

# Program For Accelerating Community Economic Development In Trenggalek District

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## Program For Accelerating Community Economic Development In Tenggalek District

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### Abstract

*Tenggalek Regency is one of the districts that has the lowest economic growth rate in the southern part of East Java. In this era of autonomy there are efforts to accelerate the economic growth of the community through the Trengginas Galang Ekonomi program with an abbreviation of the name Tenggalek, which rests on the economic potential of MSMEs in the area.*

*The purpose of this research is to describe and analyze the program to accelerate the economic growth of the community through the Trengginas Galang Ekonoomi program.*

*The method used in this research is: identifying and analyzing the policy implementation model of the MSME Trengginas Galang Ekonomi program in an effort to accelerate economic growth in Tenggalek district.*

*The results show that the various Trengginas Galang Ekonomi Tenggalek programs rely on 5 groups of MSMEs as triggers for accelerating economic growth as follows: a). The empowerment program for processing cassava into Mocaf (Modified Casava Flour) is widely grown in the Tenggalek Regency area. b). One Village on Product program from Genteng, which has developed many tile production businesses in the area. c). The Tenggalek batik development program, which began to grow by various craftsmen in Tenggalek Regency, with the theme of the Turonggo yakso culture. d). In the empowerment program for tempe kripik craftsmen who succeeded in making the regional icon of Tenggalek Regency. e) And finally for the empowerment of fishing communities, which have great potential for the economic development of coastal communities in particular and Tenggalek Regency in general.*

**Keywords:** Implementation, Policy, Empowerment, UMKM, Tenggalek

### I. Background

Tenggalek Regency as one of the districts in East Java, is an area that is relatively underdeveloped compared to other districts in East Java. Therefore there needs to be a strategic study to be able to accelerate the development process and efforts to improve the community in that area so that it is not left behind compared to other regions. This is important considering that Tenggalek Regency has the potential to have quite large natural and human resources, which can be used as basic capital to be managed so that people's economic activities can be stimulated and developed for the benefit of their prosperity.

The process of accelerating economic development as <sup>12</sup> effort to increase the prosperity and welfare of the community must be in line with the Tenggalek District Medium-Term Development Plan (RPJMD) for 2010-2015 which carries the mission of "Creating an Independent, Competitive, Just, and Economic-Based Regional Economy. Community and Environmental Sustainability ". In addition, it must also be adjusted to central government programs, in particular the 2011-2025 Master Plan for the Acceleration and Expansion of Indonesia's Economic Development (MP3EI) stipulates that the Java Economic Corridor is a center for industrial and service development (Guideli <sup>11</sup> for Preparation of MP3EI Proposals, Dikti, 2013)

Theoretically, the development of MSMEs (Micro, Small and Medium Enterprises) is believed to be able to increase inclusive economic growth because the MSME sector is able to absorb a large amount of workforce, does not require high capital and is relatively unaffected by fluctuations in foreign currency exchange rates. According to a survey conducted by BPS of East Java Province, the number of MSMEs in Tenggalek Regency in 2011 for all sectors was 143,455 businesses, which are divided into 140,595 Micro Enterprises, 2,309 Small Businesses and 551 Medium Enterprises. Based on the 2014 General Budget Policy (KUA) document, the development of MSMEs is one of the strategic issues that must be addressed by the Tenggalek Regency Government in 2014. Based on the description above, it is necessary to study efforts to promote micro, small and medium economic enterprises based on products. regional superiority of Tenggalek Regency, as follows:

1. Regional Core Competencies: Mocaf (Modified Cassava Flour)
2. One Village One Product: Tile
3. Creative Industry: Written batik

4. Agro Industry: Tempe Chips

5. Minapolitan Capture Fish Processing Industry

Besides that, it does not rule out the existence of other excellent potentials whose development is seen as prospective to promote the people's economy which in turn is expected to be able to improve the welfare of the people in Trenggalek Regency.

Based on the description above, in this research and study, the formulation of the study problem can be stated as follows:

1. What are the factors that hinder and support the implementation of the MSME empowerment policy through the "TRENGGALEK" (Trengginas Galang Ekonomi) program, in Trenggalek Regency?

2. How can programs be developed and implemented in a more contextual manner, so that they are more optimal, efficient, effective and economical for the empowerment of the community's economy through the "TRENGGALEK" (Trengginas Galang Ekonomi) program, in Trenggalek Regency?

## II. Literature Review

### 2.1. The Central Role of Local Governments in Community Development.

Various thoughts on improving the government bureaucracy in order to serve the public better are, for example: Creating A Government That Works Better & Cost Less (Gore, 1993), Banishir Bureaucracy (Osborne & Plastrik, 1997), and others. These various thoughts have recently led to efforts to improve the performance of the bureaucracy to be able to provide services to the public as a whole, to satisfy all parties without any discrimination. More clearly the thoughts about 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 bring their many talents to bear have been 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 consumers rather than citizens (Denhardt and Denhardt, 2003)

This shows that the demand for the actualization of good governance (Good Governance) from the people, by the people and for the people, can no longer be ruled out as a major concern, along with the "demands of the current wave of democratization and transparency of government in various countries". (Islamy, 1998).

Thought and awareness of the importance of public services in the regions, for equitable development has actually existed through efforts to strengthen local government a public institution that deals directly with the community. As stated by the Minister of Home Affairs Rudini at the time, who proposed: "the possibility of abolishing the DPRD 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: "so that the Province will only become an administrative area, not an autonomous region. Thus, DPRD Level I needs to be abolished and autonomy placed in level II regions, as well as villages so that they become autonomous regions". (Surya, Thursday, 15 / 11-1990). This idea is very reasonable because the Regency / City Government is the "focal point" or the forefront of various kinds of development and governance implementation that is closest and directly faces the people (Dwiyanto, 2002).

Various efforts to improve the performance of the bureaucracy in public services have also been carried out with the issuance of the Decree of the Coordinating Minister for Supervision of Development and Utilization of State Apparatus No. 81/1993 concerning Guidelines for Public Service Administration. However, its implementation in the field is still far from hopeful because the regulation is still framed by Law Number 5 of 1974 concerning the Principles of Government in Regions, which was co-opted by the spirit of centralization of the New Order regime.

Government reform in the spirit of decentralization, to give greater authority to local governments, in order to reduce the hegemony of the central government towards the regions and the striking differences between the central and regional governments, has been politically carried out with the enactment of Law no. 22 of 1999. Even though this law has been perfected with the issuance of Law number 34 of 2003, it is an actualization in an effort to give authority to the regions so that they can be more authoritative and more flexible in fulfilling community aspirations and providing services especially to the people in the regions. However, the reform of the government system was not simply followed by reforms "in the public bureaucracy." (Dwiyanto, et al, 2002). The existence of "a bureaucracy that is still corrupt, has an attitude of authority, and is unprofessional", and is more service-oriented to superiors, is still ongoing, so it is impressed by these political changes: "whatever happens in the government system will not have a significant impact on performance improvement. public services" (Dwiyanto, et al, 2002).

Revitalization of public services in the regions to catch up with the backwardness of the regional government against the central government, has a very strategic dimension for the interests of the distribution of

public services, population distribution, increasing human resources in the regions, equitable development and its results, and increasing employment in the regions. democratization and others.

In the current era of globalization, where the dependence of the world community is increasingly unavoidable, community empowerment is not only a government need, but also the interests of the world community. In the era of globalization, the relationship between one nation and another is increasingly in need of each other. Transactional interactions between countries, especially in the economic field, have encouraged owners of capital not only to invest in their own country, but also in various other countries. In this condition, the continuity of social life, be it social, economic and political stability of a country, has become a common interest of all peoples of the nation in various parts of the world.

Social stability is a guarantee for the sustainability of the existing social system, as well as a guarantee for the sustainability of the processes of economic growth which are proclaimed to require a social system that is not unequal between the rich and the poor, between people in the regions and people in urban areas. Therefore, the economic growth of communities in the regions is very necessary to be able to keep up with the development of urban communities or urban areas, so that the wheels of government and development can run optimally and achieve predetermined targets (Morgan, Dauglas and Kelly B. Bacon. 1996). In an effort to achieve this goal, there are at least 3 important things that need attention, namely:

1. The form of real contribution from the regions expected by the central government in the basic development process.
2. The aspirations of the local community themselves, especially those reflected in the priority of regional development programs.
3. Linkages between regions in the economic and political order.

### **III. Research Methods**

The design of this study used a survey research model (Bakri, Maskuri, (Ed.), 2002), on the Trenggalek district government policy in implementing the Trengginas Galang Ekonomi program, through empowering MSMEs in the Trenggalek Regency environment. The method of collecting data through focused group discussions was also carried out to produce accurate and confirmed data from competent speakers in their respective fields of work.

The object of this research and study is the implementation of the Trengginas Galang Ekonomi program, related to the types of community empowerment programs carried out in the Trenggalek Regency area. Expected results in research and studies: Identify the implementation pattern of MSME empowerment in Trenggalek Regency. The following identifies the determinants of the factors that influence the successful implementation of MSME empowerment in the research object areas.

The subjects of research and study in the first year were selected UMKM participants, actors at the District and Regency levels, officials from the Office of Industry and Trade Cooperatives and those associated with the task of fostering community empowerment in the research area.

Focus group discussions supported by interviews were used to identify the interests and needs of the community in the implementation of empowerment of MSMEs and local community members, various potentials for community development management in the area of the research object.

Observation is used to observe conditions and potentials that can be developed in accordance with the conditions of the local community which are developed and used as a means of increasing community economic empowerment based on MSMEs in the research and study areas.

The documentation method is used to capture data related to data stored in the documents of the District Office, the Tamben District Office of the Cooperative and Trade Office of Trenggalek Regency, as well as SME centers at the Regency and District levels as well as related agencies to support the research process.

Data analysis was carried out using a qualitative approach. Qualitative data were analyzed based on logical thinking. From the research object and the study, a comparative descriptive analysis was carried out to obtain general conclusions, from the implementation performance of the MSME empowerment developed in the research and study area. The analysis technique used in this research is interactive model analysis as developed by Miles and Huberman (1984) which consists of 3 (three) components of analysis, namely (i) data reduction, (ii) data presentation, and (iii) drawing conclusions. Data reduction is the first step in analysis to find data that is most relevant to the research problem. The data is then displayed in the form of tables with a frequency distribution pattern with the intention of making it easy to understand which will then be analyzed based on relevant social theories. Meanwhile, descriptive statistics use the percentage formula and the mean formula to analyze data from the results of the need assessment.

#### IV. Research Results And Discussion

##### 4.1. General Description of the Research Area

Trenggalek Regency with an area of 126.140 Ha, where 2/3 of the area is mountainous land, divided into 14 Districts and 157 Villages. Meanwhile, the sea area 4 miles from the mainland is 711.68 km.

Trenggalek Regency is geographically located between the coordinates 111° 24'-112° 11' East Longitude and 7° 53' - 8° 34' South Latitude. Administratively, Trenggalek Regency is bordered by:

- North side: Tulungagung and Ponorogo regencies
- East side: Tulungagung Regency
- South side: Ocean Indonesia
- West side: Pacitan and Ponorogo regencies

Trenggalek Regency in the era of regional autonomy has regional revenue of Rp. 714,585,000,000 and regional expenditure of Rp. 731,129,000,000. The implementation of this development has produced encouraging results with the economic growth rate in 2019 recorded at 5.6%, where the agricultural sector still dominates in the formation of GRDP, namely 34.35% followed by the services sector 21.36% in the trade, hotel and restaurant sector. 18.74% while other sectors are less than 10%. Nominal per capita income of the population reaches 4.66 million rupiah. Meanwhile, in real terms it reached 2.91 million rupiah. (Source: Trenggalek Regency in Figures 2019)

Based on statistical data (Trenggalek in Figures, 2018), the results of population registration at the end of 2017 show that the total population of Trenggalek Regency is 813,418 people. Of the total population, 410,955 (50.52%) were male, while 402,463 (49.48%) were female with an average annual growth rate of 1%. The relatively large population is one of the potentials that can be developed in supporting the regional economic development based on the potential of natural resources and the profession of the local community.

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The society's profession in agriculture shows a decreasing trend, where the profession in the trade sector is increasing. The pattern of agrarian life has begun to be abandoned because from an economic aspect it is less profitable, and is not able to support increasingly complex needs. In addition, with the development and knowledge of the people, who used to work in agriculture, many have changed professions, become traders, development workers, and others outside of agriculture.

Trenggalek Regency consists of 14 districts. In implementing UMKM empowerment, it should be in the form of community development coaches at the District level, whose duties are: "Providing technical and administrative guidance and consultation to community groups in the preparation of development programs in their respective Districts, to then be proposed and coordinated at the district level."

Based on BPS data, it shows that GRDP (Gross Regional Domestic Product), as an indicator of macroeconomic development, classification of business fields (sectors) in GRDP and sector contribution data in the GDP of Trenggalek Regency in 2018, namely: 1. Agriculture (39.35%); 2. Mining and Quarrying (1.98%); 3. Processing Industry (5.23%); 4. Electricity, Gas and Clean Water (0.56%); 5. Construction / Building (2.66%); 6. Trade, Hotel and Restaurant (28.96%); 7. Transportation and Communication (3.21%); 8. Finance, Leasing and Corporate Services (3.69%); (9) Services (15.30%). The economic growth rate in 2018 is 6.46% and 2019 is 6.62% (preliminary figures).

The 9 (nine) main problems faced by Trenggalek Regency consist of:

1. Public services that many people complain about;
2. There are social disparities and high poverty rates
3. The high cost of health, especially for the poor;
4. Low educational access, quality and competence;
5. Lack of private participation in creating growth quality economy
6. Lack of facilities and infrastructure to support economic activities;
7. Community and gender participation in development is not yet optimal;
8. The sources of Regional Original Income (PAD) are not yet optimal in supporting development financing.
9. Lack of Environmental Care and Disaster Awareness

Based on the above problems, it can be concluded that order of priority strategic issues that need to be considered by the government

Trenggalek Regency area is related to the issues:

1. Reform of the bureaucracy and public services
2. Equitable distribution and improvement of the quality of education
3. Increasing access and quality of health services

4. Development of regional infrastructure and facilities
5. Development of the tourism, agriculture, marine and fisheries sectors cluster based
6. Economic improvement through community participation and gender equality
7. Environmental preservation and awareness of natural disasters

In connection with the foregoing, the development policy in the 2020–2025 RPJMD of Trenggalek Regency is based on 9 (nine) development problems and 7 (seven) strategic issues facing the people in Trenggalek Regency. Based on the development problems and strategic issues of Trenggalek that have been described previously, 16 (sixteen) priority development programs are prepared, as follows:

1. Accelerating the Implementation of Bureaucratic Reform and Improving Public Services
2. Increasing the Accessibility of Cheap and Quality Education Services
3. Increasing the Accessibility of Cheap and Adequate Health Services
4. Infrastructure Development and Maintenance
5. **10** Cultural Revitalization and Agribusiness / Agro-Industry Development,
6. Empowerment of Cooperatives, Micro, Small and Medium Enterprises (UMKM),
7. Expansion of Employment
8. Increasing the Effectiveness of Poverty Reduction
9. Improvement of People's Social Welfare
10. Strengthening Village Government
11. Increasing Investment in Mining and Tourism,
12. Increasing Security and Order, the Supremacy of Law and Human Rights
13. Increasing the quality of life and roles of women in all fields and ensuring gender equality
14. Increasing the Quality of Social Piety to Maintain Social Harmony,
15. Increasing the Role of Youth and Sports Development
16. Environmental preservation and increased awareness of natural disasters.

#### **4.2. Implementation of the UMKM Empowerment Program in Trenggalek**

In order to empower MSMEs as a manifestation of the political promise of the Trenggalek Regency government, to raise the people's economy (*wong cilik*), the Trenggalek Regency government has launched 4 priority programs for the Empowerment of MSMEs. Acceleration of economic development needs to be realized immediately through economic empowerment programs based on resources and the potential that exists in the community in the Trenggalek Regency Government Area. The acceleration is intended not only as an effort to catch up with other districts, but also so that the 4 sectors can leverage economic growth in other sectors. With the hope of being able to encourage economic growth in other sectors, in a sustainable manner and in relation to one another.

The four priority sectors of the Trenggalek Program are as follows:

1. Regional Core Competencies: Mocaf (Modified Cassava Flour)
2. One Village One Product: Tile
3. Creative Industry: Written batik
4. Agro Industry: Tempe Chips
5. Capture Minapolitan Fish Processing Industry

##### **4.2.1. TILES**

As the population increases, the need for housing increases. The house as a place to live is a primary need after food and clothing. Physically, houses in Indonesia have walls, roofs, doors, windows, and floors designed in a tropical climate. The existence of two seasons, namely rainy and dry, requires a roof that is resistant to both weather. In Indonesia, most house roofs are made of earth tiles. This material is not only resistant to weather but also light, strong and more economical in maintenance.

It is innovation to increase productivity that needs to be developed. The increase in question is, for example, if the rainy season arrives, roof tile production will usually stop in about three months, because it only relies on one manufacturing material (clay) which requires sunlight. However, with this tool, production can still run with other materials (concrete roof tiles) because it only needs to be aired to dry. In addition, this tool also saves labor which sometimes tile craftsmen also lack.

By using this tool, the productivity of making roof tiles will increase by 1: 3. The production of roof tiles is usually around 50,000 pieces per month, but with this tool it can reach 150,000 pieces per month. As said by Mr. Nurcholis (Interview on 13 October 2019), "The tile-making business has been going on for a long time, about 12 years ago, as a home industry family business, orders are never lacking. However, due to a lack of capital, production to meet the market remains limited. This is because the production machine is still manual and the production capacity is also very limited. We are trying to raise capital by using banking services because we do not dare to be entangled with bank debt. However, if you get soft debt capital assistance from the local

government, it is very happy if possible". As for production, the amount of production per day can reach 1,500 tiles. Marketing has been carried out by marketing agents, with smooth orders but always insufficient supply of materials. A possible development plan is to increase production, as stated by the tile owner as follows: "To increase production, a semi-automatic printing machine is needed, this machine can be made by a tile company in Gandusari. The price of the semi-automatic machine is Rp. 25,000,000, so an additional capital of around Rp. 25 000 000, - to increase the amount of production to meet market needs ". (Interview, 2019)

#### 4.2.2. CASAVA

Current conditions indicate that MOCAF products are economically much cheaper than wheat products currently circulating in the market. Raw materials that are easy to cultivate, the cheap price of cassava in the market today, and a flour processing process that does not require high technology, make the current MOCAF price only around 40-60 percent of the wheat price. This makes any finished product produced from MOCAF more profitable than wheat flour.

The trial results show that MOCAF can be used as a food ingredient with a very wide use. MOCAF turns out to be not only used as a complementary material, but can be used directly as a raw material for various types of food, from noodles, bakery, cookies to semi-wet food. With a slight change in the formula, or process, because this product is not exactly the same in characteristics as wheat flour, rice or the like, an optimal quality product can be produced.

MOCAF has also been tested to use a variety of pastries, such as cookies, nastar, and kastengel, where 100% of the flour uses MOCAF. The results show that the pastries produced have characteristics that are not much different from products made using low protein type flour (soft wheat). It's just that MOCAF requires a little more butter or margarine than wheat flour to get a good texture. As for the taste, the organoleptic test results with standard recipes show that the panelists did not know that the cakes were made from MOCAF which comes from cassava.

For wet cakes, the MOCAF application has been tested on traditional layer cakes which are generally made from rice flour or wheat flour with added tapioca. The results show that MOCAF can replace rice flour or wheat flour 100%. The resulting layer cake is soft and not hard. These results indicate that MOCAF can also replace rice flour which is currently increasingly expensive.

In addition, it has also been tested on the substitution of wheat flour with MOCAF on a factory scale. The results show that up to 15% MOCAF can substitute flour for good quality noodles, and up to 25% for low grade noodles, both in terms of physical and organoleptic quality. Technically, the noodle-making process does not experience significant problems if MOCAF is used to substitute flour.

The Casava industry in the home industry in Trenggalek Regency is experiencing various lethargies due to unfair competition and power intervention in this business. In addition, the price of buying from factories is uncertain so that production costs are not profitable. This is as felt by Ardoyo, so that he tries to find other ways to get a higher profit by making efforts, the essence of cassava which he feels can provide higher profits compared to production in the form of Casava. This is as stated by Ardoyo, the maker of cassava starch as follows: "We used to supply Casava to the factory, but because of the uncertain price we made cassava starch ourselves. So that we can have a much more certain advantage than making Casava flour ourselves ". (Interview on 13 October 2019).

#### 4.2.3. TEMPE CRIPIC

Tempe Kripik in the area of Trenggalek Regency, has produced a lot. This tempe is thin and very easy to find in various areas in Trenggalek Regency. Besides being used as a complement when eating, it is not uncommon for Tempe Kripik to be used as a snack. So that the demand for Tempe Kripik itself is high. Making Tempe Chips is very easy. As well as the basic ingredients, namely tempe, it is also very easy to obtain, in the community of Trenggalek Regency.

To run this business, is actually very simple. Because to make this food is relatively easy and can be run alone. Tempe Chips, made like tempeh in general, it's just made thinly so that when consumed it becomes crunchy and tasty ..

The problem that arises in making Tempe Kripik is that the chips are easily crushed. The elements of crushed chips include method of manufacture, people, materials, environment and equipment. From these elements, there are several attributes.

In the elements of how to make Tempe Chips, the attributes are making it too thick, uneven pouring of the tempeh, frying which can cause the chips to burn, not ripen and crumble, and the packaging that is done due to inadvertence.

In the element of the person who makes Tempe Kripik, the attribute is not careful in making, shoaling, frying and packaging, and not being careful in the process of making, panning, frying and packaging. In the ingredient

elements in Tempe Kripik, the attribute is that tempeh is likely to be damaged and not yet finished, as well as a thin and dense dough.

In the surrounding environmental elements, there are atmosphere variables where there is noise and busyness that disturbs and there are dirty variables. The elements of the equipment used have traditional variables.

Tempe Kripik when exposed to direct sunlight when distributing to retailers will suffer damage. Therefore it should be put in a safe place so that when distributing to retailers the chips are not destroyed. The production of tempe chips in Trenggalek Regency has become a widespread home industry among the Trenggalek people, especially in the plains area, both in the district. Karangany, Tugu, Trenggalek, Pogalan and Durenan. The production of tempe chips has become a trade mark home for the environmental industry in Trenggalek Regency. So that the efforts to increase and develop it will be more significant if the aspects of the market and quality standards are emphasized. Given the importance of a touch of guidance for marketing interests outside the Trenggalek Regency area. In addition, considering the large amount of production, it is time to encourage certain entrepreneurs to reach the upper class of society, as well as foreign consumers. So that people's income from the production of tempe chips can improve the standard of living and economy of the people of Trenggalek Regency.

### **5.2.5. Capture Minapolitan Fish Processing.**

Trenggalek has the largest fishing port after Cilacap on the south coast of Java island. The development of fisheries potential has begun to be realized with the construction of an Nusantara Fishery Port (PPN) on Prigi Beach with the hope of alleviating the poverty of local fishermen. In the future, PPN on the coast of Prigi Beach will be developed into an Ocean Fishing Port (PPS) which will be supported by the development of the Southern Cross Road (JLS). The number of fishery households is recorded at 5,384 households consisting of 3,812 marine fishery households and 1,572 inland fisheries households, and during 2009 produced 23,845.3 tonnes of fish. Marine fishery households were found in 3 districts, namely Panggul, Munjungan and Watulimo. For land fish production in 2019, it increased by 12.95 percent from the previous year, where catfish production was in the first place, the largest production, namely 1,627.71 tons followed by carp 114.93 tons in second place. The number of fishery households in 2014 was recorded at 5,384 households consisting of 3,812 marine fishery households and marine fishery household businesses in 3 sub-districts, namely Panggul, Munjungan and Watulimo. Based on the condition of Trenggalek Regency which is located on the southern coast of East Java and its coastal area, Trenggalek Regency has the potential to be developed into a minapolitan area based on both capture fisheries and aquaculture. (Source: Department of Marine Affairs and Fisheries, Trenggalek Regency, 2018).

Based on the capture fisheries results in the Trenggalek Regency environment, as an area that has an archipelago port coast, Trenggalek Regency actually has a very large potential from the fisheries sector, to be used as a lever for economic development in the Trenggalek Regency environment. This is because Prigi beach is an archipelago port coast, many fishing vessels pass through the port administration area of Trenggalek Regency. The participation of fishing results in order to provide optimal benefits for improving the community's economy can provide a very wide multiplier effect, for the economy itself, as well as for the welfare and improvement of community nutrition through the results of processing captured fish in Trenggalek Regency.

The Capture Fish Processing Industry is very strategic if it is used as one of the sectors that can boost the economic empowerment of the community in the Trenggalek area because the Trenggalek area has a fairly wide sea. Given the very potential market for the people of East Java who are economically experiencing high economic growth. So that if the industrialization and diversification of fish processing is carried out in this area, the results of the processing can be absorbed by the market or the people of East Java at large and have added value for improving the economy of the local fishing community.

The number of fish landed on the trenggalek at PPN (Nusantara Fishery Port) Prigi is 28,472,852 Kg in 2018 (Ministry of Marine Affairs and Fisheries, 2019) with the following graph:

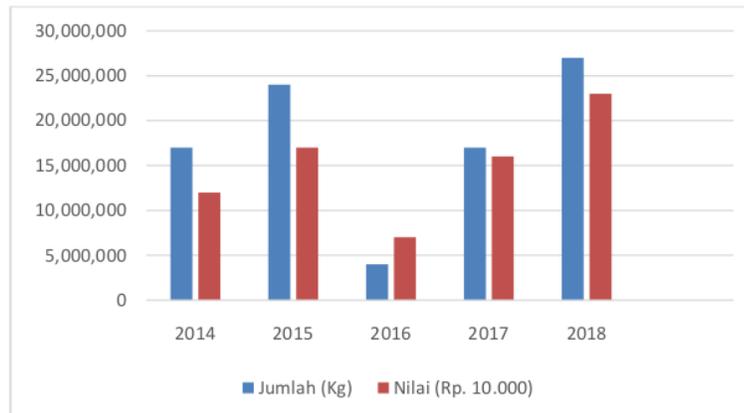


Figure 4.2 Production at archipelago ports Prigi 2014-2018

Source: archipelago ports Prigi Lapta 2018

### 4.3. Analysis and Discussion

Based on the data collected above, analysis and discussion can be carried out as follows: The UMKM empowerment program in an effort to accelerate social economic growth has a very strategic dimension for advancing public welfare, this is because MSMEs are direct economic actors which are generally carried out in quantity by local communities. Therefore, the pattern or model of "empowerment policies should prioritize good governance" (Solichin, 2014), in order to provide optimal results for the benefit of the people's welfare and the acceleration of economic growth that is relevant to the stated goals. The pattern or model that is very relevant for the "Trengginas Galang Ekonomi" program in accordance with the latest theory is to proportionally involve the 3 pillars of Good Governance in order to realize inclusive, progressive, comprehensive, personable and equitable economic and social growth for MSME economic actors.

#### 4.3.1. Policy

As for the policies that need to be taken by the Trenggalek Regency Government so that the development of MSMEs can be well controlled and coordinated, it is necessary to adopt three pillars of Good Governance so that the guidance and empowerment of MSMEs can achieve the desired goals, as follows:

- The government, plays a role as a facilitator and servant of the process of accelerating economic growth in the Trenggalek community, so as to create a healthy climate for business and community economic development.
- Financial institutions, play a role as a stimulator and initiator to drive the people's economy that is able to foster the productive process of society, as well as a management pattern that markets its products.
- The MSME Economic Community, plays a role as a social fabric that rests on the development of a productive socio-culture, so that a productive work culture can be created in the community of Trenggalek Regency, through the slogan or motto: "sayek saeko proyo grabs enough together to welcome peers".

#### 4.3.2. Strategy.

The development strategy or empowerment of MSMEs that is most relevant is development based on the socio-cultural conditions of the community, which is referred to as "Community Based Development". With the current decentralized and democratic government system in effect, this is an opportunity to revitalize Community Based Development in developing and empowering communities in the regions, especially in rural areas. So that the increase in the regional economy and the welfare of the people can be felt by all components of society who are the targets of development in Trenggalek Regency.

In line with current Regional Autonomy, the development strategy of "Community Based Development" must be used as a strategic momentum which must be filled with efforts to develop the capacity of local communities in accordance with their own competencies and potential. As stated above, the most promising theory in the development of MSMEs is: "Development based on the local community (Community Based Development). This is because this development model has more respect for the socio-culturally compatible mechanism. This socio-cultural compatibility is considered to be more flexible in its structure and procedures in adapting to local variations. So it can be avoided the technocratic design of structures and mechanisms, without efforts to understand the social fabric of a particular area and without efforts to adapt to the existing regional socio-cultural context. (Corten, 1988)

With this local culture-based development model, ongoing development will ensure the support of potential and competence as well as community resources, with the hope that governance and development management in Trenggalek Regency can be more:

1. Take the initiative and decision-making process to meet the needs of the Trenggalek community itself.
2. Can be focused on increasing the ability of the Trenggalek community to manage and mobilize the resources available in the community to meet their needs.
3. Government and development activities at the Trenggalek Regency level are more flexible to adapt to local conditions
4. There can be collaboration between the bureaucracy and certain business communities in Trenggalek Regency more effectively.
5. Can lead to a network (networking) between bureaucrats, Community Economic Institutions and Banking, as well as independent traditional organizational units, to become an integral and comprehensive part of the government and development process.

## V. Conclusions And Suggestions

### 5.1. Conclusion

5.1.1. Government decentralization in the regions is a golden opportunity to take advantage of efforts to accelerate community economic development based on the socio-cultural conditions of the community. So that a development pattern is created based on the local community in accordance with the traditional culture and existing social conditions. Thus the acceleration of economic growth in the local community does not necessarily lead to a "shock culture" which can be counterproductive for the community itself. Based on the regional autonomy law, besides being an opportunity, 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 both by the local community itself and by the government above.

5.1.2. The effort to develop MSMEs is a very strategic policy for efforts to develop a community economy that is independent, inclusive and right on target because this business group does need assistance from the government to be able to compete with entrepreneurs or other economic actors who are already large, independent and able to compete with partners, other businesses, at the regional, national and international levels.

5.1.3. Various efforts carried out by economic actors at the micro, small and medium level, in various aspects, many have great potential, for example: Tempe Kripik, Criping Pisang, Mocaf, Roof Tile, Batik, Ethek traders and others, generally have unique and creative creativity. competitive if it gets support and assistance from the government as an "agent of change", in the end it is able to compete with other businesses. Very local uniqueness. Can be a superior product that can be characterized by regions 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 domestic and foreign, so that it can have a very significant impact on regional income.

5.1.4. Socio-economic conditions and geographic location of Trenggalek Regency. Can be a major obstacle in efforts to accelerate the economic growth of the community, governance and development in Trenggalek Regency. This is due to the lack of outside investment and large-scale business flows that run in the Trenggalek Regency area.

### 5.2. Suggestion

5.2.1. The district government's efforts in developing the Trengginas Galang Ekonomi program are good efforts to fill opportunities to advance the economic growth of the Trenggalek Regency community. The Trengginas Galang Ekonomi Program is a very strategic step in an effort to advance economic growth based on local communities, as well as efforts to independently advance the regional economy based on the social economic potential of the local community.

5.2.2. Efforts to advance MSMEs. It is a very strategic step for an inclusive community economic development based on the socio-economic conditions of the local community. For this reason, it is necessary to directly involve this community group so that it can bring active participation from the community of UMKM actors so that they are able to capture concrete aspirations according to the needs of the MSME economic community itself. Therefore, it is necessary to strive for an organizational forum for these MSME business actors so that they can work together with the government and financial institutions that are able to support the flow of funding for this business.

5.2.3. Various economic business potentials that have grown in the community of Trenggalek Regency, for example the businesses of Tempe Kripik, Criping Pisang, Mocaf, Roof Tile, Batik, "Ethek" mobile traders and others, as well as various other businesses, are very local and unique in nature. seen as a superior potential that is not owned by other regions. So that in the era of competition between regions, between countries today, in the

current freedom of world trade, there is a superior potential that can be competed with other regions that do not have these local products.

5.2.4. Considering the socio-economic conditions and geographical location of the local people of Trenggalek Regency, there should be an effort from the Trenggalek Regency government to make it easy for investment from outside, both from other regions, other provinces within the country and from abroad that can provide convenience for investment entry. from outside so that buyers of the uniqueness of local products exist through tourism development both at home and abroad so that the efforts to develop the Trengginas Galang Ekonomi Program can be realized to accelerate the economic growth of the people and government of Trenggalek Regency. Because with the presence of both domestic and foreign tourists to the Trenggalek Regency, it can bring new purchasing power to superior products owned by the people and government of Trenggalek Regency.

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