

Classification of Sector That Triggers Economic Growth in Ende District During 2015-2019 Period

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Abstract: This study aims to determine the classification of sectors that make up GRDP and trigger economic growth in Ende district. The method used in this research is quantitative descriptive analysis using Klassen's typology analysis. The sectors that trigger economic growth in Ende district for the 2015-2019 period are sectors that have high economic growth and high GRDP, which are included in the 1st criteria are the sectors: 1). sector G (wholesale and retail trade sector; repair of cars and motorbikes, 2). Sector H (Transportation and Warehousing), 3). Sector O (Government Administration, Defense, and Compulsory Social Security). and 4). the H sector (construction sector) and the economic sectors which are categorized as criterion 2 are sectors with high economic growth but low GRDP. Sectors that fall into this classification and criteria category are: 1). Sector B (Mining and quarrying, 2). Sector C (Collaboration Industry, 3). Sector J (information and communication) 4). Sector Q (Health Services and Social Activities) and RSTU sector (other services).

Keywords: Classification, Trigger sector, Economic growth, and GRDP

I. INTRODUCTION

Economic development in Ende district needs to be developed according to the potential of the economic sector, which contributes and adds value, creates a positive business climate, builds an image and identity of the region based on sector classifications which are the driving force and trigger for the economy of a region. Based on the results of the Sagajoka and Banda Research (2019), Ende district is one of the districts that is included in the category of developed and developing districts apart from Kupang City, East Flores Regency and Sikka Regency. Based on the results of the Klassen typology analysis, it is included in Quadrant I, because it has a large GRDP value and high economic growth compared to other districts in East Nusa Tenggara Province for the 2013-2018 period.

The development of PDRB of East Nusa Tenggara in 2015-2019 experienced a significant increase with an average increase of 3.75%, where in 2016 it was 3.47%, 2017 was 3.65%, in 2018 it was 3.83 % and in 2019 it was 4.03% and the sectors that gave the largest contribution were the Agriculture,

Forestry and Fisheries, Forestry, and Fishing sectors. So that the researcher wants to examine more deeply with regard to Ende district which is included in the category of a developed and developing region and wants to find out what sectors are the triggers or drivers of economic growth and the acceleration of economic sector development in Ende district so that the research with the title: Classification of Economic Growth Triggers Ende District for the 2015-2019 period needs to be done.

This research is useful for policy makers in Ende Regency in formulating and intervening development activity programs in all regions of Ende Regency based on potential economic sectors, which has an impact on increasing GDP and economic growth. As well as the welfare of the community in general.

a) Economic Inequality Theory

[5] Inequality between regions is a common thing in the economic activities of a region because there are differences in the content of natural resources, differences in demographics that have an impact on the ability of regions to encourage the development process. [6] Inequality refers to living standards. Relative to the whole community due to differences in the early endowment factors, giving rise to GAP.

b) Economic Development Theory

David Ricardo explained that Economic Development is the process of increasing the per capita income of the community which lasts for a long time / GDP (National Output) depending on or being determined by the population.

c) Income Theory

Gemmel's opinion about gross income is income after being taxed, where can transfers be added and income that can be spent. Meanwhile, Schumpeter explained the importance of innovation as the main source of development in order to create efficiency.

d) Economic Growth Theory

Sukirno, 2004 where Economic Growth is one indicator of the success of a region's development. The focus of measuring Economic Growth is the productivity of the country or society each year.

Productivity is measured by Gross Domestic Product (GDP) or Gross Domestic Product (GDP). Economic growth is measured by the addition of Gross Domestic Product (GDP) from year to year, which is an important condition for alleviating people from poverty, even though economic growth cannot stand alone to alleviate poverty, but economic growth can be used as the main factor to alleviate poverty.

II. METHODOLOGY

a) Types of research

This research is a quantitative descriptive study, namely calculating and analyzing the data obtained to answer the problems in accordance with the research objectives.

b) Variable Operational Definition

The variable objects and operational definitions used in this study are as follows:

- 1) Regional characteristics are the systematic classification of regions into certain parts, with the main objective of knowing the different types of area classifications to get a picture of the characteristics of an area and the different levels in area classification.
 - 2) Income inequality is the difference in income between a region and another region within a region. The unit used to measure the level of income inequality is the Williamson Index, which uses GRDP data at constant prices.
 - 3) Economic growth is the process of changing the economic conditions of a country on an ongoing basis towards a better state at a certain time.
 - 4) Income per capita is an estimate of individual income generated from GRDP per year divided by the number of residents per year or in other words per capita income is the result of regional income sharing with the number of residents per year.
 - 5) Population. The definition of population according to BPS is all people who are domiciled or reside in the geographic area of the Republic of Indonesia for 6 (six) months or more or those who are domiciled for less than six months but aim to reside or reside (in soul units).
 - 6) Regional disparities or disparities are a situation where there are differences in the level of development and income between regions. Regional disparities can be determined using an analytical tool called the Williamson Index which can be measured with GRDP data at constant prices.
- c). **Data collection technique** The data collection method used in this study is documentation using data relating to the object of research obtained from the Central Statistics Agency (BPS) and other literature that is in accordance with the topic of this research.

d). Data source

The data used in this research is secondary data in the form of time series data (*time series*) which was obtained from the Central Bureau of Statistics (BPS) of Ende Regency. The data analyzed is data on Gross Regional Domestic Product (GRDP) per capita without oil and gas at constant prices for 2013-2018, then the analysis tool used is the Williamson Index, and Klaassen Typology analysis.

e. Data analysis technique

The data analysis technique used in this study was analysis **Klassen Typology**. This technique uses two types of main indicators in classifying regions, namely sector economic growth and regional per capita income. Through this analysis, it is obtained four characteristics of different patterns and structures of economic growth (in the form of four quadrants), namely: 1). Quadrant I Fast-forward and fast-growing sectors (high growth and high income), 2) Quadrant II, advanced but depressed sectors (high income but low growth), 3). Quadrant III; Fast growing sectors / regions / potential areas (high growth but low income), and 4). Quadrant IV; The sector is relatively underdeveloped (low growth and low income) (Kuncoro, 2004: 121).

III. RESULTS AND DISCUSSION

a. ENDE District Economic Overview

1. The Role of the Economic Sector on the GRDP of Ende Regency

Gross Regional Domestic Product (GRDP) is the amount of added value generated because there are various economic activities or activities of an area. Thus the value of GRDP will be able to describe the ability of the region to manage natural resources and human resources owned in order to produce a product in the production process. Changes in the economic structure that occur in the creation of added value or what is known as the formation of GRDP. The largest contribution to the GRDP of Ende district in the 2015-2019 period with an average contribution of 26.17%, followed by the wholesale and retail sector; Repair of Automobiles and Motorcycles by 16.40%, the construction sector by 10.94%, the Government Administration, Defense and Compulsory Social Security sector by 10.62%, the education services sector by 9.69%, the transportation and warehousing sector by 6.64%, the information and communication sector at 5.15%, the financial services and insurance sector 3.73%, the real estate sector 2.90%, and the other service sector 2.40%. Health services by 1.80%, manufacturing sector by 1.44%, mining and quarrying sector by 1.43%, corporate services sector by 0.40%, food and beverage provisioning sector by 0.

2. Economic Growth in the Forming Sector of GRDP in Ende district

Economic Growth Based on the sectors that form GRDP in 2015-2019 shows that the economic growth of the sectors that make up the GRDP of Ende Regency from 2015-2019 varies where the sector that has the highest economic growth is sector I. Provision of accommodation and food and drink by 8.62%, Q. Health services and social activities 6.30% , next sector C. Processing Industry 5.53%, Sector O. Government Administration, Defense and Compulsory Social Security 5.35%, Sector R, S, T, U. Other Services 5.31%, sector H. Transportation and Warehousing and sector J. Information and Communication 5.09% respectively and sector B. Mining and Quarrying 5.03%, while other sectors GRDP growth is below 5% and the sector with the lowest GRDP growth is the sector. Provision of Accommodation and Food and Drink, Sector M, N. Company services and sectors E. Water Procurement, Waste Management, Waste and Recycling with an average GDP growth of 2%,

b. Analysis of the Economic Sector that Triggered GRDP and Economic Growth in Ende Regency 2015-2019

Based on the results of the Klassen Typology analysis using PRDB per capita data and economic growth in Ende Regency for the period 2015-2019 It shows that there are 4 sectors that are categorized as advanced and developing sectors which trigger the economy of Ende district. It is included in the category of developed and developing sectors because these sectors have high GRDP and high economic growth. Therefore, the sector that triggered economic growth in Ende district for the last five years (2015-2019) namely: 1). **sector G (Wholesale and Retail Trade; Repair of Automobiles and Motorcycles)**, 2). **Sector H (Transportation and Warehousing)** 3). **Sector O (Government Administration, Defense and Compulsory Social Security)**, and 4). **And sector F (construction)**. These four sectors have been the driving force for and driving the economy of Ende district for the last five years so that these sectors have become a priority in the development of Ende district.

IV. CONCLUSIONS AND SUGGESTIONS

Based on the results of this study, the following conclusions can be drawn:

1. The characteristics / classification of the sectors that trigger and form GRDP in Ende district are as follows: **A developed and developing sector** (High Growth and High Income) in the 2015-2019 period are; 1). sector **G**. (Wholesaler and Retail Trade sector; Car and Motorcycle Repair, 2). Sector **H** (Transportation and Warehousing), 3). Sector **O** (Government

Administration, Defense and Compulsory Social Security). And 4). sector **H** (construction sector), Category **An advanced but depressed sector** is 1). Sector **B** (Mining and quarrying, 2). Sector **C** (Collaboration Industry, 3). Sector **J** (information and communication) 4). Sector **Q** (Health Services and Social Activities) and **RSTU** sector (other services), then the potential and developing sector categories are: 1) Sector **A** (agriculture, forestry and fisheries) and 2). Sector **P** (education services) and those included in the relatively underdeveloped sector are 1). Sector **D** (Electricity and Gas Procurement), 2). Sector **E** (Water Supply; Waste, Waste and Recycling Management) 3). Sector **I** (providing accommodation and food and drink), 4). Sector **K**. (Financial services and insurance), 5). Sector **L** real estate). And 6). **MN** sector, (company services).

2. The results of the analysis show that the sectors that trigger economic growth in the district of Ende for the 2015-2019 period are sectors that have high economic growth, namely sectors that are classified as quadrant I, criteria 1, for sectors with high economic growth and GDP are: 1). sector **G**. (Wholesaler and Retail Trade sector; Car and Motorcycle Repair, 2). Sector **H** (Transportation and Warehousing), 3). Sector **O** (Government Administration, Defense and Compulsory Social Security). and 4). sector **H** (construction sector), and Quadrant II (criterion 2) sectors with high economic growth but low GRDP are: 1). Sector **B** (Mining and quarrying, 2). Sector **C** (Collaboration Industry, 3). Sector **J** (information and communication) 4). Sector **Q** (Health Services and Social Activities) and **RSTU** sector (other services)

The suggestions in this study are as follows:

- 1) The priority of the development activity program in Ende district should be developed and developing sectors, advanced but depressed sectors and potential sectors, these sectors become the leading sectors so that they can trigger an increase in GRDP and economic growth.
- 2) It is necessary to plan a program of development activities that can create jobs and move the sector sectors that have an impact on increasing GRDP and economic growth as well as community welfare.

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