

## ABSTRACT

The objective of this research was to know the local leadership's role and strategy and success of KUD (cooperatives) being the self-reliance one. Local culture brought the local leaders into action in associated with KUD activity in rural community.

The results showed that the leaders's role and strategy through local culture application could make the cooperatives to be self-reliance, increase income level for cooperative members and community in general. Furthermore, the local leadership followed some recent global changes by using modern management and some forces derived from local government relative to KUD management.

There were leadership properties on the basis of local culture in KUD management in rural community. This agreed with cultural values and economical purposes to which the success of KUD depend on. Socio-economical and cultural values still became their strong spirits in making relationship to another cooperatively.

Working condition and lifestyle of community were vital requirements besides local culture to build up the cooperatives. Determination of operation type and economical means in cooperatives adjusted to working condition and lifestyle of community served as the established strategy for the successful self-reliance KUD.