

ABSTRACT

The wisdom of local economic development can be succes if were did it with good governance principle, have the credibility, openness, and accountability but, in fact the local economic development in Indonesian who manage by type of cluster centralism. In common many cluster in Indonesian who still fall asleep. The local economic development also have the challenging by implementation to developing local resource initiative, improvement governance, developing of networking. The purpose of the research is to analyze and identifies the process formation of enceng gondok cluster in Banyubiru, and also to find out and identifies about influences klinting cluster. Method of the research is qualitative method.

The result of this research is the local economic development who created by government at certain organization who named klinting cluster appropriated by SK Gubernur Jawa Tengah, No. 500/ 36/ 2001 and then upgrading by SK Gubernur No. 500.5/ 30/ 2003. The functional of this form is like institution for Governor to formulated economic wisdom in Central Java. In created klinting cluster involved by BAPPEDA Kabupaten Semarang. The created of cluster to find local potential who can be found at outlying place in Central Java. The research show up that local economic development with promoted by local potential can of enceng gondok plants in Kebondowo Village have the good result starting at incoming, employee absorption. Exactly for the craftsman also can be distributed their product although not in maximal manner.

Keywords: Local Development, Cluster, Stakeholder