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**Original Research Article** 

# Analysis of Economic Potential Identification and Provincial Economic Sector Shifts in Java Island

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#### Abstract

The purpose of this study is to determine and analyze: i) identification of the economic potential of the province on the island of Java; ii) a shift in the provincial economic sector on the island of Java. The research method uses literature with analytical tools using growth & share. The result of this research is that the potential economic potential in West Java based on the results of the analysis of growth & share, the most positions in the economic sector are in quadrant 4, meaning that growth is high and its contribution is low to Gross Regional Domestic Product. This means that it is still possible for these economic sectors to increase their role in the Gross Regional Domestic Product in each province. The shift in the economic sector in 6 provinces on the island of Java in general is the biggest contribution to the manufacturing industry sector.

Keywords: Gross regional domestic product, growth \$ share analysis.

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### **INTRODUCTION**

Economic development in the long term following the growth of per capita income, will bring a fundamental change in the economic structure, from a traditional economy with agriculture as the primary sector to a modern economy dominated by the secondary and tertiary sectors, especially the manufacturing industry with increasing returns (relationships). Positive relationship between output growth and productivity growth), trade and services as the main drivers of economic growth. There is a tendency that the higher the average rate of economic growth per year which makes the higher or faster the process of increasing national income per capita, the faster the changes in the economic structure of Bekasi Regency is one of the 26 regencies/cities in West Java province that has a fairly high economic growth rate, which is above the national average, which is above 6% per year in the last 5 years (2006-2010).

Judging from the development of the economic growth rate of 6 provinces on the island of Java, it can be seen in Figure 1.



Figure 1: Economic growth of 6 provinces on the island of Java in 2017-2018

Figure 1 shows that economic growth in 6 provinces shows a fluctuating number. From 2017 to 2019 there is a tendency to increase for the 6 provinces, and entering 2020 there is a decline for 6 provinces, and entering 2021 again there is an increase in economic growth, except for East Java Province where there is a very sharp decline.

One of the indicators used to measure the economic condition of a region is the Gross Regional Domestic Product (GRDP). The development of the economy of a region will result in changes in the role of each sector which results in changes in the regional economic structure. The economic structure that occurs generally moves from the agricultural sector to the industrial sector and then to the service sector. This structural process can work well by paying attention to sectors that have a comparative advantage that will become priorities in the economy. Development planning as the basis for making development policies must pay attention to the real conditions of the economy, especially the conditions of the existing economic sectors, so that potential sectors can be identified that have an influence on the regional economy.

#### **Research Purposes**

- 1. To find out and analyze the identification of the province's economic potential on the island of Java for the period 2011 2021.
- 2. To find out and analyze the shift in the provincial economic sector on the island of Java for the period 2011 2021.

#### **Theoritical Review**

### **Basic Concepts of Leading Sector**

Leading sectors are sectors that are able to encourage growth or development for other sectors, both sectors that supply inputs and sectors that use their outputs as inputs in the production process (Widodo, 2006).

Syafaat (2002) in Tambunan (2003), states that the mainstay sector of the economy is a sector that has high resilience and capability. The mainstay sector is the backbone and engine of growth, so it can also be referred to as the key sector or the leading sector. According to them, there are five conditions that must be seen as criteria for key sectors in the economy, namely:

- 1. Strategic, in the sense of essential and large contribution in realizing the targets and objectives of economic development and employment opportunities, increasing foreign exchange, regional economic development, and so on.
- 2. Tough, which means excelling in competition both domestically and in the global market and able to face economic, political and natural turmoil.
- 3. Articulative, which means that the leading sector must have great ability as a dynamist and facilitator for output growth in other economic sectors in a broad spectrum.
- 4. Progressive, which means that the current leading sector is able to respond quickly and extensively to government policies.
- 5. Responsive, in the sense that the leading sector must be able to provide a fast and large response to government policies.

### **Development Theory**

Prior to the 1960s, economic development was defined as the capacity of the national economy. However, the notion of economic development has changed because experience in the 1950s and 1960s showed that development oriented to GNP growth alone would not be able to solve fundamental development problems in NSB.

Economic development can be interpreted as every activity carried out by a country in developing the economic activities of the community and also the standard of living of its people. With these limits, in general, economic development is defined as a process that increases the real income per capita of the population in the country concerned in the long term, which is accompanied by improvements in the institutional system (Arsyad, 2014).

### **Growth Theory**

Prof. Simon Kuznets defines economic growth as "a long-term increase in the ability of a country to provide more types of economic goods to its population" (Jhingan, 2012).

### **Classical Economic Growth Theory**

Classical economic growth theory is some of the theories expressed by economists regarding economic growth from the point of view of population growth. So, all the theories are based on the few or the many people in the area. For a complete discussion, just look at the explanation:

- 1. Adam Smith: According to Adam Smith, the economy will grow and develop if there is an increase in population that expands markets and encourages specialization.
- 2. David Ricardo: In contrast to Adam Smith, David Ricardo argues that greater population growth will produce a large workforce, so wages decline and the economy stagnates.
- **3.** Thomas Robert Malthus: Robert Malthus still looks like Ricardo, guys. According to Robert Malthus, a large population growth will cause a food crisis, so that there will be food scarcity.

#### **Neoclassical Economic Growth Theory**

Next is the neoclassical theory of economic growth. Unlike the previous theory, this theory pays more attention to other things that affect economic growth besides population growth, such as entrepreneurship and investment. Here's the explanation, guys!

- 1. Harrod-Domar: According to Harrod-Domar, there is a need for capital formation or investment to achieve steady economic growth. The more capital there is, the more goods and services are produced. So according to this theory, there are conditions for the country's economy to develop in the long term (steady growth). Btw, there are two Harrod-Domar, guys. His second names are R. F. Harrod and Evsey Domar.
- **2. Schumpeter:** According to Schumpeter, economic growth is largely determined by the ability of entrepreneurship (entrepreneurship).

This theory emphasizes innovation made by entrepreneurs, where technological progress is largely determined by the entrepreneurial spirit of the community who is able to see opportunities to open new businesses or expand existing businesses. With the opening of new businesses and business expansion, additional employment opportunities are available to absorb the workforce which is increasing every year.

**3. Robert Solow:** According to Solow, in the long run the level of savings can determine the capital in the production process. That is, the higher the level of savings, the higher the capital and output produced. Solow also argues that economic growth is a series of activities with four main factors, namely humans, capital accumulation, modern technology and outputs.

Gross Regional Domestic Product (GRDP) is one of the important indicators in knowing the economic conditions in an area within a certain period, both at constant and current prices. GRDP is basically the sum of the added value produced by all business units in a region, or it can also be the sum of the value of services and final goods produced by all business units in a region (Bank Indonesia, 2022).

Empirically, research related to economic potential based on GRDP has been carried out by many previous researchers, namely Sundaro, Hendrianto and Sarwo Edy Sudrajat, Agus. 2019., Darwis Amin, 2014., Restiatun, 2009., Muhammad Agus Muljanto, 2021., Hendrianto Sundaro, 2021., Yudiansyah, Dwi Haryono, Agus Hudoyo, 2019., Rizaldi Rakhman, Muhammad Handry Imansyah, 2021., Ady Putra Southeast, 2019., Serly Marselin, Josep Bintang Kalangi, and Patrick C. Wauran, 2016., S. Andy Cahyono & Wahyu Wisnu Wijaya, 2014., Krisna Dwi Andayani, Sri Muljaningsih, Kiki Asmara, 2021., Deddy Ma'mun and Sonny Irwansyah, 2012. The results of their research are basically to see the potential of the economic sector and what factors affect the economy.

### **RESEARCH METHODS**

The data collection method used is the literature study method, namely studying reading materials related to research. The type of data is secondary data in the form of time series with an observation period of 2017 – 2021, the data used is Gross Regional Domestic Product (GRDP) based on constant prices by province. The data analysis method is Growth & Share Analysis.

#### **Growth & Share Analysis**

Growth & Share analysis is used to identify the characteristics of the dominant, declining, slow/low economic sectors and the potential for economic development in districts/cities in West Java and to determine economic development policies for districts/cities in West Java. The Growth & Share analysis approach uses a matrix divided into 4 quadrants, namely.

Quadrant I	
Dominant	
	Growth
Potential	
Quadrant IV	
	Dominant Potential

Figure 2: Growth & Share Analysis

Based on the picture above, it is known that:

- Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP.
- Quadrant II, declining (low growth & high share) is the economic sector that contributes to high GRDP but on the other hand its growth tends to decrease.
- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes and grows to GRDP is low.
- Quadrant IV, potential (high growth & low share), is the economic sector whose contribution is low but on the other hand the growth tends to increase in contributing added value to GRDP.

#### **GDP** Growth Rate

The growth rate of GRDP is an indication to measure how much the local government's ability to maintain success and even increase it in the following year. To measure it, the following formula is used:

$$Gx = \frac{Xt - X(t-1)}{X(t-1)} \quad x \ 100\%$$

Information:

Gx = annual GDP growth rate. Xt = GRDP of a certain year. X (t-1) = GRDP of the previous year. GRDP Contribution

The contribution of GRDP is an indication to measure how big the role of the economic sector is to the total GRDP. To measure it, the following formula is used:

> $S_X = \underline{Kt}$  x100%  $K_{total}$

Information:

Sx = Contribution of the economic sector per year.

Kt = Contribution of a particular year's economic sector.

Ktotal = Total GRDP for a certain year.

### **RESULTS AND DISCUSSION**

Identification of the Economic Potential of the Province on the Island of Java for the Period 2011 – 2021

To determine the identification of the characteristics of the economic potential of each province on the island of Java, using growth & share analysis, with the results of data processing as follows:

# Identification of Economic Potential Characteristics of Banten Province

In this section, the position of each economic sector in Banten Province will be explained as follows:

Declining	Share	Dominant	
C. Manufacturing		G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	
H. Transportation and Storage		L. Real Estate Activities	
			Growth
A. Agriculture, Forestry and Fishing		E. Water Supply, Sewerage, Waste Management and Remediation Activities	
B. Mining and Quarrying		F. Construction	
D. Electricity and Gas		I. Accommodation and Food Service Activities	
J. Information and Communication		K. Financial and Insurance Activities	
O. Public Administration and Defence; Compulsory Social Security		M,N. Business Activities	
P. Education		Q. Human Health and Social Work Activities	
		R,S,T,U. Other Services Activities	
Low/Slow		Potential	



• Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP, covering the wholesale and retail trade sector: repair of motor vehicle and motorcycles as well as the real estate sector

• Quadrant II, declining (low growth & high share) is the economic sector that contributes

to high GRDP but on the other hand its growth tends to decrease, covering the manufacturing sector and the transportation and strorage sector.

- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes and grows to low GRDP, covering the agriculture, forestry and fishing sector, mining and quarrying sector, electricity and gas sector, information and communication sector, sector government administration, defense and compulsory social security and the education sector.
- Quadrant IV, potential (high growth & low share), is the economic sector whose

contribution is low but on the other hand its growth includes the water supply, waste management and remediation activities, the construction sector, the accommodation and food service activities sector, the financial and insurance sector, business activities sector, human health and social work activities as well as other service activities sectors.

### Identification of Economic Potential Characteristics of West Java Province

In this section, the position of each economic sector in West Java Province will be explained as follows:

Declining	Share	Dominant	
A. Agriculture, Forestry and Fishing		F. Construction	
C. Manufacturing			
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles			
			Growth
B. Mining and Quarrying		H. Transportation and Storage	
D. Electricity and Gas		J. Information and Communication	
E. Water Supply, Sewerage, Waste Management and Remediation Activities		K. Financial and Insurance Activities	
I. Accommodation and Food Service Activities		L. Real Estate Activities	
O. Public Administration and Defence; Compulsory Social Security		M,N. Business Activities	
		P. Education	
		Q. Human Health and Social Work Activities	
		R,S,T,U. Other Services Activities	
Low/Slow		Potential	

Figure 4: Growth & Share of West Java Province Source: BPS West Java, Data Processing Results

- Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP, including the construction sector.
- Quadrant II, declining (low growth & high share) is the economic sector that contributes to high GRDP but on the other hand its growth tends to decline, covering the agricultural, forestry and fishing sector, the manufacturing sector as well as the wholesale and retail trade: repair of motor vehicles and motorcycles.
- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes and growth to low GRDP, includes the mining and quarrying sector, electricity and gas sector, water supply, sewerage, waste management and remediation activities sector, accommodation and food service activities as

well as public administration and defence; compulsory social security sector.

• Quadrant IV, potential (high growth & low share), namely the economic sector whose contribution is low but on the other hand its growth includes the transportation and strorage sector, information and communication sector, financial and insurance activities sector, real estate activities sector, business activities sector, education sector, human health and social work activities sector as well as other service sector.

# Identification of Economic Potential Characteristics of DKI Jakarta Province

In this section, the position of each economic sector in DKI Jakarta Province will be explained as follows:

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Declining	Share	Dominant	
F. Construction		J. Information and Communication	
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles		K. Financial and Insurance Activities	
I. Accommodation and Food Service Activities		M,N. Business Activities	
L. Real Estate Activities			
O. Public Administration and Defence; Compulsory Social Security			
			Growth
A. Agriculture, Forestry and Fishing		H. Transportation and Storage	
B. Mining and Quarrying		Q. Human Health and Social Work Activities	
C. Manufacturing		R,S,T,U. Other Services Activities	
D. Electricity and Gas			
E. Water Supply, Sewerage, Waste Management and Remediation Activities			
P. Education			
Low/Slow		Potential	

Figure 5: Growth & Share of DKI Jakarta Province Source: BPS DKI Jakarta, Data Processing Results

- Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP, covering the information and communication sector, the financial and insurance activities sector, and the business activities sector.
- Quadrant II, declining (low growth & high share) is the economic sector that contributes to high GRDP but on the other hand its growth tends to decline, covering the construction sector, wholesale and retail trade: repair of motor vehicles and motorcycles sector, accommodation and food service activities sector, the real estate activities sector as well as public administration and defence: compulsory social security sector.
- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes

and grows to low GRDP, covering the agriculture, forestry and fishing sector, mining and quarrying sector, manufacturing sector, electricity and gas sector, water supply, sewerage, waste management and remediation activities sector and the education sector

• Quadrant IV, potential (high growth & low share), is the economic sector whose contribution is low but on the other hand its growth includes the transportation and strorage sector, human health and social work activities and other service activities sectors.

# Identification of Economic Potential Characteristics of Central Java Province

In this section, the position of each economic sector in Central Java Province will be explained as follows:

Declining	Share	Dominant	
A. Agriculture, Forestry and Fishing			
C. Manufacturing			
F. Construction			
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles			
			Growth
B. Mining and Quarrying		D. Electricity and Gas	
E. Water Supply, Sewerage, Waste Management and Remediation Activities		I. Accommodation and Food Service Activities	
H. Transportation and Storage		J. Information and Communication	
K. Financial and Insurance Activities		L. Real Estate Activities	
O. Public Administration and Defence; Compulsory Social Security		M,N. Business Activities	
R,S,T,U. Other Services Activities		P. Education	
		Q. Human Health and Social Work Activities	
Low/Slow		Potential	

Figure 6: Growth & Share of Central Java Province

Source: Central Java BPS, Data Processing Results

- Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP.
- Quadrant II, declining (low growth & high share) is the economic sector that contributes to high GRDP but on the other hand its growth tends to decline, covering the agricultural, forestry and fishing sector, the manufacturing sector, the construction sector as well as the wholesale and retail trade: repair of motor vehicle and motorcycles sector.
- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes and grows to low GRDP, covering the mining and quarrying sector, water supply, sewerager, waste management and remediation activities sector, transportation and strorage sector, financial and insurance activities sector, public

administration and defence; compulsory social security sector, as well as other service sector.

• Quadrant IV, potential (high growth & low share), is the economic sector whose contribution is low but on the other hand its growth includes electricity and gas sector, accommodation and food service activities sector, information and communication sector, real estate sector, business activities sector, education sector as well as human health and social work activities sector.

# Identification of Economic Potential Characteristics of DI Yogyakarta Province

In this section, the position of each economic sector in the DI Yogyakarta Province will be explained as follows:

Declining	Share	Dominant	
A. Agriculture, Forestry and Fishing		F. Construction	
C. Manufacturing		P. Education	
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles			
J. Information and Communication			
L. Real Estate Activities			
O. Public Administration and Defence; Compulsory Social Security			
			Growth
B. Mining and Quarrying		D. Electricity and Gas	
E. Water Supply, Sewerage, Waste Management and Remediation Activities		K. Financial and Insurance Activities	
H. Transportation and Storage		Q. Human Health and Social Work Activities	
I. Accommodation and Food Service Activities		R,S,T,U. Other Services Activities	
M,N. Business Activities			
Low/Slow		Potential	

Low/Slow

Figure 7: Growth & Share of DI Yogyakarta Province Source: BPS DI Yogyakarta, Data Processing Results

- Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP, including contruction sector and the education sector.
- Quadrant II, declining (low growth & high share), namely the economic sector that contributes to high GRDP but on the other hand the growth tends to decrease, including agriculture, forestry and fishing sector, manufacturing sector, wholesale and retail trade: repair of motor vehicle and motorcycles sector, information and communication sector, the real estate activities sector as well as public administration and defence compulsory social security sector.
- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes and growth to low GDP, includes the mining

and quarrying sector, water supply, sewerage, waste management and remediation activities sector, transportation and strorage sector, accommodation and food service activities sector as well as business activities sector.

• Quadrant IV, potential (high growth & low share), is the economic sector whose contribution is low but on the other hand its growth includes the electricity and gas sector, the financial and insurance activities sector, human health and social work activities, as well as other service activities sector.

# Identification of Economic Potential Characteristics of East Java Province

In this section, the position of each economic sector in East Java Province will be explained as follows:

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Declining	Share	are Dominant						
A. Agriculture, Forestry and Fishing		F. Construction						
C. Manufacturing		G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles						
		I. Accommodation and Food Service Activities						
		J. Information and Communication						
			Growth					
B. Mining and Quarrying		E. Water Supply, Sewerage, Waste Management and Remediation Activities						
D. Electricity and Gas		K. Financial and Insurance Activities						
H. Transportation and Storage		L. Real Estate Activities						
O. Public Administration and Defence; Compulsory Social Security		M,N. Business Activities						
		P. Education						
		Q. Human Health and Social Work Activities						
		R,S,T,U. Other Services Activities						
Low/Slow		Potential						

Figure 8: Growth & Share of East Java Province Source: BPS East Java, Data Processing Results

- Quadrant I, dominant (high growth & share) is the economic sector that contributes and has a high growth rate to GRDP, covering the construction sector, wholesale and retail trade: repair of motor vehicle and motorcycles sector, accommodation and food service activities sector as well as the information and communication sector.
- Quadrant II, declining (low growth & high share) is the economic sector that contributes to high GRDP but on the other hand its growth tends to decline, covering the agricultural, forestry and fishing sector, as well as the manufacturing sector.
- Quadrant III, low/slow (low growth & share), namely the economic sector that contributes and grows to low GRDP, covering mining and quarrying sector, electricity and gas sector, the transportation and strorage sector as well as

public administration and defence; compulsory social security sector.

• Quadrant IV, potential (high growth & low share), namely the economic sector whose contribution is low but on the other hand its growth includes the water supply, sewerage, waste management; and remediation activities, financial and insurance activities sector, real estate activities sector, business activities sector, education sector, human health and social work activities and other service sector.

Based on the growth & share analysis, the overall identification of the economic potential of 6 provinces on the island of Java can be seen in the table below:

Province of Banten, West Java, DKI Jakarta, Central Java, DI Yogyakarta, East Java, Period 2011 – 2021.

		Bar	nten		1	West	t Jav	а	D	) KI Ja	akart	a	Ce	entra	al Ja	va	DI	Yogy	/aka	rta		East	Java	1
Business field		Qua	dran	t		Qua	dran	t		Qua	dran	t	(	Quad	dran	t	(	Quad	dran	t	(	Quad	drant	t
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
A. Agriculture, Forestry and Fishing																								
B. Mining and Quarrying																								
C. Manufacturing																								
D. Electricity and Gas																								
E. Water Supply, Sewerage, Waste Management and Remediation Activities																								
F. Construction																								
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles																								
H. Transportation and Storage																								
I. Accommodation and Food Service Activities																								
J. Information and Communication																								
K. Financial and Insurance Activities																								
L. Real Estate Activities																								
M,N. Business Activities																								
O. Public Administration and Defence; Compulsory Social Security																								
P. Education																								
Q. Human Health and Social Work Activities																								
R,S,T,U. Other Services Activities																								
Source: BPS various	nu	bli	cat	ion	e ]	Dat	ta I	)ro	Ces	eir	σŀ	200	ult	с С										

### Table 1: Identification of Potential Economic Sector

**Source:** BPS various publications, Data Processing Results

Based on table 1, that the potential economic potential in West Java based on the results of the growth & share analysis, the most positions of the economic sector are in quadrant 4, meaning high growth and low contribution to GDP. This means that it is still

possible for these economic sectors to increase their role in GRDP in each province.

# How will the Provincial Economic Sector Shift in Java for the Period 2011 - 2021?

Based on the contribution analysis, and as explained above regarding the shift in the economic

sector of 6 provinces on the island of Java, the summary can be seen in the table below:

Province Banten, West Javat, DKI Jakarta, Central Java, DI Yogyakarta, East Java, Period 2011 – 2021.

Table 2: Shi	fts in E	conomic \$	Sector			
Business field				Share		
Busiliess field	Banten	West Java	DKI Jakarta	Central Java	DI Yogyakarta	East Java
A. Agriculture, Forestry and Fishing	5,6	7,8	0,0	13,9	9,1	10,1
B. Mining and Quarrying	0,7	2,1	-	2,1	0,6	4,5
C. Manufacturing	36,0	43,2	0,9	34,6	12,9	24,1
D. Electricity and Gas	1,1	0,5	0,3	0,1	0,2	0,3
E. Water Supply, Sewerage, Waste Management and Remediation Ad	0,1	0,1	0,0	0,1	0,1	0,1
F. Construction	9,4	8,1	10,0	10,3	9,7	9,2
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorc	13,5	15,6	15,8	14,6	8,2	17,6
H. Transportation and Storage	6,1	4,6	1,9	3,1	5,2	2,6
I. Accommodation and Food Service Activities	2,4	2,5	5,6	3,1	9,2	5,1
J. Information and Communication	5,5	3,9	9,2	4,5	11,4	5,7
K. Financial and Insurance Activities	2,8	2,5	23,5	2,7	3,5	2,5
L. Real Estate Activities	8,3	1,2	6,4	1,8	7,2	1,7
M,N. Business Activities	1,0	0,4	8,6	0,4	1,1	0,8
O. Public Administration and Defence; Compulsory Social Security	1,7	2,0	7,6	2,7	7,4	2,3
P. Education	3,0	2,7	5,2	3,6	8,8	2,7
Q. Human Health and Social Work Activities	1,2	0,7	1,6	0,8	2,7	0,7
R,S,T,U. Other Services Activities	1,5	2,0	3,4	1,6	2,7	1,4

Source: BPS various publications, Data Processing Results

Based on table 2, that the largest contribution to GRDP in 6 provinces is the processing industry except for DKI Jakarta, the financial and communication services sector, while the second largest sector contribution to GRDP is the wholesale and retail trade sector; car and motorcycle repair.

### **CONCLUSION AND SUGGESTION**

### Conclusion

- 1. Potential economic potential in West Java based on the results of growth & share analysis, the most positions of the economic sector are in quadrant 4, meaning that growth is high and its contribution to GRDP is low. This means that it is still possible for these economic sectors to increase their role in GRDP in each province.
- 2. The shift in the economic sector in 6 provinces on the island of Java in general is the biggest contribution is the processing industry sector.

#### Suggestion

In connection with the contribution of the economic sector to GRDP in 6 provinces is the manufacturing sector, it is necessary to make efforts by the provincial government to further improve other economic sectors. One of the efforts is to give rewards to each province that has succeeded in increasing the contribution of the economic sector to West Java's GDP.

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