

CHAPTER II

LITERATURE

2.1 Public Administration

2.1.1 The Definition of the Public Administration

Based on Mufiz in Darmadi and Sudikin (2009:8) public administration is a science which study on the cooperative activity in public sectors. Because of that, public administration is a branch of administration science. So, all the theories, concepts, and analysis is used in the administrative science and used in the public administration science.

The term of public administration has some definition. The first thought looking that public administration as an activity which is done by the government which the executive institution. For example, based on Willoughby in Darmadi and Sukidi (2009:9) said that, *administrative function is the function of actually administering the law as declared by the legislative and interpreted by the judicial branches of goverment.*

The second thought looking the public administration in wider point of view more than the discussion about the executive institution activity. But in the other side, public administration includes all the activities of the three branch of the government; legislative, executive, and judicative. All of the branch for giving service to the public. Based on Caiden in Darmadi and Sukidi (2009:9) said that “Public administration including all the sectors and activities which become the

government policy target; including formal process and the DPR activities, the functions that are used in the court environment and activities of the military institution”.

Caiden also explain that public administration is a function of making a decision, goal formulating planning, target on gathering cooperation with the DPR and public organization for getting support from the society and found for the government program, stabilization, employee monitoring, leadership, controlling communication and other function which is operated by the executive institution and the other government institution.

2.1.2 The Function of Public Administration

Based on Gullick in Damai Darmadi and Sudikin (2009:112), the functions of public administration are:

a. *Planning*

Techniques or methods of goal determining which implemented by the executive as a tool to prepare a set of action in an organization in the future.

b. *Organizing*

Organize the structure and process of organization in the appropriate way and important in reaching the final goal.

c. *Staffing*

Recruit and employ personnel for doing the important duty of an agent.

d. *Directing*

Monitoring the actual process in doing the duties.

e. *Coordinating*

Integrate all the element details of the duties in the cooperation with the other unit and other people in the governing.

f. *Reporting*

Investigate and communicate the work advancement inside the organization.

g. *Budgeting*

Fiscal activities and finance which important to support the implementation of the programs, services, activities in economy.

2.2 Good Governance

2.2.1 The Definition of Governance

Based on Frederickson in Chairun and Hermawan (2010: 40) “The word governance is probably the best and the most generally accepted methapor for describing the patterns of interaction of multiple organization system or networks”.

Frederickson explain that the public administration system which is modern in the governance paradigm is marked by the existent of work network in vertical and horizontal among the elements in the society, such as governmental, non-governmental, quasi-governmental, profit, non-profit. Those elements are giving control to each other, having access and equal ability, then build a cooperations for creating the social orderliness and overcome some public problems.

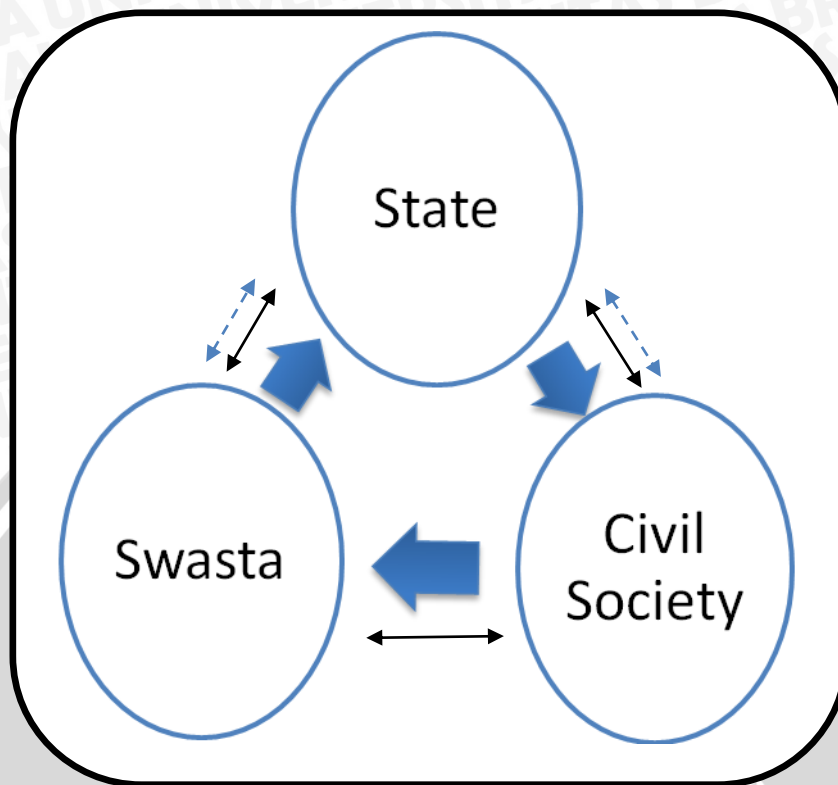
2.2.2 The Definition of Good Governance

Good in good governance based on the state administration institution in Widodo (2001:23) has two definition. The first is values that pay a high respect on the citizen intention or desire and values that can increase the citizen ability in reaching the national goal, the continuity independent development and social justice. The second is functional aspects of the effective and efficient governance in carrying their duty in reaching those goals.

Based on the other definition, LAN then explain that good governance oriented in: the first, state ideal orientation which is directed to the national goal realization; the second, government which has ideal function in effective, efficient in realizing the national goal.

The first orientation refer to the democratization in the state life with the constituent elements such as, legitimations (is the government chosen and get the trust from the citizen) accountability, scuring of human right, authonomy and devolution of power, dan assurance of civilian control. Whether the second orientation depend on how far the government has competency and how far the structure and the politic mechanism and also the administration has effective and efficient function.

Based on the explanation above the form of good governance by LAN in Widodo (2001:24) is implementing the solid and responsible state government in efficient and effective by keeping the synergy of interaction which constructive among the state domain, private sector and society.



Source: Chairin Nasirin and Dedy Hermawan 2010

Picture 1: The balance interaction among the three pillar of good governance

2.2.3 The Characteristic of good governance

Based on United Nations Development Program (UNDP), in Widodo (2001:24) in the paper identify the characteristic of a good governance system that is: "legitimacy freedom of association and participation and freedom of the media, fair and established legal frameworks that are enforced impartially, bureaucratic accountability and transparency, freely available and valid information, effective and efficient public sector management and cooperation between governments civil society organizations"

But in the next development, UNDP as explain by LAN (2000:7) in Widodo (2001:25), the characteristic of good governance as follow:

- a. Participant
Every citizen have a vote in the decision making, directly or through legitimation institution intermediation which represent their interest. Participation is built upon the freedom of socialization and speech also participate in constructive way.
- b. Rule of law
The law frame must be justice and must be done without discrimination, mainly for the human right.
- c. Transparency
Transparency is built based on the freedom of information. The process, institutions and information directly can be accepted by them who need it. The information must be easy to understand and must be easy to monitor.
- d. Responsiveness
The institutions and the process must serve every stakeholders.
- e. Concensus orientation
Good governance become mediator of the different importance for getting the best choice for the wider importance, in the policies or the procedures.
- f. Equity
Every citizen, male or female, have the same chance for increasing or keeping their wealthy.
- g. Effectiveness dan Efficiency
The process and institutions use sources which is available and use it as good as it can be.
- h. Accountability
The decision maker in the governance, private sector, and civil society have responsibility to the public and stakeholders institution.
- i. Strategis vision
The leader and the public must have a good governance perspective and the wide human developing and far forward in the line of the need in this development.

2.2.4 The Elements of good governance

Ganie – Rochman in Widodo (2001:26), state explain that in good governance there are four main elements, those are, accountability, rule of law, information and transparency. Bhatta in Widodo (2001:26) also mention the four

element of governance those are, accountability, transparency, openness, and rule of law.

2.2.4.1 Accountability

Accountability is a term which is implemented to measure whether the public fund is used in the right way for the goal where the fund is set and do not use in illegal way. (Hatry,1996:164) in Widodo (2001:26). In the development, accountability is used by the government for seeing the economy program efficiency accountability. Those activities are for seeking and finding if there are any deviation or inefficient or there are unimportant procedure.

Chalder and Plano in Widodo (2001:26) define accountability as “ferers to institution of checks and balances in an administrative system”. Accountability means, implementing the counting to the resources or authority that is used.

The Oxford Advance Leaner’s Dictionay as copied by the Institution of the state administration and finance monitoring institution and development (2000:21) in Widodo (2001:27) accountability is “required or expected to give an explanation for ones’s action” accountability is a responsible in giving a responsibility or answering and explaining the work on somebody action/law institution/leader of an organization to the sector who has the right or authority in asking explanation or responsibility.

The same statement is also deliver by Romzek & Dubnick in Widodo (2001:27) which is said “more broadly conceived, public administration accountability involves the means by which public agencies and their workers manage the diverse expectations generated within and outside the organization.

Strategy for controlling variety of hopes from the public administration accountability will involve two critical factors, (1) how the ability in define and control the variety of hopes which is implemented by all the special institutions, inside or outside the organization. (2) the whole degree of control to the hopes that had been defined by the agent. Based on the explanation above, accountability can be concluded as the responsibility of an individual or unit of an organization for taking responsibility on the management and resources controlling and policy implementation which is entrusted on him/her in order reaching the goal that had been set through responsible media in periodic.

2.2.4.2 Transparency

Transparency is more to the clearness of the formulation mechanism and policy implementation, program and project which is made and done by the government. A good government is a transparent government to the citizen, in central or local government. The citizen as an individual can know clearly without any secret about the public policy formulation and the implementation. In other word, all the policies and implementation of the policies in the central or local area must be done in the openness and must be known by the public.

2.2.4.3 Openness

Openness refer to the open of chance for the citizen in giving comment or criticism to the government which is considered yet transparent. A good government is an open government and transparent in giving data and

information which is sufficient for the society as the consideration in giving measurement on the government activities.

Openness based on Brautigam in Widodo (2001:28) divided into two kinds, the economy openness and politic openness. Economy openness, reflected from the market competition system with a little regulation by the government, also implemented a free trade regime with an open tariff system. Politic openness, refer to the competition pattern and tolerant to the differences in the process of decision taking. The agreement in every process of discussion in taking decision is not by intimidation or forcing self-intention to the other but through steps of argumentative which is effective to every opinions.

2.2.4.4 Rule of Law

The Principle of the rule of law can be defined, good governance has characteristic in the form of guarantee of the law assurance and society justice to every public policies that had been made and implemented. Because of that, every public policies and law regulation must be always formulated, set and implemented based on the basic procedure which is known by the public, also having a chance to evaluate it.

So a good government can be concluded as the governance which able to take responsibility on every behavior, action and policy that had been set in politic, law or economy and informed in openness to the public also open public chances for monitoring and if in the realization disservice the citizen. So the

government must be able to take responsibility and accepting the law demand on the activity.

Whereas the state administration institution in Widodo (2001:30) the realization of a good government in the governance can be seen through these aspects:

- a. Law/Policy
Law /policy are aimed to the protection on the social, politic, economy freedom.
- b. Administrative competence and transparency
Ability in making arrangement and doing the implementation in efficient way, ability in doing the simplification of the organization, creating discipline, and administrative model, the openness on the information.
- c. Desentralization
Regional desentralization and deconsentration in the department.
- d. Creating a competitive market
Market mechanism improvement, increasing the role of the home industry and other segment in the private sector, deregulation and governing ability in managing the macro economy policy.

Those explanations is clearly explain that in applying the good governance principles the government must be dare in taking responsibility and also create accountability mechanism or institutional structure for the development of the society participation. Nisjar, in Widodo (2001:31). Through the application of the good government principles, the local capacity utilization can be realized.

2.2.5 The Three Main Factors in Good Governance Concept

2.2.5.1 State

Among the most important duties of a state in the future which is created by the politic environment is realizing the continuity of human development by redefine the government role in integrating the social economy

and protect the environment, protect the piece in the society, create politic commitment about the reconstruction of the economy, social and politic, supplying the infrastructure, decentralization and democratization of the government, empower the financial and local government administrative capacity, city and metropolitan.

Government institution will has an important role in protecting the environment, maintain the social harmonization, orderliness and safety, stabilization of the macro economy condition, increasing the income and supplying the public service and infrastructure which is essential, maintain the safety standard and society health by affordable cost, organize the economy activity that have a character of “natural monopolies” or something which can influence the wealthy of the citizen.

Government institution is also utilizing the citizen. They are intended to give services: give the same opportunity and give social inclusivity guarantee, economy and politic. The utilization is only can occur in a conducive environment in an institution which consist of the legislative system and selection process which is legal and judicial. The final goal of a state establishing is to create a wealthy society for the citizen.

Here are the role of the state in Nasirin and Hermawan (2010:46):

- 1) To create a stable condition of politic, economy and social.
- 2) To make an effective and justice regulation.
- 3) Supplying an effective and accountable public service.
- 4) To erect the human right and protect the life environment.
- 5) To manage the health standard and public safety standard.

In brief the role of the state is as; the decision maker, stability, facilitator, mediator, and dynamist.

2.2.5.2 Market

Market is a place for getting profit in financial so it become an income which implicated on the wealth of the society. The income can be get through a production process and exchange the goods and service. The role of the market is more oriented to the profit only.

The actor in this market scope the active private sector in the interaction in market system, such as: manufacturing, trade, home industry, big company, billionaire, multinational companies, finance institution and banking, capital market and so on.

The role of the private sector or market in Nasirin and Hermawan (2010:46) as follow:

- 1) Running the industry
- 2) Creating job opportunity
- 3) Supplying intensive for the employee
- 4) Increasing the life standard of the citizen
- 5) Maintaining the life environment
- 6) Obeying the rule
- 7) Transferring the knowledge and technology to the society
- 8) Supplying credit for the UKM development

2.2.5.3 Society

The realization of the good governance is not only depend on the state which able to govern in a good way and the private sector which able to supply job and income, but also depend on the society organization which facilitate the

social and politic interaction also mobilize the groups in society to involve in the social activity, economy and politic. The society organization is not only doing the “check and balance” to the government authority and private sector but also giving contribution and empower the two other main elements. Society organization can help in monitoring the environment, the decreasing resources, pollution and social harm, giving contribution in the economy development by distributing the economy development benefits in an equal spreading in the society, offering chance for the individual to increase their life standard.

The society organization can canalize the citizen participation in social and economy activities also organize them in a more potential group for influence the public policy. They have an important role in decreasing the potential effect from the unstable economy, they also helping as a facilitator to protect and empower the culture, religious belief and the other values. All those things are the role of the society in implementing the governance, development, and public service.

The definition of the society is an area, arena, or social life zone outside family, state and market, where the individuals are organizing and grouping for fight their importance (Fakih, in Habibullah, 2009). Some of the social organization are: LSM, KSM, religious organization, labor organization, social move and the other. Those organizations become facility to deliver their public participation and sharing the knowledge. So it become clear that business organization is produce a capital in profit oriented, whereas social organization is produce a social capital or public interest.

The role of the society in Nasirin dan Hermawan (2010:46), as follow:

- 1) To protect the society rights
- 2) To influence the public policy as the facility of check and balance
- 3) To monitor the government social abuse of power
- 4) To develop the human resources, facility to communicate to each other.

Relation between the government and the citizen is a complementary relation and balancing the lack and the strength of each other. That is why we need the constitution which we create together so we have a guide in our life order to make sure the role of each other is running in balance and harmonize. That also the reason why in democracy, the role of the state is limited in a scope as far it for the public interest. For more, the state must give and guarantee the individual freedom and society in making creation and express their aspiration for their advancement and wealth.

Based on those reason we identify market as instrument to fulfill the society needs. Market which create in the togetherness locus, which is guarantee by the state to distributed to the all individuals. The discrepancy occur when the access to the market is dominate by the state or the capital owner (capitalism and communism). Market must to be placed in an independent locus, separate from the sector which has a great possibility in dominate it. Market is public property.

The citizen power is the main power in typically strong and sovereign state. The citizen power is not a threat, but main capital for the state power. Besides that the citizen sovereign is the main goal of a state. A state must put the citizen prosperity in the highest place because a state is establish in the support and bless of the citizen. The history had proved, a strong state without a strong

support from the citizen will always be in threat of falling. A strong and sovereign citizen without a good quality of state implementer will always leave behind a conflict and at the end will beat down the state legitimation. There is no other choice, a strong state and market is a hope for a sovereign citizen.

The main key in understanding good government is by understanding all the principals in it. Based on those principals we can get a work measuring of governance. The good and the bad of governance can be measured if the government had been touch with all the principals of a good governance.

2.2.6 Partnership

The partnership is seen from the perspective of adaptation in etymological word partnership, and is derived from the root word partner. A partner can be translated to friend, soul mate, allies, and etc. While the partnership is translated in to alliance or friendship. Here, the partnership can be meant as a form of alliance between two or more parties who form a bond of cooperation on the basis of agreements and mutual needs in order to improve the capacity and capability within a particular line of business or a specific purpose so it can obtain better results in Ambar(2004:129)

Based on the statement above, so the criteria of the partnership are;

1. More than one side
2. Have similar vision
3. Have a deal
4. Need each others

The purpose of the partnership is to achieve better results, with the mutual benefit between the partner. Thus the partnership gives the advantages to each others, and no one was harmed or hurt the party. For the occurrence of a strong partnership and mutually lucrative as well as enlarge benefits requires a balanced commitment to one another.

Partnerships can be done by parties, legal entitles, individuals or groups. As for the parties to have the status of a partnership of equals, or subordinates, have the same mission, and different mission but co-exist and complement functionally.

2.3 Local Autonomy

2.3.1 The definition of Local Autonomy

The definition of a local autonomy based on Winarya surya adi subrata (1:1999) local autonomy is an authority for organize and maintain the local household, which cling to the unity state or federation state. In the unity state, the local autonomy is more limited than the federation state. The authority in organizing and maintaining the local autonomy in the unity state include all the government authority, except some businesses that are hold by the government:

- a. Foreign relation
- b. Court
- c. Monetary and Finance
- d. Defense and Safety

What had been mentioned above is called as wide autonomy. Whereas in federation state, a state runs a wide autonomy because each state can manage their own judicature and safety.

Local autonomy can be defined too as an authority gift from the central government to the local government for organize and maintain the society interest in their region based on their own initiative and based on the local society aspiration (law no.22, 1999, article 4, paragraph 1). The local authority scope the authority in all government sector, except the authority in foreign politic, defense and safety, monetary judicature, and fiscal, religion also the other authority (such as national planning policy and national macro development control, and finance balancing fund, state administration system and state economy institution) as had been set in article 7 in (Raharjo, 2006: 235).

About the governance sector which must be done by the local government include the public duty, health, transportation, education, industry and trade, capital investment, life environment, animal farm, cooperation and man power (article 11). Next, the local government has authority in managing the resources and responsible in maintaining the environment (article 10).

The local government duty is to serve the society. With a safe life and peaceful the society will be able to develop their ability and creativity in doing their own job in more proactive way.

2.3.2 The Function of Local Government

In implementing the governance, local government run their function as follow:

a. Arrangement Function

Arrangement function is showed through the existence of the local regulation. The arrangement function which can be ran by the local government is all the thing that related with the local interest which had been decided to be their own household, with the other word can be stated that the arrangement function which can be ran by the local government include all the thing in the local authority scope.

In the relation with the arrangement function is about the local regulation making, in here the involvement of the head of the district and DPRD is absolutely needed. The local regulation arrangement is from both side. Without any cooperation between them the local regulation won't be exist.

b. Utilization Function

With the demand from the local governance for being more independent, so the utilization in organization/institution which can be done is by deciding that the institution which can produce fund, and the institution which not able to produce fund become the responsibility of the local government (such as social institution). The fund for the institution which can produce fund have to be higher than the institution which cannot produce fund. In total, the fund which had been produced is higher than responsibility that taken by the local government. The social utilization can be done by giving stimulate so the society can be more

involved in the development and governance implementation, such as giving subsidy to the groups in society for implement the program that had been planned before, so the society will be more participate in the utilization function, the local government is hoped to increase the society role and private sector role for the development.

c. Service Function

All the institutions are hoped to give more services to the society. Besides that they have to be forced to produce fund. The legislative can increase their role in accepting society aspirations as the realization of the service function.

The local function implementation and DPRD is funded from and on responsibility of APBD, and the central government implementation is funded from and on responsibility of APBN (article 78). The fund sources of development in order to decentralization are as follow:

a. The Local Revenue (PAD) include:

- 1) Local taxes result
- 2) Local retribution result
- 3) The result from the local government company and result from local wealthy management which is separated.

b. Balancing fund

c. The legal local revenue

d. And many other

2.4 Fishery

2.4.1 Naval Sector and Coastal Area

In Budiharsono (2005:4) naval sector is a sector which managing and developing the naval resources and the supporting activities in continuity. The naval sector scope two elements and related to each other. The first is the lower course element, which relate to the exploitation or utilization, consist of the fishery, mining, archeology relict exploitation, naval energy, naval industry, naval transportation, naval tourism, naval building, trade, law erection, defense and safety. The second is the upper course element which more relate to the exploration which become the supporting element of the lower course, and consist of the improvement of the human resources, improvement of knowledge and technology of the naval, improvement of law institution and environment conservation regulation, supplying the data and information through survey and research, cohesiveness of the arrangement and structuring the naval space.

2.4.2 The Definition of Anchorage

Anchorage is a place which consist of land and water area around it with specific border for the governance activity area and economy activity which is used as a place for the ship to berth, anchor, the passenger up and down and unloading the load which is facilitated with the sail safety facilities and anchorage passenger activity also as a place for the transference of inter or intra transportation (PP 69/2001 about port and harbor).

Anchorage is all the things relate with harbor implementation activities and the other activities in implementing the anchorage function for supporting the fluency, safety, and the traffic orderliness, passenger and goods, sail safeness, transfer place inter or intra transportation also supporting the national and local economic.

Based on Ir. Aji Suraji, MSc anchorage is a knot of naval and land transportation system, and must be connected with the land transportation and completing with the facilities, such as special sail channel for the ship which anchor to the harbor, dock to tie up, loading and discharging and so on.

Requirements for the anchorage are:

- a. Must be able to protect the ship from the bad weather
- b. The deep of the water must be sufficient so the ship will still floating
- c. Must guarantee the easiness on the transference of the passenger and goods.

Anchorage based on the activities consist of:

- a. Naval Anchorage, such as:
 - 1) International anchorage, which is the main primary anchorage
 - 2) International anchorage, which is the main secondary anchorage
 - 3) National anchorage, which is the main tertiary anchorage
 - 4) Regional anchorage, which is the primary bait anchorage
 - 5) Local anchorage, which is the secondary bait anchorage
 - 6) River and lake anchorage
 - 7) Aggression anchorage, consist of:
 - a) Aggression anchorage inter province and inter country
 - b) Aggression anchorage inter- city or district
 - c) Aggression anchorage inside the city or district

b. Technical requirement of the anchorage:

- 1) The anchorage must be able to protect the ship from the bad weather as long as the ship is at anchor.
- 2) The anchorage is not at location which is has the fertilize hinterland with a crowded population.
- 3) There must be an easy relationship between the water transportation and land transportation, such as: the road and the train, so the goods can be carried from and to the anchorage in easy and fast.
- 4) Anchorage must guarantee the easiness of goods and passenger transference.
- 5) A minimum capital dredging and maintenance dredging.
- 6) The ships that reach the anchorage must be able to throw the anchor while waiting to tie up to the dock for loading and discharge the goods or filling the fuel.
- 7) The ship must be easy to get in and get out from the anchorage and free from the annoyance of the bad weather and wave.
- 8) The available of the ship moving space in the anchorage.
- 9) The water condition must be sufficient so the ship can float though the water is low, so it will need:
 - a) Tried to make the difference of riptide as little as it can, and also dissipate/reduce the sediment.
 - b) Sufficient deep of water.
- 10) Anchorage must has facility of loading and discharge and also storage to keep the load, also supply the sufficient tools of loading and discharge.
- 11) The making of dock is tried in such a manner for:
 - a) The beginning cost and the maintenance cost is minimum, but able to carry the tools and the collision when the ship tie up to the anchorage.
 - b) The location and the shape of the moorings able to carry all the kinds of ships with the draft and or variety of length.
 - c) Have sufficient dimension to do the loading and discharge.
 - d) Can be done the special loading and discharge.
- 12) Have enough places of transit storage and open storage to carry the load.
- 13) Fasilitas prasarana lain yang mendukung, yaitu air bersih, listrik, telepon dan minyak yang cukup untuk melayani kapal dan muatan;
- 14) The loads have to be free from any troubles, such as: stealing and fire.
- 15) The available of maintenance facilities, at least for the ship or the tools.
- 16) The available of office facilities for the employees in the anchorage.
- 17) Possible to develop the anchorage.

2.4.3 The Definition of Dock

Dock is moorings facilities, where the ships tie up for loading or discharge the loads or passenger. Which mean as moorings, include quay walls, mooring buoys, mooring piles, piled piers, pontoons, light docks, and railway track.

Moorings facilities need to be placed at up to standard place:

- a. Natural condition such as topography, weather and sea phenomena.
- b. Navigation of the ships
- c. Condition of the water area utilizing around the mooring.

2.4.4 Fish Auction Area

Based on Abdullah and Hariyanto (2004) the fish auction area (TPI) is an important facility and become the key in the fisher development, with the main mission, improving the fisherman prosperity, production data center, and local revenue resources (PAD). TPI is the development aortae and improvement of the fisher area which determine the good and the bad of the development and the improvement of the fisher area.