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Analysis of Leading Sectors in Driving the Economy of Majene Regency

Marsida[1]
Universitas Pembangunan Nasional Yogyakarta[1]
Jl. SWK Jl. Ring Road Utara No.104, Ngropoh, Condongcatur, Kec. Depok, Kabupaten Sleman, Daerah Istimewa Yogyakarta, 55283
Correspondence Email: shydamarsida@gmail.com
ORCID ID:0009-0005-1086-371X

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ABSTRACT

West Sulawesi is the province with the lowest unemployment rate in Indonesia. Majene is a regency in West Sulawesi with increasing economic growth. This research aims to analyze the typology and leading sectors in Majene regency. This research uses the LQ, Shift Share, and Klassen Typology analysis methods. The data used is secondary data in the form of GRDP of Majene regency and West Sulawesi province for 2018-2022 which is sourced from the Central Statistics Agency (BPS). The analysis is carried out by determining the base sector, then determining the progressive sector, and finally formulating a sector typology using the Klassen Typology. The research results show that those included in the leading sectors are the mining sector, electricity and gas procurement, transportation, accommodation provision, information, financial services, real estate, government administration, educational services and other services. This sector has the potential to be developed. It is hoped that the results of this research can become the basis for an economic development strategy by looking at the potential of each sector typology.

Keywords: GRDP, Leading Sector, LQ, Shift Share, Typology Klassen

INTRODUCTION

The economy is the basic foundation of how the welfare of the people in an area. The higher the circulation of goods and services in the region, the higher the welfare there. In the process, there is a regional economic development in which there are 2 (two) roles, namely the government emphasizes more on regulation to improve the economy, while the community is the executor of the economy (sellers and buyers). Emphasizes that the economic development of a region is part of national development. In essence, regional development is intended to improve the regional economy, politics, and social welfare of the community. Economic growth is one of the most important indicators in an economic development analysis (Diana, Susilowati, & Hadi, 2017). If there is a positive movement then there is an increase in demand for goods and services so as to increase local production while at the same time opening up jobs in the region.

Assessing the growth of a region, the calculation of GRDP is carried out to find out what sectors are superior and support the regional economy. Regional development needs to be carried out in accordance with the potential conditions of its leading sectors. If the implementation of regional development priorities is not in accordance with the potential of each region, the utilization of existing resources will be less effective. Economic development is a process of changing the socio-economic structure that changes several aspects as a whole and deliberately through certain strategic policies with the aim of not only accelerating the growth rate but also income distribution, poverty alleviation and improving the quality of life of the community (Ulfa, Fauzi, & Hidayat, 2020).

Community welfare can be seen from various components which can describe whether the community is already in a prosperous life or not. The components that can be seen include the state of housing in which they live, level of education, and health (Yanto & Efendi, 2020).

West Sulawesi province has the lowest unemployment rate in Indonesia, which shows that West Sulawesi has a good economy and economic growth. Low unemployment has a positive impact on a country's economic growth.

The high level of economic development can be seen from the high value of GRDP. An increase in Gross Domestic Product (GDP) for a country is one form of development. Meanwhile, Gross Regional Domestic Product (GRDP) is usually within the scope of the region. Economic development indicators can be said to be successful as seen from several parameters, one of which is the existence of economic growth and economic inequality which is relatively decreasing (Rosyidah, 2022).

Based on data obtained from the Central Bureau of Statistics, the total GRDP for the last five years tends to increase, in 2018 the amount reached 311 million rupiah, then in 2019 the amount of GRDP reached 328 million rupiah, but in 2020 there was a decrease to 320 million rupiah, this was caused by covid 19, but in 2021 it rose again to 328 million rupiah until 2022 it reached 336 million rupiah with the highest growth sector being the agricultural sector.

West Sulawesi province consists of 6 regency. One of the regencies with a high growth rate is Majene. Based on Majene Regency GRDP data, the economic growth rate in Majene regency in 2018-2022 tends to increase but fluctuations occur. The existence of this economic growth certainly needs to be analyzed further so that strategies in economic development in Majene regency can be identified.

In addition, this research aims to analyze the leading sectors and typology in order to see further the competitiveness that exists in Majene regency and can provide policy recommendations in developing competitiveness.

LITERATURE REVIEW

Leading Sector

A sector can be categorized as a leading sector if the sector in a particular region is able to compete with the same sector produced by other regions, either in the national or domestic market. A region will have a leading sector if the region can win competition in the same sector with other regions so that it can produce exports (Suyatno, 2007). The leading sector according to Tumenggung in Firdaus et al. (2022) is a sector that has comparative advantage and competitive advantage with similar sector products from other regions and provides a large value of benefits.

The concept of competitiveness is based on the concept of comparative advantage which was first known as the Ricardian model. Ricardo's Law of Comparative Advantage states that even if a country does not have an absolute advantage in producing two types of commodities if compared to other countries, mutually beneficial trade can still take place, as long as the price ratio between countries is still different if compared to no trade. Ricardo considered the validity of the labor theory of value, which states that only one important factor of production determines the value of a commodity, namely labor. The value of a commodity is directly proportional to the amount of labor required to produce it. One of the weaknesses of Ricardo's theory is that why is labor is the only factor of production, why output per unit of labor input is considered constant, and labor is only considered as a factor of production.

According to Arifin, Munir, Hartati, and Rachbini (2001), there are four requirements for a particular sector to be a priority sector, namely (1) the sector must produce products that have a large enough demand that is large enough so that the rate of growth rate develops rapidly due to the of the demand effect; (2) due to technological change that is adopted creatively, the new production function shifts with production function shifts with development of more capacity wider capacity development; (3) there must be an increase in investment back into the production of the prioritized of the prioritized sector, both private and public; and (4) the sector must grow so that it is able to influence on other sectors.

Economic Base Theory

This economic base theory was proposed by Richardson (1973) which states that the main determinant of economic growth in a region is directly related to the demand for goods and services from outside the region. Sirojuzilam (2010) states that base activities are those activities that export goods and services to places outside the boundaries of the economy of the region in question or those that are market their goods and services to people from outside the economic borders of the community outside the economic borders of the community in question. Non-base activities, on the other hand, are activities that provide goods needed by people who live within the community's economic boundaries. Residing within the boundaries of the of the community's economy community's economic boundaries. Base activities have a role as primary movers in the growth of a region. The greater the export of a region to other regions, the more advanced the growth of that region will be, and vice versa. Any changes that occur in the basic sector will cause a multiplier effect in the regional economy (Ariani, Pradana, Wijaya, & Priambudi, 2021).

According to Safi'i (2007), the new paradigm of regional economic development strategies includes the following, namely (1) development is carried out by considering the potential of the region concerned, as well as the needs and ability of the region to carry out development; (2) regional development is not only related to the economic sector alone but its success is also related to other factors such as social, political, legal, cultural, bureaucracy and others; and (3) development is carried out in stages development is carried out in stages in accordance with the priority scale priorities and those that have the influence to move other sectors faster sectors more quickly.

Based on the analysis conducted on the sectors in a region, it is possible to precisely determine the goals and objectives of development. Which activity sectors have the potential to develop by looking at their strengths and weaknesses.

Economic Development

Economic development can be described as a process synchronizing population growth with technological progress. Increasing population must align with technological advances, particularly in the manufacturing sector, to meet local demand (Rosyidah, 2022). The primary aim of developing the economy sector is to foster positive growth and simultaneously work towards diminishing and eventually eradicating the poverty rate, unemployment, and income inequality. This endeavor seeks to generate employment opportunities for individuals within the community, enabling them to earn a livelihood that meets their living requirements (Kolinug & Winerungan, 2022).

Economic growth, in macroeconomic analysis, is an essential parameter reflecting how economic activity can induce changes in the social structure, resulting in additional income and welfare. The rate of economic growth indicates the success of development efforts (Jubaidah & Isma, 2022). Economic growth is identified when the cumulative output of actual services resulting from the utilization of production resources within a specific year surpasses the real income of the population from the preceding year (Runtunuwu & Kotib, 2021).

The base sector plays a crucial role in regional growth, influencing non-base sectors to develop into the next base sector. The economic base sector functions to provide a multiplier effect for non-base sectors in a region's economy (Pribadi, 2021).

Research by Pribadi (2021) entitled "Measurement of Competitiveness of Central Lampung Regency: Location Quotient and Shift-Share Analysis Methods" identifies economic sectors serving as the basis for competitiveness in Central Lampung regency. Descriptive quantitative analysis, using secondary data from the District and Provincial Statistics Agency, reveals three sectors as the economic base: Agriculture, Forestry and Fisheries, Construction, and Processing Industry. Shift-share analysis concludes that only two economic sectors in Central Lampung regency grew rapidly and demonstrated competitiveness in the 2016-2020 period: Transportation and Warehousing and Information and Communication. The research results serve as input for policymakers to formulate economic development strategies for Central Lampung regency.

Another study conducted by Utomo and Wulandari (2021), entitled "Analysis of Sectors and Leading Products in the Southern Region of East Java in 2015-2020", aims to determine the leading sectors and products in five districts of the southern region of East Java Province. The research method utilizes Location Quotient (LQ), Shift-Share, and Klassen Typology analysis tools. The leading sectors identified include information & communication, education services, agriculture, forestry & fisheries, construction, wholesale and retail trade & repair of cars and motorcycles, and health services.

RESEARCH METHOD

The data used is time series data for 2018-2022. The data source comes from the Central Bureau of Statistics (https://www.bps.go.id/en). The data collection method used in this research is carried out by means of a library research approach, namely a series of activities related to library data collection methods, reading, and recording and processing research materials.

Analysis tool used is Location Quotient (LQ) Analysis. Location Quotient (LQ) analysis is one of the simple indicators that shows the "strength" of the size and size of a sector in a region compared to the same sector in a wider area. The higher the LQ value of a sector, the higher the competitive advantage of the region in developing that sector. LQ calculation aims to illustrate the comparative advantage of a region with other regions (Jubaidah & Isma, 2022). The formula used in determining the base sector or leading sector is:

$$LQ = \frac{Ri/Rt}{Ni/Nt}$$

Description:
Ri = District i subsector/commodity production
Rt = District total subsector/commodity production
Ni = Production of subsector/commodity i of West Sulawesi province
Nt = Total subsector/commodity production of West Sulawesi province

Based on the formulation referred to in the equation above, there are three possible LQ values that can be determined, namely as follows (Hidayati, 2012): (1) LQ value > 1, which means that the growth rate of subsector i in the study area is greater than the growth rate of the same subsector in the regional economy reference region; (2) LQ value < 1, which means that the growth rate of subsector i in the study area is smaller than the growth rate of the same subsector in the regional economy reference region; and (3) The value of LQ = 1, which means that the growth rate of the subsector in the study area is the same as the growth rate of the same subsector in the economy of the reference region.

Shift Share Analysis

Shift Share is used to determine the performance or productivity of regional economic work by comparing it with larger regions (regional or national). In this analysis, it is assumed that the growth of economic sectors is influenced by three things, namely the national growth component (KPN), the proportional growth component (KPP), and the regional share growth component (KPPW). The formula used in the shift share analysis in this study is (Rachmawati, Cahyono, Nugraha, Watjuba, & Hanifa, 2020):

$$\text{PPW} = ri(ri'/nt - nt'/nt)$$
$$\text{PP} = nt(nt'/nt - Nt/nt)$$
$$\text{PB} = \text{PPW+PP}$$

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Description:
PPW = Regional Share Growth
PP = Proportional Growth
PB = Net Growth
ri = Production of commodity i in Majene district in the initial year
ri' = Production of commodity i in Majene regency in the final year
nt = Commodity production of West Sulawesi province in the initial year
nt' = Production of commodity i of West Sulawesi province in the final year
NT = Total production of West Sulawesi province in the initial year
NT' = Total production of West Sulawesi province in the final year

Description of result:
PP > 0 Commodity i has fast growth
PP < 0 Commodity i has slow growth
PPW > 0 Commodity i has good competitiveness
PPW < 0 Commodity i has poor competitiveness
PB ≥ 0 Growth of commodity i belongs to progressive group (advanced)
PB < 0 Growth of commodity i belongs to the slow group

Klassen Typology Analysis
Klassen's typology analysis is used to find out an overview of the pattern and structure of economic growth in each region. Klassen's typology analysis compares per capita income ratios with economic growth. Klassen Typology analysis produces 4 (four) sector classifications with different characteristics (Siradjuddin, Anshar, & Asman, 2021). The classification of each commodity in this study corresponds to the characteristics of each quadrant.

Figure 1. Klassen Typology Analysis Matrix

Quadrant I Advanced and fast-growing sector qi > g si >= s	Quadrant II Advanced but depressed sector qi < g si > s
Quadrant III Potential sectors or can still grow qi > g si < s	Quadrant IV Relatively undeveloped sector qi < g si < s

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RESULTS

Location Quotient (LQ) analysis is a method used to analyze the economic potential of a region or sub-district.

Table 1. LQ Majene Regency Analysis

	Sector	2018	2019	2020	2021	2022	LQ AVERAGE
A	Agriculture, Forestry and Fisheries	0.870311968	0.888896	0.88873	0.895656	0.893620178	0.887442818
B	Mining and excavation	1.162109042	1.165264	1.147999	1.117124	1.135480068	1.145595198
C	Processing industry	0.509958826	0.512117	0.534221	0.536345	0.550651492	0.52865874
D	Procurement of Electricity and Gas	1.723730788	1.686318	1.643094	1.559638	1.67711932	1.657980032
E	Water Supply, Waste Management, Waste and Recycling	0.842610224	0.787266	0.771984	0.8144159	0.797816431	0.802767197
F	Construction	0.981927318	0.956215	0.965725	0.952293	0.940340033	0.959300048
G	Wholesale and Retail Trade; Car and Motorcycle Repair	0.979314568	0.977624	0.979106	0.978329	0.973763414	0.977627136
H	Transportation and Warehousing	1.074257191	1.064713	1.073153	1.092066	1.09721023	1.080279821
I	Provision of accommodation and food and drink	1.192058698	1.210861	1.223608	1.236064	1.202827685	1.213083762
J	Information and Communication	1.135567152	1.137493	1.122478	1.133283	1.128555186	1.131475252
K	Financial Services and Insurance	1.579184852	1.584525	1.572948	1.577702	1.573494743	1.577570886
L	Real Estate	1.230593014	1.210562	1.209174	1.195721	1 175796988	1.204369409
M, N	Company Services	0.619008164	0.598835	0.594296	0.588583	0.588853826	0.59791508
O	Government Administration, Defense and Mandatory Social Security	1.287575184	1.27415	1.276267	1.281096	1.287216871	1.281261125
P	Education Services	1.79050892	1.728311	1.729266	1.738185	1.725030625	1.742260193

Q	Health Services and Social Activities	0.723367559	0.698973	0.697962	0.70207	0.674792779	0.699433008
R, S, T, U	Other Services	1.735341233	1.647962	1.660542	1.670354	1.695081188	1.681856165
GROSS REGIONAL DOMESTIC PRODUCT		1	1	1	1	1	1

There are 17 sectors that support GRDP, namely: (1) Agriculture, forestry, and fisheries sector; (2) Mining and quarrying; (3) Processing industry; (4) Electricity and gas procurement; (5) Water supply, waste management, waste, and recycling; (6) Construction; (7) Wholesale and retail trade, repair of cars and motorcycles; (8) Transportation and warehousing; (9) Accommodation and food and beverage provision; (10) Information and Communication; (11) Financial and insurance services ; (12) Real Estate; (13,) Corporate Services; (14) Public administration, defense, and compulsory social security; (15) Education services; (16) Health services and social activities; (17) Other services.

By using the formula:

$$LQ = \frac{Ri/Rt}{Ni/Nt}$$

Then the results obtained fluctuate for each average LQ, there are 7 sectors whose LQ value < 1, meaning that there are still several sectors categorized as non-base or this sector is unable to meet the needs in its own region.

Table 2. Analysis Shift Share Majene Regency

	Sector	Majene Regency		West Sulawesi		rij	rin	m	Nij	Mij	Cij	Dij
		2018	2022	2018	2022							
A	Agriculture, Forestry and Fisheries	1144743	13056002	12131877	13342874	0.1405	0.0998	0.082	93474.50529	9330.575	46590.87	149395.9
B	Mining and excavation	89717.42	97245.39	712073.5	782134.1	0.0839	0.0984	0.082	7325.915829	720.7934	-1299.28	6747.425
C	Processing industry	185676.3	216093.9	3358275	3583996	0.1638	0.0672	0.082	15161.48167	1019.052	17942.72	34123.26
D	Procurement of Electric	4134.28		221222.05	28027.94	0.245	0.267	0.082	337.5865	90.12495	-90.8924	336.819

	ity and Gas		514 7.11									
E	Water Supply, Waste Management, Waste and Recycling	497 9.27	527 4.48	5450 4.69	603 76.5 6	0.0 59 3	0.1 07 7	0. 08 2	406.5 84506 2	43.8 019 4	- 241. 214	209. 172 4
F	Constr uction	265 366. 8	260 635. 2	2492 655	253 127 8	- 0.0 18	0.0 15 5	0. 08 2	21668 .65	335. 745 3	- 884 3.38	131 61.0 1
G	Wholes ale and Retail Trade; Car and Motorc ycle Repair	323 595. 1	350 194. 2	3047 717	328 433 3	0.0 82 2	0.0 77 6	0. 08 2	26423 .2977 2	205 1.43 5	147 6.10 8	299 50.8 4
H	Transp ortation and Wareh ousing	582 03.6	644 11.6 9	4997 31.2	536 125. 6	0.1 06 7	0.0 72 8	0. 08 2	4752. 641	346. 124 6	196 9.24 7	706 8.01 3
I	Provisi on of accom modati on and food and drink	962 4.42	116 68.6 6	7446 8.37	885 95.0 1	0.2 12 4	0.1 89 7	0. 08 2	785.8 86295 3	149. 082 5	218. 488 8	115 3.45 8
J	Informa tion and Comm unicati on	183 703. 3	223 707. 6	1492 104	181 029 6	0.2 17 8	0.2 13 3	0. 08 2	15000 .38	319 8.84 1	829. 432 3	190 28.6 5
K	Financi al Service s and Insuran ce	113 720. 5	132 195. 6	6642 03.1	767 261. 2	0.1 62 5	0.1 55 2	0. 08 2	9285. 90126 7	144 0.80 6	830. 063 4	115 56.7 7
L	Real Estate	113 411. 2	124 301. 4	8500 34.3	965 462. 6	0.0 96	0.1 35 8	0. 08 2	9260. 643	125 7.52 6	- 451 0.18	600 7.99 3

M, N	Company Services	1756.9	1812.72	26178.55	28113.5	0.0318	0.0739	0.082	143.460450 8	10.60367	-74.0387	80.02538
O	Government Administration, Defense and Mandatory Social Security	384804.9	378103.5	2756532	2682567	-0.017	-0.027	0.082	31421.42	-843.11	3623.747	34202.06
P	Education Services	324395.4	324437.3	1671064	1717615	0.0001	0.0279	0.082	26488.64983	737.8878	-8994.66	18231.88
Q	Health Services and Social Activities	51212.82	55572.47	653002.1	752109.3	0.0851	0.1518	0.082	4181.806	634.6795	-3413	1403.481
R, S, T, U	Other Services	114316.4	128741.4	607601.1	693616.7	0.1262	0.1416	0.082	27545 3.3547	22492.27	36334.2	334279.8
GROSS REGIONAL DOMESTIC PRODUCT		3373362	3685149	31114143	33654782	0.0924	0.0817	0.082	27545 3.4	22492.27	36334.2	334279.8

Furthermore, Shift Share analysis is used to determine the growth of each sector, whether growth is fast or slow, experiencing progress or setbacks. The data used in the Shift Share analysis is the same as the data used in the LQ analysis.

The above calculations are the results of shift share calculations that can be interpreted based on each component. Based on the analysis of exchange rate shifts, economic growth in various sectors fluctuates, as seen in the Nij exchange rate, where the Nij exchange rate shows a positive value, in contrast to the industry mix exchange rate (Mij) and the market share exchange rate (Cij) which show negative values, indicating that these sectors have comparative value and slow growth.

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Table 3. Tipology Klassen Majene Regency Analysis

	Sector	West Sulawesi		Majene Regency		
						Note
A	Agriculture, Forestry and Fisheries	0.0242	39%	0.0337	35%	Potential sector
B	Mining and excavation	0.0251	2%	0.0214	3%	Progressive but suppressed sector
C	Processing industry	0.0172	11%	0.0389	6%	Potential sector
D	Procurement of Electricity and Gas	0.0612	0%	0.0584	0%	Progressive but suppressed sector
E	Water Supply, Waste Management, Waste and Recycling	0.0267	0%	0.0148	0%	Progressive but suppressed sector
F	Construction	0.0084	8%	-0.001	7%	Underdeveloped sector
G	Wholesale and Retail Trade; Car and Motorcycle Repair	0.0193	10%	0.0203	10%	Progressive and growing rapidly sector
H	Transportation and Warehousing	0.0193	2 %	0.027	2%	Progressive and growing rapidly sector
I	Provision of accommodation and food and drink	0.0471	0%	0.0514	0%	Progressive and growing rapidly sector
J	Information and Communication	0.0506	5%	0.0516	6%	Progressive and growing rapidly sector
K	Financial Services and Insurance	0.0372	2%	0.0389	4%	Progressive and growing rapidly sector
L	Real Estate	0.0329	3%	0.0237	3%	Progressive but suppressed sector
M, N	Company Services	0.0191	0%	0.0086	0%	Progressive but suppressed sector
O	Government Administration, Defense and Mandatory Social Security	-0.006	8%	-0.004	11%	Progressive and growing rapidly sector
P	Education Services	0.0084	5%	0.0009	9%	Underdeveloped sector
Q	Health Services and Social Activities	0.0364	2%	0.0208	1%	Progressive but suppressed sector
R, S, T, U	Other Services	0.0352	2%	0.0309	3%	Underdeveloped sector
GROSS REGIONAL DOMESTIC PRODUCT		0.0202	100%	0.0227	100%	Progressive and growing rapidly sector

Klassen typology analysis aims to determine sector priorities. The following is a picture of the results of Klassen typology, a combination of the results of LQ and Shift Share analysis.

After conducting the Klassen typology test, the analysis shown in Table 3 shows that there are sectors that occupy each quadrant. It can be seen that the average economic growth in Majene and West Sulawesi is quite volatile, as well as the average distribution. Although the highest distribution sector is the agricultural sector, the classification of the agricultural sector is classified as a quadrant II sector.

DISCUSSION

Based on this analysis, there are 10 sectors that have an LQ value > 1, namely the mining and quarrying sector, electricity and gas procurement, transportation and warehousing sector, provision of accommodation and eating, information and communication, financial services and insurance, real estate, government administration sector, defense and mandatory social security, education services sector, and other services sector. These sectors are included in the basic sector because they have an LQ indicator > 1, meaning that this sector can be a source of growth that has a comparative advantage to meet the needs of the region and has the potential to be exported outside the region. While the other 7 sectors that have an LQ value < 0 are the agricultural, forestry and fisheries sector, the processing industry sector, the water supply sector, waste management, waste and recycling, the construction sector, wholesale, and retail trade; repair of cars and motorcycles, company services, and health services and social activities. These sectors are included in the non-basic sectors, meaning that they are unable to fulfill their own needs and thus require supplies from other regions.

Nij is economic growth, Mij is industry mix, and Cij is competitiveness. To find out the shift share value, the formula is (Dij = Nij + Mij + Cij). If Mij > 0, it means that the sector has rapid growth, and vice versa if Mij < 0, it means that the sector is experiencing slow growth. Next is Cij regional growth share, if Cij > 0 then the sector has competitiveness while if Cij < 0, then the sector does not have competitiveness. So, it can be known the shift share, if Dij < 0, then the sector is a less progressive sector, and if Dij > 0, then the sector is a progressive sector. Based on this data, it is known that for Majene regency, rapid economic growth consists of 16 sectors, with the exception of the government administration, defense, and mandatory social security sectors. Furthermore, for the growth share of areas that have competitiveness, namely the agricultural, forestry and fisheries sector, the manufacturing industry sector, wholesale and retail trade, repair of cars and motorcycles, transportation and warehousing, provision of accommodation and eating and drinking, information and communication, financial services and insurance, and the government administration sector, defense, and mandatory social security. Meanwhile, the progressive sectors are all sectors without exception.

In the table there is an average growth marked in the blue table, and there is also an average growth distribution marked by the yellow table. After knowing the average growth and distribution, it can be seen that the agricultural sector belongs to the potential sector of quadrant III, the mining sector belongs to the advanced but depressed sector of quadrant II, the processing industry is included in the potential sector of quadrant III, the electricity and gas supply sector belongs to the advanced but depressed sector of quadrant II as well as the water supply sector, the financial and insurance services sector, company services, health services, and social activities. As for the advanced and fast-growing sectors are the wholesale and retail trade sector, transportation and warehousing, provision of food and beverage accommodation, information and communication, financial services, and insurance, the government administration sector is classified in quadrant I. Finally, those classified in the relatively depressed sector are classified in quadrant II. The last one that is classified as a relatively lagging sector is the construction sector, education services, and other services. Classified in quadrant IV.

CONCLUSION

Calculations using GRDP (Gross Regional Domestic Product) data are useful for describing the level of economic growth of a region both in aggregate (overall) and by sector. In addition, it is also useful to see changes in the economic structure of a region based on the distribution of each economic sector to the total value of GRDP.

Based on LQ analysis, there are 10 leading sectors that have comparative advantage in Majene district of West Sulawesi, namely mining and quarrying sector, electricity and gas procurement, transportation and warehousing sector, accommodation and food supply sector, information and communication sector, financial services and insurance sector, real estate sector, government administration sector, defense and mandatory social security, education services sector, and other services sector.

Based on the shift share analysis of the data, it is known that for Majene regency, rapid economic growth consists of 16 sectors, with the exception of the government administration, defense, and compulsory social security sectors. For regional share growth, there are 10 sectors that have competitiveness, namely the agricultural, forestry and fisheries sector, the manufacturing industry sector, wholesale and retail trade, repair of cars and motorcycles, transportation and warehousing, provision of accommodation and eating and drinking, information and communication, financial services and insurance, and the government administration, defense, and mandatory social security sector.

Based on the Klassen typology analysis, there are 6 sectors in Majene regency which are classified as developed and fast-growing sectors (quadrant 1), there are 6 developed but depressed sectors (quadrant 2), there are 2 sectors classified as potential sectors or can still grow rapidly (quadrant 3), and there are 3 sectors that are relatively lagging behind (quadrant 4).

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