

Abstract

Pekalongan is one of the city in Indonesia where can develop it's batik industry. In 2011, the number of IKM pekalongan's batik achieves 631 units. However, this industry brings the negative impact of waste pollution and it affects so many complex problems for the environment surrounding.

The objective of this research is for: (1) to identify profile or condition of the river in Pekalongan, (2) to analyze the damages of river's environment in Pekalongan, and (3) to set a clean river management strategy in Pekalongan.

This research uses primary and secondary data. Primary data is obtained from 48 respondents which consist of the households, entrepreneurs, and key persons whereas the secondary data is obtained from Badan Pusat Statistik Provinsi Jawa Tengah, BLH Kota Semarang and DPKLH Kota Pekalongan. Sample taking technique which is used for this research consists of Purposive and Snowball sampling. The analysis tool which is used to answer the first objective applies the institutional analysis and to answer the second purpose applies the economical valuation analysis, simultaneously to answer the third purpose applies the qualitative analysis method.

The result of this research is that the river in Pekalongan has been polluted and based on the field, it is found that societies lack of awareness toward the river's environment. In addition, the batik's entrepreneurs have no awareness too for the river's environment thus it makes the river worse. According to the interview with some key persons, to recover the river turn out to be clean; it can be done by using IPAL because the river has been polluted by liquid waste. Yet the cost of making IPAL which relatively expensive makes the total numbers of IPAL diminished. From the research, it is found that the government fund allocation share for this river's recovery is Rp. 440.000.000, 00, WTA from the society is Rp. 57.208,05 while WTP from the entrepreneurs is only Rp. 0, 00. The entrepreneurs think that the waste produced is only a little so that the river management is not the entrepreneur's responsibility but government.

Key Words: IKM, batik, pollution, *contingent valuation method*.