**ABSTRACT**

Regional autonomy policies that decentralize government authority to the local government can not be released to the aspect of fiscal decentralization. But when there is a problem of autonomy applied on fiscal decentralization, not balanced between the decentralized authority and financial decentralization or no fiscal gap. In this situation where fiscal gap and fiscal main force area from local revenue is low, then the maximum fiscal decentralization can not produce the source of funding of local development aimed at improving people's welfare. The role of leadership as a leader in the regional head to close the fiscal gap, so as not to sacrifice development (Public). Some experts argue that in Indonesia stand out leadership, innovation and even the current government is largely determined by their leaders. Therefore, this rule aims to examine how the leadership role of local leaders in solving problems in order to streamline the fiscal decentralization to promote development and prosperity of the community.

This study uses a qualitative analysis approach case study. The focus of the research focuses on fiscal decentralization and development for the welfare of the people with a leadership role in the regional head to effect. By researching sites in the implementation of regional autonomy in Majalengka. This study uses a qualitative analysis to approach case study. The focus of research focuses on fiscal decentralization and development for the welfare of the people with a leadership role in the regional head to effect. By researching sites in the implementation of regional autonomy in Majalengka. The intervieweers in this study of the local government Dr. Karna Sobahi (Vice Regent), Ahmad Sodikin, .MM (regional secretary), Dr. Edy Noor Sudjatmiko (Head of Office of local asset management), Yayan Somantri, .msi (head of the local planning agency) Dr. Lalan Soeherlan (Inspector), from Dadan Parliament Dariswan, .M.M (deputy chairman) and Fuad Abdul Azid (deputy chairman of the commission II) as well as expert judgment Prof. Aries Djaenuri, Prof. Sutarman, Made Suwandi,. Ph.D (former directorate general of regional autonomy) and Aang Hamid Suganda,. Sos ( the former of Kuningan regent).

The results of this study can reveal that: (1) The leadership role of regional heads progressive with based entrepreneurship spirit, creative, innovative and fisioner be authorized in building for regional progress and welfare: (2) Effectiveness of fiscal decentralization, to maximize the mobilization of funding sources and to focuse program for people's welfare and improvement. of regional revenue, with improvements in financial relations and regional centers; (3) Establish an area with limited fiscal, utilizing funding sources obtained from the regional fiscal authority and fiscal decentralization of public participation capital arising from the authority running regional autonomy; (4) Measure the success of the development of the achievement of economic growth and be relevant to regional development policies are needed economic decentralization.

The results of this study may contribute to the development of management science, especially the area of financial management, as a reference for local governments in implementing regional autonomy and fiscal decentralization in achieving good performance area to receive incentive funding areas (DID) as a new component of balance funds transfer. As well as a contribution to improving relations and regional financial center in strengthening the regional fiscal.