHOD

In conducting research that seeks to challenge established theories or concepts, simple research methods are not possible, because they have limitations in obtaining in-depth data. The method in this research is ethnography, a method that allows researchers to obtain abundant and in-depth data (O'Reilly, 2009). In conducting research, I lived and spent a lot of time during two periods, namely in 2014-2015 and 2017-2018, in villages that were the planned development area for Indocement Ltd in Pati Regency, Central Java. In the first period (2014-2015) researchers conducted in-depth and semi-structured interviews with 4 government actors, 5 people who pro cement factory, and 45 people who rejected the cement factory. The selection of respondents in this study represents each actor in the policy conflict, and the selection of respondents for communities who are for and against the construction of a cement factory was carried out through snowball sampling.

Meanwhile, in the second period (2017-2018) researchers conducted live-in two different places. First, live-in in the homes of residents who receive CSR Indoement or pro-cement factories; second, live-in in the homes of residents who reject the cement factory. In this second period, the research team conducted interviews with 10 government actors, 3 Indocement Ltd management, 20 Indocement CSR recipients, and 19 people who rejected the cement factory. As with the first period of field research, the selection of respondents was to represent actors in policy conflicts and were selected using snowball sampling according to specified criteria. The presence of researchers directly with the people determines the results of the research. This is where the researcher takes a very important role in the data collection process. I also often attend and am involved in meetings held by the people, in protests carried out by the people, and in confrontations or conflicts that occur in the field.

In collecting data, researchers also conducted participant observation and informal interviews to deepen the data and triangulate the data. Apart from that, literature studies are used to use findings in the field with debates about governance and the prin-

ciples of good governance. In processing the data, this research uses ethnographic analysis, to understand the social dynamics, values, norms and patterns in the conflict over the development of a cement factory in the North Kendeng Mountains.

FINDINGS AND DISCUSSION

Forcing Capital Expansion: Good Governance and Bad Governance for Whom?

Efforts to mine karst rock and clay as part of the construction of a cement factory plan in the North Kendeng Mountains, Pati Regency, Central Java Province, Indonesia have created social conflict. In response to the development plan, residents in the ring 1 area of the cement factory put up resistance. The planned cement factory construction project by Sahabat Mulya Sakti Ltd (SMS Ltd), a subsidiary of Indocement Tunggal Prakarsa Ltd (hereinafter written as Indocement Ltd) in Tambakromo and Kayen Districts, Pati Regency will use an area of 2,868 hectares, consisting of 2,025 hectares for karst rock mining, 663 hectares for clay mining, and 180 hectares for factory construction. They estimate that the raw materials in this area will last up to 60 years (see Table 1) (Novianto, 2016).

There are two parties that are competing with each other in responding to Indocement Ltd's capital expansion into the Kendeng Mountains, Pati. One party, namely the Local Government of Pati Regency and Indocement Ltd, fully support the development of a cement factory. They assess that this development will increase locally generated revenue, open up employment opportunities, empower local communities, and provide other trickle-down effects. Meanwhile the other party, namely the anti-cement-factory movement (ACFM), is against the expansion of Indocement Ltd which is considered to damage the ecosystem and is detrimental to society. For them, instead of improving the economy, this development will destroy the people's economy—will damage the springs which have been a source of agricultural irrigation and a source of the community's clean water needs.

Before Indocement Ltd attempted to expand in Tambakromo and Kayen Districts,

Pati in 2010, Semen Gresik Ltd made similar efforts in 2006 in Sukolilo District, Pati. However, Semen Gresik Ltd's efforts failed in 2010, after receiving strong resistance from the ACFM and when they lost the decision in court because legal procedures were not carried out according to the rule of the law—the Environmental Impact Analysis (EIA) should have been issued first before the environmental permit, but in the case of Semen Gresik Ltd, the EIA was only made after an environmental permit was issued (Novianto, 2016). The case of Semen Gresik Ltd's failure, was also triggered by the lack of transparency, accountability and participation in the cement factory construction licensing process. Karmani, a member of the Community Solidarity for the Kendeng Mountains/Jaringan Masyarakat Peduli Pegunungan Kendeng (JMPPK), said "from the start they [Semen Gresik Ltd] were dishonest, everything was manipulated, suddenly the permits were ready" (Interview December 07, 2014). This lack of transparency was carried out to encourage residents would sell their land to become a cement factory area. Bramantyo, JMPPK coordinator, said that "at that time the residents were lied to by Semen Gresik Ltd by saying they wanted to buy the land to plant jatropha trees, as an alternative energy source, not for a cement factory" (Interview December 24, 2014).

Semen Gresik Ltd, to ensure its capital expansion continues, also exercises coercive power. After the efforts to build a cement factory carried out by Semen Gresik Ltd became known, there were various protests from residents. Semen Gresik Ltd used thugs to block residents' protests and also persecuted ACFM to become pro-development. A total of 9 residents were even arrested and imprisoned for obstructing Semen Gresik Ltd management who were going to a prospective mining location. Until finally the local government issued a permit to build a cement factory, even though it barely involved community participation and the policy was taken unilaterally or top-down.

Learning from the experience of Semen Gresik Ltd which ultimately failed to expand, Indocement Ltd's efforts to build a cement factory in Tambakromo and Kayen Districts used a good governance approach.

According to Rahmadi from Pati Local Development Planning Agency (interview December 08, 2014), with the principles of good governance, the Pati Regency Government will not repeat the mistakes in the failed expansion case of Semen Gresik Ltd. Meanwhile, Indocement Ltd claims that its company adheres to good corporate governance (Indocement Ltd, 2018), thus emphasizing the rules of law, transparency, accountability, participation and social responsibility. Even though they claim to have implemented good governance, the majority of people still reject the presence of PT Indocement, considering that Indocement Ltd's expansion into the North Kendeng Mountains will threaten people's lives. Not wanting Indocement Ltd's development plans to fail, capital and the Pati Regency Government manipulated the principles of "good governance" to impose those development policies.

Participation

Indocement Ltd and the Local Government of Pati Regency, in planning to build a cement factory, are trying to involve community participation to comply with the principles of good governance. Rahmadi from the Pati Regency Development Planning Agency said "We always try to involve the community in the Indocement Ltd licensing process... but instead they take to the streets in protest, refusing to participate" (Interview December 8, 2014). From July 2012 to January 2015, there were 62 protests carried out by ACFM against the cement factory development policy (Novianto, 2016). Sawal, a member of Kendeng Community for Welfare/Lingkar Kendeng Sejahtera (Likra), said that "Initially we were involved, but our demand that Indocement Ltd's development plans be cancelled was only considered and only recorded" (Interview 05 January 2015). Sawal gave an example when the EIA Commission hearing took place on January 30, 2012, representatives from civil society had stated that mining by Indocement Ltd tended to be more detrimental to society than beneficial, "but still the permit was continued to the next process," said Sawal. This is what made ACFM choose to walk out and choose to protest outside the EIA courtroom, consider-

ing that their participation in the decision-making process was only to show that citizens were involved, while their voices were not heard.

The neglect of ACFM's voice in the formal agenda of Indocement Ltd's construction permit process has resulted in ACFM adopting various protest strategies. In the context of workers' voices, protest actions are a way for ACFM's voice to be heard and to fight against voice silencing. Various protests were carried out, for example through mass actions, blockades, expulsion, and giving social sanctions to people who were pro-Indocement Ltd (Novianto, 2018; Novianto et al., 2021). Every time there is an outreach effort, collecting data for EIA, Indocement's CSR program, the arrival of Indocement Ltd management, and even formal licensing meetings, ACFM always carries out mass actions. In villages that have a strong ACFM base, every time a resident accepts Indocement's CSR or is judged to be pro Indocement Ltd, they are even expelled from their village. This action is part of discipline for a larger interest, namely protecting environment and community livelihood.

As a result of the refusal of the majority of the community to compromise and follow the licensing process for building a cement factory, Indocement Ltd finally chose to manipulate community participation. The residents who were invited to take part in the formal agenda for the cement factory licensing process were paid people, not purely out of conscience. For example, Karnawi, who was paid Rp 200,000 to attend the EIA Commission hearing on January 30, 2012. Karnawi was recruited by Parjiman, who was a neighbour in his village and a member of Jangkung Masyarakat, a group of thugs fostered by Indocement Ltd. Karnawi stated that when he arrived at the hearing, he and the others had been instructed to say "agree to the agenda for building a cement factory" (Interview January 15, 2015). Meanwhile, Parjiman said that during the EIA Commission hearing, he was paid Rp 700,000 to find 15 residents (each of whom was paid Rp 200,000-250,000) to act pro-cement factory when the EIA hearing was held (Interview August 05, 2015). In this context, the participation carried out is manipulative, the aim of which is to get citizens

involved in the licensing process and to ensure that capital expansion takes place.

Rule of law

Learning from the experience of Semen Gresik Ltd which failed to expand to Pati Regency because it violated regulations, Indocement Ltd is trying to follow the rule of law. Prior to Indocement Ltd's expansion efforts, the Spatial Plans (Rencana Tata Ruang dan Wilayah) area of the Kendeng Mountains in Tambakromo and Kayen Districts was a protected area. To make way for capital expansion, the Kendeng Mountains Spatial Plans was changed by the government, from a protected area to a mining area. Haryanto (Regent of Pati at the time), when responding to the revision of the Spatial Plans Regulation which has been running for five years since 2011, revealed that the Pati Regency Government is trying to revise the Spatial Plans Regulation so that it can accommodate investment interests that can drive the economy. Furthermore, Haryanto said, "We emphasize that the Regional Spatial Plans must accommodate investment matters. Don't let investors who want to invest adjust the Regional Spatial Plan" (Metrotvnews, 10/05/2016).

In response to changes to various regulations to facilitate capital expansion, ACFM carried out various protests. ACFM held demonstrations at the Regent's office, Regional People's Representative Assembly, and the Environmental Agency. The demand for these actions is that the Kendeng Mountains area, Pati Regency, is not changed to facilitate cement factories, but remains a protected area. One of the action posters from ACFM on July 16, 2013 that is "Fake Spatial Plans and EIA, People are Victims", which shows a protest against the EIA which was made simply to get mining permits issued. When around 5,000 residents carried out a mass action in July 2015 by blocking inter-provincial roads demanding the revocation of the permit to build a cement factory, the Head of the Pati Regency Environmental Agency, Purwadi, said this action would not be able to revoke the Regent's decision regarding granting an environmental permit to build a cement factory. "The basis for granting permits has gone through a se-

ries of stages and mechanisms that can be accounted for before the law," said Purwadi (Tempo, 23 July 2023). In this context, the rule of law as a legal framework should be enforced, created to facilitate the construction of cement factories, despite rejection from society.

Consensus oriented

In good governance, consensus oriented is one of the principles that mediate between interests to achieve a broad consensus on what is in the best interests of the group (Graham et al., 2003). In every decision, even if it does not achieve what is desired optimally, a common minimum can be achieved which does not harm anyone. Based on the Environmental Impact Analysis (EIA) survey from Indocement Ltd in Pati, it shows that 67% of the community rejected the construction of a cement factory, 13% accepted it, and 20% did not answer. Apart from that, every time there is an agenda for obtaining a permit to build a cement factory, thousands of residents take to the streets to oppose the process. This means that the majority of people reject the agenda for building a cement factory.

To get support from residents, amidst the great resistance, Indocement Ltd runs the Indocement CSR program. Billions of rupiah were disbursed to residents through various programs. Instead of being openly accepted, Indocement's CSR received rejection from residents, it was seen as Indocement Ltd's way of bribing residents to become pro-cement factories (Novianto et al., 2021). Consensus also seeks to be built by capital by mobilizing paid citizens in the formal agenda of the licensing process, so that it appears that the majority of people in the forum approve of the construction of the cement factory.

Equity and inclusiveness

The fourth principle of good governance, namely equity and inclusiveness, emphasizes opportunities for people to improve or maintain their well-being and ensures an equitable society. The capital expansion by Indocement Ltd in the Kendeng Mountains was placed by the government as an effort to

increase economic growth whose effect will provide prosperity for the community around the factory area. However, ACFM has a different claim, assessing that Indocement Ltd's capital expansion tends to be detrimental to the community due to environmental damage, loss of water sources, eviction of farmers from forest land that will become mining areas, and can cause health problems due to dust in mining activities.

Considering environmental aspects and the threat of decreasing community welfare, ACFM rejected the construction of a cement factory. Even so, Indocement Ltd and the government continue to maintain their narrative, that the construction of a cement factory will create economic growth which will create a trickle-down effect that will improve the welfare of society. This forced narrative shows that the aspects of equity and inclusiveness do not work, because the voices or aspirations of the people who reject capital expansion tend to be ignored.

Effectiveness & efficiency

In Indocement Ltd's capital expansion efforts, it was claimed that the rejection from the majority of citizens was due to the public's ignorance about the government's will to improve. Rahmadi, who is an employee at the Pati Regency Development Planning Agency, revealed that "the area there [Kendeng Mountains] is a dry and barren area, it will have economic value if Indocement Ltd investment can come in" (Interview December 8, 2014). In this context, the government as development planners position themselves as "experts" who know what is best for society (see also Li, 2007). According to these experts, an effective and efficient step to meet society's needs is to construction of a cement factory. Nevertheless, ACFM still rejects Indocement Ltd's capital expansion and believes that they tend to know better what is best for their community (Novianto, 2016).

Amid irreconcilable differences in interests, that is, on the one hand, most people reject capital expansion, on the other hand, the Pati Regency Government and Indocement Ltd agree to build a cement factory, so there is no win-win solution. In practice, the

state actors and companies enforce their discourse, that the construction of a cement factory will effectively and efficiently solve the problems faced by the community.

Accountability

Accountability as a goal for improvement and responsibility to the community does not work in the construction of a cement factory conflict. In planning to build a cement factory and in the licensing process, the government tends to be irresponsible, where every process tries to be done clandestinely with the aim that people who reject the cement factory do not know about it.

Transparency

Transparency, as part of the principles of good governance, in the construction of a cement factory did not occur. The research process in EIA, the licensing process for building a cement factory and also the implementation of Indocement's CSR program were carried out in a non-transparent manner. Murtini, a female JMPPK activist, said that getting EIA documents from Indocement Ltd was very difficult because they could not be accessed openly. "Everything was hidden, secretly, if they were not protested continuously, they would not provide the documents" said Murtini (Interview December 12, 2014). Likewise regarding the implementation of Indocement's CSR, there is no transparency because the program is carried out secretly, to break up the movement against cement factories (Novianto et al., 2021). In several protests carried out by ACFM, media coverage was also blocked by Indocement Ltd, some media were paid to not broadcast news about the protests (Novianto, 2016).

Even though in some cases they do not implement transparency, Indocement Ltd and the Pati Regency Government claim that they are transparent. Darmadi, who works at the Pati Regency Integrated Licensing Services Office, said that "all the processes can be seen, when the environmental permit is issued it is immediately posted on the Pati website" (Interview 19 May 2017). The same thing was mentioned by Prapto, Indocement CSR management in Pati, who as-

essed that they had tried to be transparent but as a result the residents were rejected and expelled, so they carried out the program in secret, to protect residents who received Indocement CSR from threats (Interview May 23, 2017). The claim that it has been transparent is made by state and private actors, even though various evidence shows that many things are not transparent in the Indocement Ltd licensing process.

Responsiveness

In the principle of responsiveness, amid an irreconcilable conflict of different interests, between the ACFM and Indocement Ltd, "serving all stakeholders" is not possible. In practice, responsiveness is carried out for those who agree to invest in cement plans. In several cases, in order to discipline government officials at the village level who had a position against building a cement factory, the government deliberately did not pay their salaries on time and did not provide them with various road construction projects and other facilities in the area (Novianto, 2016).

The use of good governance in Indocement Ltd's capital expansion plans to the North Kendeng Mountains, as the data shown above, is not based on efforts to ensure the continued practice of democracy and justice. However, the principles of good governance are manipulated to ensure that the legal process which is the basis for the capital expansion process can run. The principles of good governance are manipulated to suit the interests of capital, and are used to discredit the voice of the people who reject Indocement Ltd.

People's Movement Against Governance and the Principles of "Good Governance"

The implementation of governance and good governance principles, which are generally considered to be something good, has received rejection from the people in North Kendeng Mountains. The people's rejection was due to the implementation of governance in public management and policy making has destroyed democracy. Due to governance theory which emphasizes the voice of the private actors equal to the voice

of the people, with economic power, the private actors can influence the state actors and even civil society to agree to the interests of capital accumulation. This condition is why, when the majority of the public demanded a stop to Indocement Ltd's capital expansion, it was not fulfilled, the private sector still wanted its capital expansion to continue. What happened was that the Pati Regency Government showed its support for capital, by helping and providing various conveniences, considering that Indocement Ltd's investment was part of efforts to create prosperity.

Meanwhile, the application of the principles of good governance in practice is used to divert substantial issues regarding the people's rejection—protecting the environment and implementing substantial democracy—into technical issues such as transparency, accountability, participation and efficiency. The principles of good governance then become a tool for capital to justify imposing policies to build cement factories that they want. In that context, the principles of good governance are used by the Pati Regency Government and Indocement Ltd to silence the voice of the community and only accept votes from the community that are by the interests of capital.

Amid policy coercion to facilitate capital expansion, ACFM carried out various forms of resistance. The forms of resistance carried out by ACFM include strategies, one of which is expulsion and social sanctions, scientific research, mass action, and taking control of the village government. The explanation regarding the strategy from ACFM is as follows:

Expulsion and social sanctions

The people who reject the cement factory, which is the majority, in response to the participation and consensus manipulation carried out by the government and Indocement Ltd, carry out expulsion and social sanctions against residents who receive money or Indocement's CSR who then make their political choices to agree to the construction of a cement factory. This step of expulsion and social sanctions was taken, to discipline residents to continue to support ecological sustainability from the threat of

cement factory mining. Nurdin, one of the Likra members, said that there were residents who did not dare to return to their village for more than a month because they were expelled and received social sanctions from the community for becoming support a cement factory after receiving Indocement's CSR (Interview January 03, 2015). Nurdin further stated, "social sanctions used to be very heavy... to the point that those who had stalls in their homes [which supported cement factories] went bankrupt because local people didn't want to shop there".

Making scientific research

The lack of transparency, accountability and participation in the preparation of mining permits and the rule of law, for example in the case of obtaining permits for the construction of a cement factory through an EIA scientific study, the movement against cement factories doing their version of scientific research. This was done because the data in the EIA study used to justify the construction of a cement factory did not match the facts on the ground. For example, of the 139 water springs in Indocement Ltd's Mining Business Permit, only 24 are mentioned, out of 24 caves only 13 are listed, and even 7 ponor in the Kendeng Mountains are not mentioned in the document (Novianto, 2016).

Mass action

ACFM's voice was not heard and was not taken into consideration in deciding the policy to build a cement factory, that makes mass action a step to show power. The purpose of the mass action is to influence policy, so that the government complies with the voices of the people and does not impose policies that permit the construction of a cement factory. During 2.5 years, from July 2012 to January 2015, a total of 62 mass actions were carried out by ACFM (both JMPKK, Likra and other grassroots organizations) against Indocement Ltd's capital expansion in the North Kendeng Mountains.

Take control of the village government

In several villages that became ACFM bases, most of the village officials were

asked to make a statement refusing to cement factory development plans. When village officials rejected ACFM's request and continued to support Indocement Ltd, they will be replaced through a people's meeting to elect people who are by the interests of the majority of residents who reject the cement factory. ACFM seeks to build democracy from below, as a way to defend their environment which is threatened by capital expansion. Another resistance carried out by ACFM was also by not electing candidates who supported the cement factory. For example, in the 2017 Pati Local Election, ACFM was involved in the movement to support the empty box when the sole candidate was Haryanto, who while serving as Regent approved Indocement Ltd's capital expansion (Novianto & Wulansari, 2023).

CONCLUSION

With the case study of the construction of a cement factory conflict in Pati, we can see the role of governance and the principles of good governance which have become a trojan horse for the interests of capital accumulation. Governance and the principles of good governance are generally narrated as democratic and pro-society. This article shows otherwise, governance and the principles of good governance in practice are full of limitations and provide space for anti-democratic manipulation practices, to facilitate the interests of capital. Amid the limitations of good governance and the agenda to force the construction of cement factories, the ACFM resisting governance and the principles of good governance, as an effort to protect the environment and maintain democracy from below.

For people whose lives are threatened by development, what is called "good governance" is "good" for capital, but "bad" for the environment and the people. Currently, the resistance from the ACFM has won, when the plan to build a cement factory by Indocement Ltd in the Pati Regency is ultimately not carried out. Theoretically, this article contributes to explaining that the notion of "governance" and "the principles of good governance" are ideas that tend to facilitate capital interests. Meanwhile, practically, this article provides information about

how "governance" and "good governance" work in providing a red carpet for capital. With this knowledge, it can provide provisions for the people's movement so that they are not deceived by false promises about good governance.

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