

Economic Empowerment of Small and Medium Scale Businesses in Trenggalek District

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ABSTRACT

Along with the policies in the local government system, where the tasks and responsibilities of the government are given more burden to the local government, the local government of Trenggalek in 2013 stipulates Regulation No. 72 of 2013 on General Guidelines Trengginas (Trenggalek District Economic Program), in efforts to spur the economic growth of the community based on micro, small and medium enterprises that developed in the community environment Trenggalek District. The purpose of this research is to describe and analyze the economic empowerment of community effort of Trenggalek Regency, so it can be found the most relevant model in the development of community economic business of Trenggalek District. The method used in this research is qualitative research method using stages of research as the theory proposed by Hubermas (1988), which starts from the data collection, reduction and the last data analysis to describe the results of research obtained by researchers. The result of the research shows that the economic empowerment program of Trenggalek people's economy is more emphasized on the economic effort of the people whose raw material is mainly found in the environment of Trenggalek Regency, namely the processing of Casava, the raw material comes from cassava, the production of tile production from the soil clay located in the region of Trenggalek District. These efforts are mostly done by the people of Trenggalek district, which is generally done by small-scale production (home industry) that develops in the community of Trenggalek District, with skills that are passed on through family business.

Keywords: Empowerment, Economy, MSME, Trenggalek.

Introduction

Government reform in the Republic of Indonesia in the 1990s has resulted in a more autonomous regional government system and more authority in governance and development efforts in the region. A decentralized system of government as a result of the economic crisis has led the central government in Indonesia to release its various authorities and responsibilities to local governments. This can be seen with the issuance of Law No. 22 of 1999, where the local government is given the authority to pass various policies in the exploration and exploitation of natural resources owned by the local

government both Regency and City throughout the territory of the Republic of Indonesia. Along with the accelerated development of natural and human exploitation in Indonesia, it has provided a great acceleration of prosperity to certain groups of people who have the opportunity and ability to access these natural resources for their prosperity and prosperity. However, on the other hand, it has also affected the impoverishment of those who do not have access to the exploitation of nature, and has even caused absolute impoverishment to communities who are totally unable to access the natural resources for their lives and livelihoods. In this regard, the process of impoverishment among the people of Indonesia, which continues so far should be pursued systematically, neutral and not touching only on certain people, both because of tribe, religion and race. Post reform, with the establishment of an autonomous regional government system, has provided an opportunity for local governments to improve their performance in an effort to improve the economic welfare of their local communities. There is even a process such as competition of local government in an effort to improve the welfare and prosperity of local communities, so that autonomy is really soon can be utilized for the benefit of development and welfare of the people of the area.

Trenggalek Regency as one of regencies in East Java, is a relatively lagging region compared with other districts in East Java. Therefore there needs to be a strategic study to accelerate the development process and efforts of prosperity for people in the area so as not to lag behind other areas. This is important considering Trenggalek Regency, the potential of having considerable natural resources and human resources, which can be used as the basic capital to be managed so that the economic activities of the community can be driven and developed for the benefit of their prosperity. The process of accelerating economic development as an effort to improve the prosperity and welfare of the community must be in line with the Medium Term Development Plan (RPJMD) of Trenggalek Regency Year 2010-2015 which carries the mission of "Realizing an Independent, Competitive, Democracy and Environmental Sustainability". In addition, it should also be tailored to the central government program, especially the Master Plan for the Acceleration and Expansion of Indonesian Economic Development (MP3EI) in 2011-2025 stipulates that Java Economic Corridor is a center of industrial and service development (MP3EI Proposal Preparation Proposal, 2013). The development of MSMEs (Micro, Small and Medium Enterprises) is generally a business that is able to absorb more labor because of low technology, low capital and labor intensive. Besides, this small business is generally done by the local community, and not because of concerned from capital investment from outside area. In addition, theoretically it is believed to be able to increase inclusive economic growth because the MSME sector is able to absorb a large enough workforce, does not require high capital and relatively unaffected by fluctuations in the ups and downs of foreign exchange rates. On the other hand, the development of regional community efforts does not rule out the possibility of other potential seeds whose development is considered prospective to lift the populist economy which in turn is expected to improve the welfare of the community in Trenggalek Regency. Based on the description, then in this research set the title of research as follows: "Economic Empowerment of Micro Small Medium Enterprises in Trenggalek District."

Formulation of the Problem

Based on the above description, then in this study can be presented the formulation of the study problem as follows: "How is the development of Micro Small and Medium Enterprises in Trenggalek District in increasing its economic effort?"

Research Purposes

The purpose of this study are: "To describe and analyze the development of micro small and medium enterprises in Trenggalek District".

Literature Review

The Central Role of Regional Government in Community-based Economic Development of UMKM

The "third wave of democratization" and the transparency that has swept the world's governments, particularly in developing countries including Indonesia, the substance is the demand for the best public service from the government bureaucracy (Huntington, 1989). "Public complaints about the services provided by the government apparatus, especially the front-line bureaucracy, need to be examined and strived for a way out so that the interests and needs of the community are protected and satisfied" (Islamy, 2000). Various thoughts on improving government bureaucracy to better serve the community are: Reinventing Government (Osborne & Gaebler, 1992), Creating A Government That Work Better & Cost Less (Gore, 1993), Banishing Bureaucracy (Osborne & Plastrik, 1997), and others. These ideas, in recent years, have resulted in improving the performance of the bureaucracy to provide services to the public as a whole, to satisfy all parties without any discrimination. More clearly the idea of public service can be seen in the opinion of Denhardt & Denhardt (2003), in his book *The New Public Service*, as follows:

The spirit of public service extends beyond those formally working for government, those we think of as public service servants. Ordinary citizens have also wished to contribute. However, the avenues through which they might have a lot of talents to bear have somewhat limited, in part, we think, because over the past several decades we have severely constrained the citizenship role, preferring to think of people as customers or rather than citizens (Denhardt and Denhardt, 2003)

It shows that the demands of the actualization of good governance of the people, by the people and for the people, become indispensable for the main concern, in line with the demands of the wave of democratization and transparency of governance in various countries today. In Indonesia during the New Order government, various improvements and improvements to local government bureaucracies have been implemented in the perspective of the central government during the 32 years of the New Order government. The actualization of bureaucratic improvements is not built to serve the community, but within the framework of a centralized, authoritarian central government perspective to

serve the interests of the central government rather than to serve the public interest in the region. The centralized system of government and development, apart from not being able to produce a public service-oriented bureaucracy performance, has also led to differences in the progress and welfare of the people that are very far between the people in the central government and in the regions. Similarly, the construction of various other infrastructures, has led to a far-reaching development gap between central and local governments. Thought and awareness of the importance of public services in the region, for the equitable distribution of development has actually existed through efforts to strengthen local government as a public institution directly related to the community.

As proposed by the then Minister of Home Affairs, who proposed: "the possibility of deletion of Level I and autonomy is placed in Dati II only" (Surya, Thursday 15 / 11-1990). The same thing with the proposal, has also been proposed by prof. Selosumardjan: "In order for Province to be only administrative area, not autonomous region. Thus, the Level-I Regional House of Representatives (DPRD) needs to be abolished and autonomy is placed in the second-level regions, as well as villages to become autonomous regions ". (Surya, Thursday, 15 / 11-1990). The thinking is very reasonable because the District / City Government is the "focal point" or the leading estuary of various development and governmental implementation closest and directly dealing with the people (Effendi, et al, 1991). Various efforts to improve the performance of bureaucracy in public service, has also been done with the issuance of Decree of the Coordinating Minister for Supervision of Development and Utilization of State Apparatus no. 81/1993 on Guidelines for Public Service Management. However, its implementation in the field is still far from expectations because the regulation is still framed by Law No. 5 of 1974 on the Principles of Governance in the Region, co-opted by the spirit of centralization of the New Order regime. The reform of government with the spirit of decentralization, to give greater authority to the Regional Government, in order to reduce the central government's hegemony to the region and the striking differences between the central and regional governments, has been politically done with the enactment of Law no. 22 of 1999. The law even though has been enhanced with the issuance of Law number 34 of 2003, is the actualization in the effort of giving authority to the regions in order to be more authoritative and more flexible in fulfilling the aspirations of the people and providing services especially to the people in the region. However, the reform of the system of government, it is not simply followed by reforms "in the public bureaucracy." (Dwiyanto, et al, 2002).

The existence of "corrupt, ruling, and unprofessional bureaucracy", and more service-oriented towards superiors is still ongoing, impressed by the political change: "whatever happens in the governance system will have no significant impact on performance improvement public service "(Dwiyanto, et al, 2002). Although the nation has been reforming the government since 1997, it has not been followed by significant reforms of bureaucratic performance in public services. Poor performance of bureaucracy in the public service: "based on the experience and perceptions of expatriates who are respondents (PERC research) that, among others, according to them, there are still many

high-ranking Indonesian government officials who take advantage of their position to enrich themselves and the nearest." After the reform efforts to realize the implementation of good governance (Good Governance), it has also been done with the enactment of Law no. 28 of 1999 on the Implementation of Clean Country from Corruption, Collusion and Nepotism. However, in practice, the emergence of these laws, not necessarily implicate the guarantee of good public services as well. Because some elements of accountability and public service standards, when examined in depth, there are still many aspects that must be considered to improve the optimal performance of public services. According Widodo (2001): "The implementation of public accountability, will be carried out effectively and efficiently when there are clear mechanisms of accountability and standards".

In other words to obtain assurance of accountability implementation there should be some standards or mechanisms that can be evaluated, and formulated as criteria and guidelines for public services. Efforts to address the issue, post-reform governments have sought to improve the performance of their bureaucracy, for example; with the issuance of Decree No. 46 of 2003 on Public Service Guidelines. In order for the bureaucracy to provide better service to the community, it has determined the quality standard of public service, that is through "6 Principles of Service Quality" and "10 Quality Service Quality" (<http://www.menpan.go.id>). The revitalization of public services in the regions to catch up with local governments on the central government has a very strategic dimension for the benefit of public service dissemination, population distribution, human resource development in the regions, equitable distribution of development and the results, and increased employment in the regions, democratization and others. Efforts to improve public services in the regions are heavily dependent on the implementation of regional autonomy, as good service cannot be separated from the ability and authority of the regions to organize front-line bureaucracy, especially various Public Service Offices in actualizing their best services to the community. This is because every activity of governing the final result must be accountable to the community or the people as the holder of sovereignty.

In Province of East Java, issues concerning the performance of bureaucracy in public services are still many that arise. Efforts to improve the performance of public sector bureaucracy have also been undertaken with various efforts to improve services, for example; through the Instruction of Governor of East Java, no. 12/1998 on the Improvement and Improvement of the Quality of the Service of the Government Apparatus to the Community. In the instruction, among others, it is stated that: "the quality of service of local government apparatus in providing services to the community still needs to be improved and improved" (Dinas Infokom, 2003). In the instruction, it is ordered that all heads of agencies, agencies and offices and regents in the East Java province make the following improvements:

1. Take coordinative steps with agencies / agencies / agencies within the local government to improve and improve the quality of government apparatus services to the public, a.l by: simplifying licensing services and other public services by reducing

bureaucratic links in the service process; improve service quality by easy, smooth, timely process and create the best service possible; implementing friendly, helpful and responsive service to public complaints; the apparatus must know and be able to communicate well with the community so that its existence feels real for the community being served; pioneered and improved integrated one-stop service.

2. Create work programs and develop activities that benefit directly felt by the masyarakat a.l by: directing development projects to empowerment and improving people's quality of life; conducting guidance, guidance and skills training that can foster productivity and develop the potential for community self-reliance; creating more opportunities for community participation in the implementation of development projects and improving service quality; develop a community partnership with the government in order to improve and utilize the products of the community.

3. Increasing the productivity of the government apparatus in order to organize and organize the internal organization, which includes: continuous personnel guidance so that the employees can become elements that are able to move the organization and perform well the tasks that are the responsibility; employee guidance system should be able to create an atmosphere of work that can encourage employees to devote all the energy, potential and ability in the execution of tasks; improve the welfare of both material and non-material employees and create a conducive working environment to support the achievement of organizational goals; and to reward high performing employees and continuously strive to improve staff discipline in the performance of tasks (Islamy, 2002).

Based on these instructions, it is expected that government officials in East Java can work better and professionally, in accordance with the standard of work quality that has been established, acting in discipline and professional and able to empower the people in providing services to the public. Based on these instructions, it is expected that government officials in East Java can work better and professionally, in accordance with the standard of work quality that has been established, acting in discipline and professional and able to empower the people in providing services to the public.

Research Method

The method used in this study, can be submitted as follows:

1. Research Design

The research design used qualitative descriptive research method, using qualitative research method from Miles and Hubermas (1984), in digging this research data also used method of group discussion. This method is very good for digging data from officials of Koperindag Agency, consultation both District and District level in Trenggalek District, because with this method they can express their opinions openly and in groups. Nevertheless, in the implementation of this dedicated group discussion, the researcher should be able to present the question problem in a way that is understandable and appropriate to the respondent (Muthir, 1991).

2. Object.

The object of this research is the perpetrators of MSMEs in rural areas in Karangan District District Trenggalek Regency, which has been defined that SMEs in the field of production of tile and mocaf (Modified Cassava).

3. Data Retrieval Techniques

Techniques used to collect data is by focus group discussion, observation and documentation. The focus of group discussions supported by the interviews was used to identify the interests and needs of the community of MSMEs and the surrounding community in the area of the research object. Observations are used to observe the conditions and potentials that can be developed through various existing ventures. Documentation method is used to collect data related to data stored in documents of Industry and Trade Office and Trenggalek Regency Cooperative.

4. Sampling Technique

In determining the sample, will start from the key person, the government livestock service of Trenggalek Regency and snow ball based on the recommendation of the key person. The other apparatus and farming communities of livestock, determined by some to be actively involved in the forum discussion group, as well as the methods specified in this study. With this method, it is expected to produce prototype model of SME diversification, in the form of prototype of guidelines or empowerment model based on local wisdom in the area under study, in a limited way.

5. Data Analysis Technique

From the object of the study, a comparative descriptive analysis was conducted to obtain a general conclusion, from the performance of the business diversification MODEL developed in the research area. The analytical technique used in this study is interactive model analysis as developed by Miles and Huberman (1984) consisting of 3 (three) analysis components, ie (i) data reduction, (ii) data presentation, and (iii) drawing conclusions. Reduction data is the first step of analysis to find the data that is most relevant to the research problem.

Research Results

Regional Overview of Research

Trenggalek Regency with an area of 126. 140 Ha, where 2/3 of the land is mountainous, divided into 14 subdistricts and 157 villages. While the sea area 4 miles from the mainland is 711.68 km. Geographically, Trenggalek Regency is located between the coordinates of 111 ° 24'-112 ° 11 'East Longitude and 7 ° 53' - 8 ° 34 'South Latitude. Administratively, Trenggalek District is bordered by:

- North: Tulungagung and Ponorogo districts
- East: Tulungagung District
- South: Ocean Indonesia
- West: Pacitan and Ponorogo districts



Source: Humas Kabupaten Trenggalek, 2013

Image 1: Map of Regency of Trenggalek

In the management industry activities recorded the number of companies amounted to 20,798 units with an investment value of Rp 4.146.513.086, - and the production value of Rp 33.877.783.310, - while the number of powered villages as many as 157 villages or has reached all villages with customers as many as 106,268 customers . Trenggalek regency has many attractions, 5 of which have been in use with the number of visitors during the year 2009 recorded 446,283 people. Meanwhile, in terms of the fastest road infrastructure, the road length is 999.07 Km where 897.90 Km is the regency road, where 33.66% is in good condition, 23.13% is moderate, 23.74% is lightly damaged and 19.42% is severely damaged. Trenggalek Regency in the era of regional autonomy has local revenue of Rp 714,585,000,000, - and regional expenditure of Rp. 731,129,000,000. The implementation of this development has yielded encouraging results with the economic growth rate in 2009 recorded 5.64% whereas the agricultural sector still dominates in the formation of GRDP which is 34.35% in the following services sector 21.36% trade, hotel and restaurant sector 18.74% while other sectors less than 10%. The income per capita of the population nominally reached 4.66 million rupiah. While in real terms reached 2.91 million rupiah. (Source: Kabupaten Trenggalek Dalam Figures 2013).

Based on statistical data (Trenggalek Dalam Angka, 2012), the result of population registration at the end of 2011 shows that the population of Trenggalek Regency is 813,418 people. Of the total population of 410,955 people (50.52%) were male, 402,463 (49.48%) were women with an average annual growth rate of 1%. The relatively large population is one of the potentials that can be developed in support of

regional economic development based on the potential of natural resources and the profession of the local community. Trenggalek Regency consists of 14 subdistricts. In implementing the empowerment of MSMEs, it should be in the form of community development coaches at the sub-district level, whose tasks are: "To provide technical and administrative guidance and consultation to community groups in the preparation of development programs in their respective sub-districts, to be proposed and coordinated at the District level." Economically, the structure, the whole community is classified into very poor communities: 10,664, Poor: 32,008, Almost Poor: 14,734 with total number: 57,406 (Source: BPS Kabupaten Trenggalek)

Program Priorities and Strategic Issues

Based on the above problems it can be concluded that a priority sequence of strategic issues to be considered by the government the district of Trenggalek is related to the issue: 1. Bureaucratic reform and public service 2. Equity and improvement of education quality 3. Increased access and quality of health services 4. Development of infrastructure and regional infrastructure facilities 5. Development of tourism, agriculture, marine and fisheries sectors cluster-based 6. Increased economy through community participation and gender equality 7. Environmental sustainability and awareness of natural disasters

Community Economic Empowerment based on MSME Development

Based on statistical data (Trenggalek Dalam Angka, 2012), the result of population registration at the end of 2011 shows that the population of Trenggalek Regency is 813,418 people. Of the total population of 410,955 people (50.52%) were male, 402,463 (49.48%) were women with an average annual growth rate of 1%. The relatively large population is one of the potentials that can be developed in support of regional economic development based on the potential of natural resources and the profession of the local community. The profession of the community in agriculture shows a declining trend, in which the profession in trade is increasing. The pattern of agrarian life began to be abandoned because of the economic aspects are less profitable, and less able to sustain the increasingly complex needs. In addition, with the development and knowledge of the people, who used to work in agriculture, many have turned professions, traders, development workers, and others outside agriculture. Trenggalek Regency consists of 14 subdistricts. In implementing the empowerment of MSMEs, it should be in the form of community development coaches at the sub-district level, whose tasks are: "To provide technical and administrative guidance and consultation to community groups in the preparation of development programs in their respective sub-districts, to be proposed and coordinated at the District level.

The priority of the MSME development program in trenggalek, is the development program of MSMEs incorporated in the business of tile production, with original raw materials from Trenggalek, through one village one product program. In order to empower MSMEs as a form of political promise of Trenggalek regency government, to raise the people's economy (wong cilik), Trenggalek regency government

launched 4 priority programs of MSME Empowerment. Acceleration of economic development needs to be realized immediately through the program of economic empowerment based on the Resources and the potential that exists in the community within the Territory Government of Trenggalek Regency. Acceleration is intended in addition to efforts to catch up with other districts, is also intended so that the four sectors can be a lever of economic growth in other sectors. With the hope of encouraging the growth of other sectors of the economy, in a sustainable and related to each other. Besides, it does not close the possibility of other potential seeds whose development is considered prospective to raise the populist economy which in turn is expected to improve the welfare of the community in Trenggalek Regency, for example the development of fish-based processing industry in Prigi, Munjungan and Panggul, as a maritime area with great natural potential, and so on.

Tile

As the population increases, the demand for homes increases. Home as a residence is a primary need after food and clothing. Physical house in Indonesia has a section of walls, roofs, doors, windows, and floor that is designed climate in tropical country. The existence of two seasons of rain and drought requires a roof that is resistant to both weather. In Indonesia most roofs are made of tile soil. This material is in addition to weather resistance, also light, strong and more economical in the treatment.

a. Understanding Roof

Roof tile is a roof cover house made of clay that is printed, burned and various shapes. Roof or tile is the main ingredient of roofing. The tile is made of various materials there from clay, organic materials, cast cement materials, etc. The shape and type of tile vary depending on the art from the manufacturer. Production of tiles in general is the use or utilization of natural resources in the form of land in the neighborhood of Trenggalek Regency itself, as well as materials used to burn the tile. The artisans in Trenggalek Regency generally use materials from the district of Trenggalek itself. So that almost all raw materials tile, all derived from existing materials in the environment Trenggalek District.

b. Kinds of Tiles in Trenggalek Regency

Basically there are various types of tiles in production in general are: 1. Clay tile This type of tile is made of clay that pressed (press in such a way) and then heated with embers of fire with a certain degree of heat. Durability This type of tile is very strong. Frame required in installation, locking mechanism or tile link in the support frame. There are several forms of roof tiles made of clay material: 2. Metal or Metal Tiles Installation of this tile is not much different from the tile from clay. The width of this tile accelerates the working time of a house. This type of tile usually requires a screw for installation because the weight of this type of cashew is light enough to be easily carried by the wind. Asphalt tile There are 2 forms of model that is flat model that is bolted on plywood and corrugated form that bolted on the roof frame. The wide and lightweight shape makes this

roof often used for roofs in additional buildings such as garages. 4. Glass Tile This tile is used so that sunlight can enter the room directly, thus saving electricity consumption for lighting. Material This tile is made of glass. This tile has a limited shape that is compatible or in accordance with certain types of tiles only. 5. Ceramic Tile This tile has quite a lot of color because at the time of finishing process coated coloring on the top (glazing). The main material of this tile is ceramic. Rely on wood or concrete frames. However, from the results of research that can be reported the craftsmen tile in the district of Trenggalek generally still use local materials, which is relying on tile material from clay. Various forms of prints and variations of its manufacture actually has the potential and a good attraction for consumers both local and domestic long-distance. From the results of the study that has been done by the Team, the largest producer of Genteng is in the environment of Gandusari and Tugu sub-districts.

c. Tile Making Tool

Actually the tool / technology has been widely used, but not many who try to maximize it. The design of the tile was as usual, no new creations. However, if the tool is successfully maximized, it will further increase the productivity of tile. Innovation of productivity improvement is what needs to be developed. The increase in question is, for example, if the rainy season arrives usually tile production will stop about three months, because only rely on one material manufacture (clay) that require sunlight. However, with this tool, production can still run with other materials (concrete tile) because it only needs to be allowed to dry. In addition, this tool also saves labor that sometimes the tile craftsmen also lack. Using this tool, the productivity of tile manufacturing will increase by 1: 3. Production of tile is usually about 50,000 pieces per month, but with this tool can reach 150,000 pieces per month. As said by Mr. Nurcholis (Interview date of October 13, 2013), "The business of making tile has lasted about 12 years ago, as a home industry Family business, the order is never less. But in the absence of capital, production to meet the market remains limited. This is because the production machine is still manual and the ability to produce is also very limited. Medium effort to increase capital by using banking services we dare not do because do not dare to be wrapped with bank debt. But if you get soft loan capital assistance from the local government is very happy when possible ". As for production, the number of production each day can reach 1,500 pieces of tile. Marketing has been done by marketing agents, with smooth orders but the supply of materials is always lacking. Possible development plans are to increase production, as stated by the owner of tile as follows:

"To increase the production need semi-automatic printing machine, the mesing has been made by tile company in Gandusari. The price of semi-automatic machines, worth Rp.25.000.000, - so it takes an additional capital of about Rp. 25 000.000, - to increase the amount of production to meet market needs ".

Casava

The basic principle of making flour MOCAF (Modified Cassava Flour) is with the principle of modifying cassava cells by fermentation. The growing microbes will produce pectinolytic and cellulolytic enzymes that can destroy cassava cell walls in such a way that liberation of starch granules occurs. This liberalization process will cause characteristic changes of the resulting starch in the form of rising viscosity, gelation ability, rehydration power, and ease of solubility. Furthermore, starch granules will experience hydrolysis which produces monosaccharides as raw materials to produce organic acids. These acidic compounds will be ingredients in the ingredients, and when they are processed they can produce distinctive flavors and flavors that can mask the smells and flavors of cassava that tend to discomfort the consumer. During the fermentation process there is also removal of the coloring components, such as pigments (especially on yellow cassava), and proteins that can cause brown color when heating. The impact is the resulting MOCAF color is whiter when compared to the usual color of cassava flour. In addition, this process will produce flour that is characteristic and quality almost resembling flour from wheat. So MOCAF product is very suitable to replace wheat flour for food industry needs. Current conditions indicate that MOCAF products are economically found to be much cheaper than wheat products that have been circulating in the market. Raw materials that are easy to cultivate, cheap price of cassava in the market today, and processing of flour that does not require high technology, make MOCAF price currently only ranges between 40-60 percent of the price of flour. This makes any finished product produced from MOCAF will be more profitable than wheat flour. So far the use of ordinary cassava flour due to its quality, is still very limited. For example food ingredients, such as flour substitution of 5% in instant noodles that produce products with low quality, or on the pastry. But the application of MOCAF flour with the characteristics described above, was able to produce food products that are very encouraging. Various trials have been conducted for the implementation of MOCAF since 2004, among others by:

- Noodle Products, Sentonese Indonusa (Karawang)
- Vermicelli Product, Three Pillars of Prosperity (Solo)
- Biscuit Products, Indofood (Cikampek)
- Snack Product, Garuda Food (Jakarta), Two Rabbits and Blessing of Aneka Pangan (Sukabumi)
- Various foods, Yayasan Kuliner Indonesia (Jakarta)

The results of the trial show MOCAF can be used as food ingredient with a very wide use. MOCAF turned out not only to be used as a complementary material, but can be directly used as raw material of various types of food, ranging from noodles, bakery, cookies to semi-wet food. With slight changes in the formula, or process, since these products are not exactly the same characteristics as wheat flour, rice or others, an optimum product can be produced. Brownish cake, steamed cake and spongy cake can be made with 100% MOCAF as flour. The resulting product has characteristics that are not

much different from the products made using wheat flour type low (soft wheat). As a product that develops its volume based on egg whisk, it is not difficult for MOCAF to replace the wheat flour. For taste, organoleptic test results with a standard prescription indicate that the panelists do not know that the cookies are made from MOCAF derived from cassava. These MOCAF-made cookies have high dehydration resistance, so they can be stored in 3-4 days without significant texture changes. MOCAF has also been tested for various cookies, such as cookies, nastar, and kastengel, where 100% flour uses MOCAF. The results show that the resulting pastry has characteristics that are not much different from those made using wheat flour type (soft wheat). It's just that, MOCAF requires less butter or margarine than flour to get a good texture. For taste, organoleptic test results with a standard prescription indicate that the panelists do not know that the cookies are made from MOCAF derived from cassava.

For wet cakes, MOCAF has been tested on traditional cake pie which is generally made from raw rice flour, or wheat flour with tapioca added. The results show that MOCAF can replace 100% flour or 100% flour. The resulting layer cake is soft textured and not hard. These results indicate that MOCAF can also replace rice flour which is currently increasingly expensive. In addition, there has also been a trial of flour substitution with MOCAF with plant scale. The results show that up to 15% of MOCAF can substitute flour in noodles with good quality, and up to 25% for low grade noodles, both from physical and organoleptic qualities. Technically, the process of making noodles does not experience significant constraints if MOCAF is used to substitute flour. The alternative of MOCAF application as another food ingredient is its use in baby food. With the properties of this material, technically it is not difficult to apply to this product. However, considering that baby food has special specifications, a careful study is needed to make this happen, for example: the study of flatulence causes of oligosaccharides that has been predicted to be solved during fermentation. Casava Industry in the home community The industry in Trenggalek Regency is experiencing a lot of lethargy due to unhealthy competition and power intervention in this business. In addition, the price of the purchase from the factory, erratic so that the cost of production becomes unprofitable. This is as felt by Ardoyo, so that the concerned trying to find another way to gain higher profits by making efforts, essence of cassava which is perceived to provide higher benefits in comparison with production in the form of Casava. This is as suggested by Ardoyo the cassava starch maker as follows: "We used to supply Casava to the factory, but due to the uncertain price we made the cassava starch itself. So we can get a more assured advantage than making our own Casava flour ". (Interview date of October 13, 2013).

Analysis and Discussion

Based on the data that can be collected above, then there can be done analysis and discussion as follows:

1. The Momentum of Regional Autonomy.

Regional autonomy as enacted in Law number 22 Year 1999, is a very strategic momentum for the region to show the performance in providing services to the public of

local communities, as well as in an effort to improve the ability of local governments with the community to participate in the competition in the era globalization today. The Regional Autonomy Perspective post reform, has a strategic momentum because, the meaning of regional autonomy after the monetary crisis of 1999 clearly different meaning in the system of government in the Republic of Indonesia. In the pre-crisis government (regional autonomy in the New Order era), the meaning of regional autonomy is in meaning when the central government with its bureaucratic chains is unable to reach various aspects of governance and development in the regions. So that autonomy is actually part of the rest of the government and the development of the central government (state) which is considered unprofitable to the central government and cannot be reached by the central government submitted to the region, so that autonomy is more meaningful as the rest of government and development by the central government is considered unprofitable power center. While the autonomy perspective post-Reformasi is as part of the process of deterioration of central government who experienced financial crisis to support the government and development. So that the local government is given the freedom to run the government and development and given the opportunity to the local community to more freely choose its leaders to run the government and development more widely its authority in various aspects of governance and development in the region. In this autonomy perspective, the central government has more role as the supervisor and supervisor of the implementation of government and development because only five things are the authority of the central government namely, Politics, Security Defense, Law, Religion and Foreign Relations.

All aspects of governance and development under the laws of regional autonomy, in submitting its authority to the local area. This is very important to be concerned because in fact globalization also means local to global or otherwise global influence to local community. This global local interaction, when addressed wisely as a challenge is also a golden opportunity for local products to compete in the global market, as the influence of the development of information technology and transportation enables the efficiency of trade and industry efforts to get closer to the source of raw materials that generally located in the area. The local government as a vocal point (Rianto, 1990), governmental and development activities in Indonesia, with wider authority for local government, enables local governments to deal directly with local communities, to be able to appreciate the wishes and needs of local communities. So that the services provided by the Regional Government, really optimally in accordance with the conditions of local communities, local wisdom can be maximally empowered, because the aspirations can be accommodated directly by the local government, given the short path of information and communication between local communities, institutions social and cultural community of local area with local government which have enough authority to provide maskimal service for local community.

2. Micro, Small and Medium Enterprises

Micro, Small and Medium Enterprises (MSMEs) is a business that does not have a large scale, its existence is limited only in the local area, so that its business base in general become the domain of local government. This MSME in detail can be described as follows:

- Micro Enterprises Based on Law Number 20 Year 2008 regarding Small Medium Enterprises (Micro and Medium Enterprises) is productive business owned by individual and / or individual business entity fulfilling the criteria of Micro Business as regulated in this Law.
- Small-scale business is a stand-alone productive economic enterprise, conducted by an individual or business entity that is not a subsidiary or not a branch of a company owned, controlled, or becomes part of the direct or indirect business of a medium-sized or large-scale business that meets the criteria Small Business as referred to in this Law.
- Medium-sized enterprises are stand-alone productive economic enterprises, carried out by an individual or business entity that is not a subsidiary or a branch of a company owned, controlled, or becomes part directly or indirectly with a Small Business or a large business with a net worth amount or annual sales proceeds as provided in this Law.

Criteria for Micro Enterprises pursuant to Law Number 20 Year 2008 Article 6, Micro Enterprises shall be productive businesses owned by natural persons and or individual business entities which have the following criteria:

1. Having a net worth of at most Rp 50 million does not include land and building of business premises; or
2. Have annual sales of at most Rp 300 million.

Characteristics of Micro Enterprises, namely:

1. The type of business goods are not fixed, may change at a certain period;
2. The place of business is not always permanent, may change at any time;
3. Have not conducted a simple financial administration and do not separate the family finances with business finance;
4. Human resources (entrepreneurs) do not have adequate entrepreneur soul;
5. The average education level is relatively low;
6. Generally not yet access to banking, but some of them have access to non-bank financial institution;
7. Generally does not have business license or other legal prerequisite including Taxpayer Identification Number (NPWP).

Based on these criteria, in fact the majority of the people in Trenggalek District who are not accommodated in the private business environment or in government institutions are small, medium and large entrepreneurs who are mostly in the region, and their business has not been formally connected with the government yet which is significant in increasing the PAD to support governance and development in the regions.

3. Empowerment in Order of Increasing PAD MSME

As the above criteria, it can be said as an effort that has not contributed significantly to state revenues and regional revenues. Therefore, in fact the local government by providing guidance to these SMEs, in addition to providing economic

improvement of Micro, Small and Medium entrepreneurs actually by providing guidance and the provision of facilities and infrastructure to these SMEs, can be linked in an effort to increase local revenue and can be Significantly help increase local incomes. So from the perspective of political economy also gives a positive impact for the existence of local government in government and development and economic growth rate of the people of the area. Economic growth of the community, by providing guidance and economic empowerment in addition to providing welfare for local communities, can also trigger economic growth. However, things that need to be criticized about the existence of MSMEs, in fact many are associated with big business, which serves as a detailer marketing of large industrial products that want to reach the bottom-class market with the mass of its products are marketed to the grass root community, so that corrections and coaching conducted to avoid the existence of tax evasion efforts with SMEs are created by the middle-class business trade is. Thus, indirectly coaching and empowerment of MSMEs actually have a significant effect on the increase of Original Revenue, from the MSMEs.

4. Raw Material-Based Business

The development of information technology and technology today has a tremendous impact on various aspects of community life in general. Similarly to industrial and trade businesses, these developments have enabled efforts to approach industrial businesses in areas related to industrial raw materials. This is more profitable because various industrialization efforts allow the processing of raw materials into finished goods that have economic value added to the goods alone, but have added value to the economic time period of the goods of the industry. So it is possible that businesses in distant regions of the market are developed as industrial centers that produce industrial products in areas that are then able to be marketed in a wider market outlet and longer periods of time, as a result of influence development of information and transportation technology. Given the momentum of regional autonomy, the following local global developments and the impacts of the development of information and transportation technologies have provided wide opportunities for regions to provide the greatest opportunities in the development of MSMEs, based on potential raw material resources in the area. So in fact Trengginas Galang Economic program in Trenggalek District, in an effort to empower regional-based SMEs is a strategic step to improve local economic growth based on the business owned by the local community.

The empowerment program of MSME in the effort to accelerate the economic growth of the people has a strategic dimension for the efforts to improve the general welfare, this is because MSME is a direct economic actors, generally in quantity by the local community. In addition, the Micro, Small and Medium Enterprises empowerment program has a clear objective, namely, local business community, so that the economic empowerment of local communities, will have significant economic growth impacts for the welfare of local people, and more importantly from all of them is the increase of local Original Income (PAD). Economic effort of the society, in Trengginas Galang Ekonomi

(Trenggalek) program, therefore it should be the pattern or model of its empowerment to put forward good governance governance, in order to give optimal result for the benefit of society prosperity and acceleration of economic growth relevant to the purpose set. The pattern or model that is very relevant for the program "Trengginas Galang Ekonomi" in accordance with the latest theory is to involve proportionally 3 pillars of Good Governance in order to realize the economic and social growth that is inclusive, progressive, comprehensive, personality and justice, for economic players of MSME.

Conclusions and Suggestions

Conclusion

1. Decentralization of governance in the Region is a golden opportunity to take the opportunity in accelerating the economic development of society based on socio-cultural conditions of society. So as to create a pattern of development based on local community in accordance with traditional culture and social conditions that exist. Thus the acceleration of economic growth in the community should not create a "shock culture" that can be counterproductive for the community itself. Based on the regional autonomy law, it is also a challenge. In this case the performance of local governments in providing services to the public, as well as in empowerment efforts will get a direct assessment by both the local community itself and by the government on it. Inter-regional competition becomes more stringent, especially in relation to the efforts of exploration of existing resources, both for the improvement of the welfare of the community itself and for the strengthening of governance and management of development and government.
2. Efforts to develop MSMEs, is a very strategic policy for the development of an independent, inclusive and targeted community economic development as these business groups do need to get help from the government to be able to compete with other entrepreneurs or economic actors who have been large, independent and capable competing with other business partners, both at the regional, national and international levels.
3. The process of accelerating the promotion of the welfare of the people and the intellectual life of the people must support each other to improve the productive social system for the local people themselves, in order to achieve the PAD that can sustain the economic growth of the local community. The development of local community SMEs can be the most effective model for improving the welfare of the community in addition to inviting investors from outside to speed up the economic turnaround for the relatively lagging economic growth of people in Trenggalek Regency. Various efforts made by micro, small and medium level economic actors, on many aspects that have great potential for example: Mocaf, tile, Batik, EtheK merchants and others, generally have a unique and competitive creativity when getting support and assistance for the government as an "agent of change", and ultimately able to compete with other businesses. A very local uniqueness. Can be a superior product that can be a hallmark of regional products that can be competed with products from other regions. This uniqueness can be a special attraction that can be offered to people from other regions, both within and outside the country, so as to provide a very significant impact of local revenue.

4. Socio-economic conditions and geographical location of Trenggalek Regency. Can be a major obstacle in the effort to accelerate economic growth of society, government and development in Trenggalek Regency. This is due to the lack of outside investment and large-scale business flows that run in the neighborhood of Trenggalek regency.

Suggestion

1. Efforts of district government in the development of Trengginas Galang Ekonomi program, is a good effort in filling opportunities to promote economic growth of the people of the district of Trenggalek. The Trengginas Galang Ekonomi Program is a very strategic step in promoting economic growth based on local communities, as well as efforts to promote the regional economy independently based on the social economic potential of local communities. The weak socio-economic condition of the people of Trenggalek Regency, which generally have low purchasing power must be overcome with efforts to present community groups with more purchasing power, both from within and outside the region, both regional, national and international.

2. Efforts to promote MSMEs. It is a very strategic step for the development of an inclusive society economy based on the socio-economic conditions of local communities. Therefore, it is necessary to directly engage community groups so that they can actively participate from the community of MSME actors so that they can solicit concrete aspirations in accordance with the needs of the community of MSME economic actors themselves. Therefore, it is necessary to organize the organization for these SMEs to work together with the government and financial institutions capable of supporting the process of funding flow for this business.

3. Various potential economic enterprises that have grown in the community of Trenggalek Regency, such as Tempe Kripik, Criping Pisang, Mocaf, Genteng, Batik, Ethek "and other" traders, as well as various other businesses, are very local and unique, can actually be seen as a superior potential that is not owned by other regions. So that in the era of inter-regional competition, between countries today, in the freedom of world trade today, is a superior potential that can be competed with other regions that do not have products that are local.

4. Given the socio-economic conditions, and the geographical location of the people of Trenggalek Regency, there should be efforts from the Government of Trenggalek Regency to provide convenience for outside investment, other areas, other provinces in the country and from abroad that can provide convenience for the entry of outside investment in order to, buyers of the uniqueness of local products exist through the development of tourism both within and outside the country so that the development of Trengginas Galang Economic Program, can be realized for the acceleration of economic growth of the community and government of Trenggalek Regency. Because with the presence of the tourists both domestic and abroad to the District of Trenggalek, can bring new purchasing power to superior products owned by the community and the government of Trenggalek Regency.

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