

The Non-Base Economic Sector Analysis of Tangerang City

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Abstract

This study aims to determine the non-base economic sectors of Tangerang City, which are dominantly affected by Covid-19 in Banten, as part of a regional economic study. Researchers used the Location Quotient (LQ) method to analyze the conditions sourced from the BPS data. The results of the Location Quotient (LQ) analysis of Tangerang City show a non-base economic sector. The government must pay special attention to non-base sectors to grow and develop in the future. The results of the research can identify several non-base sectors of Tangerang City, including sectors: agriculture, forestry, fisheries; mining and excavation; procurement of electricity and gas; construction; provision of accommodation and food and drink; financial and insurance services; real estate; company services; government administration, defense and mandatory social security; educational services; health services and social activities; and other services

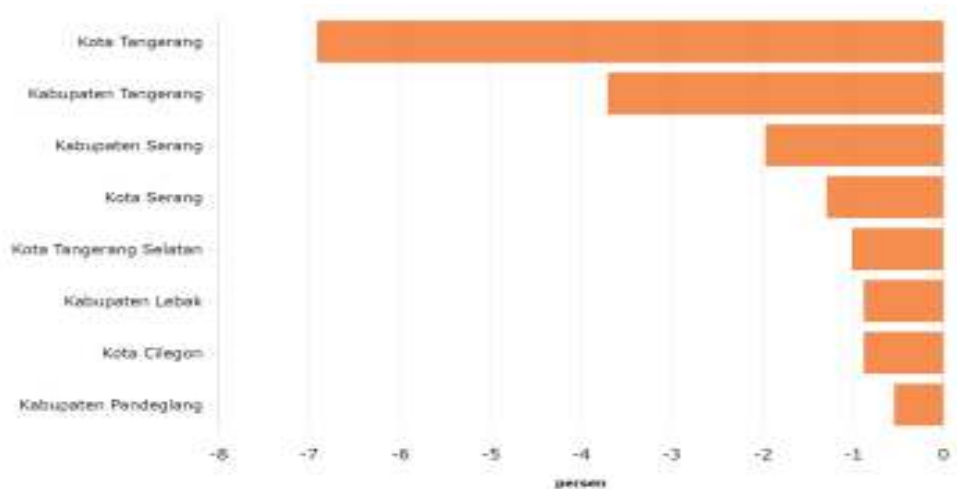
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INTRODUCTION

Over the past few years, Tangerang City has continued to encourage various sectors to spur economic growth in the community. Become part of Capital Economic Support, which is located strategically and is something area dynamic, has many potencies; however, it continues to spur the growth of the manufacturing industry, which provides greater added value. Going ahead to the economy, something area be measured using growth the economy or development amount GRDP, amount goods, and services generated by public increase every period.

Required development of leading sectors to increase economic growth. However, the more height average growth economy, something area will raise problems other than even income. Income inequality between districts or regions is caused by these differences in the potential of human resources, infrastructure, and nature of potential resources.

Contraction Tangerang City's economy during the Covid-19 pandemic became the deepest among a number of districts/cities in Banten Province, as shown in Figure 1.



Source : Central Bureau of Statistics (BPS)

Figure 1. Economic Growth in the Regency /City of Banten (2020)

This study aims to determine the sector Tangerang Municipality's dominant non-base economy affected by Covid-19 in Banten as part of regional economic studies. The researcher uses the Location Quotient (LQ) method to analyze the conditions sourced from BPS data. LQ analysis results (Location Quotient) for Tangerang City, a known non-base economic sector. The government needs to focus specifically on the non-base sector to grow and develop in the future.

RESEARCH METHOD

The first step is preparation relating to things to be supported against his path study : looking for a variety of reliable literature and references, scientifically tested, and academic, so that the results of this research will produce research accurate and justifiable truth and useful as a better reference and scientific development in the future. The data supporters that need to be prepared are as follows: Overview References, data from various sources that could trusted public which Becomes reference and source processing data used by the Government, which is the Institution Government, is Central Agency Statistics/BPS.

In the second stage, we perform quantitative analysis from research based on theory using the location method quotient (LQ method), where method This will compare to the employment portion/added value for sector at the same level of national. If the formulation data use dataemployment, the formula used is

$$1 / e$$

$$LQ = \frac{L_i}{L_n} \cdot \frac{E_n}{E_i}$$

L_i = The number of sector i jobs in the analysis area
 E_i = The amount employment in the analysis area

L_n = The amount field work sector i in a manner National
 E_n = The amount work field i in a manner National

Note: The term national is a region with a higher level. For example, if the region analysis is in the province, then the national territory is the territory of the state. If the area of analysis is a district/city area, national terms are used for provincial areas, and so on.

From the above formula, it is known that if $LQ > 1$, the portion of field sector i employment in the area of analysis of the total regional employment is larger than the share of employment for the same sector nationally. That is, sector i in our region can provide proportional field work that exceeds sector i in a national manner. $LQ > 1$ indicates that the sector is the basis, whereas $LQ < 1$ indicates a sector that is non-base.

In the third stage, a report from the results study will naturally be packed as best as possible as this research as a reference and strategy in increasing growth, equity, and superior potential or local wisdom potential economy, especially in South Tangerang, and has an impact on the larger connectivity network for growing related economic ventures. Every large and influential economic venture will grow from an effort economy that supports it. Developing economy regional Tangerang The South needs contributions and inputs from all sides, fine from public, academics which naturally from results study this, with hope the results of the research that we do can later be implemented in make something policy Government Tangerang South; however, permanent notice also coordination policy economy national, so that synchronization occurs between regional and central policies, because Tangerang is the wrong region buffer economy in Capital Country, Republic of Indonesia.

Data to be used inside study are sourced from the Central Statistics Agency (BPS) Tangerang City based on GRDP Upper Tangerang City base Business Field period 2019-2021.

RESULTS AND DISCUSSION

Results

A. Geographical City of Tangerang

The geographical location of Tangerang City is very strategic because it lies between the State Capital of DKI Jakarta and Tangerang Regency. Based on Presidential Instruction No. 13 of 1976 concerning the Development of Greater Jakarta (Jakarta, Bogor, Tangerang, and Bekasi), Tangerang is one of the buffer zones for the State Capital of DKI Jakarta.

The position of Tangerang makes its growth rapid. On the one hand, the Tangerang City area overflows with various activities in the State Capital, DKI Jakarta. On the other hand, Tangerang City can become a collector area for developing the Tangerang Regency area as an area with productive natural resources.

The rapid growth of Tangerang City was also accelerated by the existence of the Soekarno-Hatta International Airport, some of which is included in the administrative area of the City of Tangerang. The gateway to Indonesia's air transportation has opened opportunities for the broad development of trade and service activities in the City of Tangerang.

B. GRDP of Tangerang City

To support the results of this study, related data are required, namely the PDRB of Tangerang City and the PDRB of Banten Province. Based on these data, it is known that the GRDP of Tangerang City in 2019 was IDR 1,694,004, in 2020 it was IDR 102,898,229, and in 2021 it was IDR 106,705,227, as shown in Table 1.

Table 1. GDP of Tangerang City at constant prices According to Field Business (Million Rupiah)

	Classification Business Field	2019	2020	2021
A	Agriculture , Forestry , and Fisheries	1,694,004	1,744,674	1,745,997
B	Mining and Quarrying	0.00	0.00	0.00
C	Industry Processing	39,566,348	37,862,197	39,132,952
D	Procurement of Electricity and Gas	185,037	182,124	194,011
E	Water Supply , Management Trash , Waste and Recycle Repeat	91,121	99,851	111,424
F	Construction	8,219,964	8,207,634	8,929,890

G	Trading Wholesale and Retail ; Car and Motorcycle Repair	14,679,063	14,503,429	14,833,500
H	Transportation and Warehousing	16,724,276	9,095,643	9,196,007
I	Provision Accommodation and Meals Drink	1,746,491	1,679,759	1,739,777
J	Information and Communication	9,260,963	10,141,681	10,758,295
K	Financial Services and Insurance	3,094,442	3,300,814	3,525,304
L	Real Estate	7,691,167	8,192,114	8,548,471
M N	Company Services	1,204,898	1,189,596	1,174,607
O	Administration government , Defense and Assurance Social Required	1,252,340	1,247,957	1,247,280
P	Education Services	2,518,896	2,681,365	2,655,892
Q	Health Services and Activities Social	1,056,361	1,245,026	1,365,046
R,S, T,U	Other Services	1,571,026	1,524,367	1,546,775
	GROSS REGIONAL DOMESTIC PRODUCT	1,694,004	102,898,229	106,705,227

Source : BPS – GRDP of Tangerang City

C. Banten Province GRDP

The PDRB of Banten Province is presented in Table 2.

Table 2. P drb Banten Province According Business Field (Million Rupiah)

	Classification Business Field	2019	2020	2021
A	Agriculture , Forestry , and Fisheries	37,018,353	39,008,755	40,237,646
B	Mining and Quarrying	4,375,914	4270429,9	4,633,226
C	Industry Processing	203,249,815	195,352,930	209,608,506
D	Procurement of Electricity and Gas	12,035,573	10,507,334	12,152,990
E	Water Supply , Management Garbage , Waste and Recycling Repeat	509,832	550,955	585,184
F	Construction	73,327,251	71,552,945	82115309
G	Trading Wholesale and Retail ; Car and Motorcycle Repair	84,199,744	83,241,979	85,903,972
H	Transportation and Warehousing	71,188,556	40,473,339	41,639,170
I	Provision Accommodation and Meals Drink	15,852,962	15,157,500	15,901,809
J	Information and Communication	23,278,142	25,200,743	26,574,75
K	Financial Services and Insurance	19,713,716	20,300,416	22,331,641
L	Real Estate	52,186,160	54,278,468	56,592,741
M N	Company Services	7,492,681	7,325,205	7,329,424
O	Administration government , Defense and Assurance Social Required	13,657,217	14,210,476	14,457,868
P	Education Services	23,716,272	24,502,953	24,395,482

Q	Health Services and Activities Social	8,369,185	9,183,232	10,298,724
R,S, T,U	Other Services	11,149,968	10,861,688	11,163,472
	GROSS REGIONAL DOMESTIC PRODUCT	661,321,341	25,979,345	665,921,915

Source : BPS-PDRB Banten Province

D. Results of LQ (Location Quotient) Analysis of GRDP in Tangerang City

Based on the PDRB of Tangerang City and the PDRB of Banten Province (e.g., Table 1 and Table 2) above, the Location Quotient (LQ) is analyzed as shown in Table 3 below:

Table 3 LQ (Location Quotient) Analysis of GRDP in Tangerang City

	Category GRDP Business Field	2019	2020	2021	Average	(+/-)	. Non Basis
A	Agriculture , Forestry , and Fisheries	0.27	0.27	0.27	0.27	-	Non Base
B	Mining and Excavation	0.00	0.00	0.00	0.00	-	Non Base
C	Industry Processing	1.16	1.18	1.17	1.17	+	Base
D	Procurement of Electricity and Gas	0.09	0.11	0.10	0.10	-	Non Base
E	Water Supply , Management Garbage , Waste and Recycling Repeat	1.07	1.10	1.19	1,12	+	Base
F	Construction	0.67	0.70	0.68	0.68	-	Non Base
G	Trading Big and retail ; Car Repair and Motorcycle	1.04	1.06	1.08	1.06	+	Base
H	Transportation and Warehousing	1.41	1.37	1.38	1.38	+	Base
I	Provision Accommodation and Eat Drink	0.66	0.67	0.68	0.67	-	Non Base
J	Information and Communication	2.38	2.45	2.53	2.45	+	Base
K	Financial Services and Insurance	0.94	0.99	0.99	0.97	-	Non Base
L	Real Estate	0.88	0.92	0.94	0.91	-	Non Base
M N	Company Services	0.96	0.99	1.00	0.98	-	Non Base
O	Administration Governance , Defense and Assurance Social Required	0.55	0.53	0.54	0.54	-	Non Base
P	Education Services	0.64	0.67	0.68	0.66	-	Non Base

Q	Health Services and Activities Social	0.76	0.82	0.83	0.80	-	Non Base
R,S, T,U	Other Services	0.84	0.85	0.86	0.85	-	Non Base

Source : Data processed writer

E. Discussion

Based on the table the Table 3 above show data who became sector superior (base sector) and non-base in Tangerang City. Basic and non-base sectors can be counted using formula and Location Quotient (LQ) analysis. analysis models by comparing the magnitude of the role of one sector in an area (district or city) against the magnitude of the role sector in the level province. Analysis of this aim could identify how much internal potential (base sector) is owned by the City of Tangerang and the non-base sector. If index $LQ > 1$, it indicates that sector is the Becomes Base sector. $LQ = 1$, sector is said to be only capable of fulfilling demand in the region; meanwhile, if $LQ < 1$, sector is said to be a non-base sector. From the _ LQ analysis (Location Quotient) in Table 3, it is known that the average value of the Location Quotient (LQ) in the basic and non-base sectors in the City of Tangerang in 2019 - 2020.

The results of the Location Quotient (LQ) analysis in Table 3 also show that the five sectors have LQ results > 1 . In other words, there is 5 (five) basic sectors (sector potential) in the Tangerang City area, among others sector:

1. Industry Processing
2. Water Supply , Management Garbage , Waste and Recycling Repeat
3. Trading Wholesale and Retail ; Car Repair and Motorcycle _
4. Transportation and Warehousing
5. Information and Communication

Whereas who have the result of $LQ < 1$, is non- base sectors include the following sectors:

1. Agriculture , Forestry , and Fisheries
2. Mining and Excavation
3. Procurement of Electricity and Gas
4. Construction
5. Provision Accommodation and Meals Drink

6. Financial Services and Insurance
7. Real Estate
8. Company Services
9. Administration Governance , Defense and Assurance Social Required
10. Education Services
11. Health Services and Activities Social
12. Other Services

These sectors in above needs to get special attention from the Tangerang City government so that it can grow in the future and be able to absorb more workers and increase regional income

CONCLUSION

From the analysis, the results of the average Location Quotient (LQ) value in the basic and non-base sectors in the Tangerang City area in 2019-2020.

A. Base Sector

Based on the Location Quotient analysis, Tangerang City has several base sectors (potential sectors):

1. Agriculture, Forestry and Fisheries
2. Mining and excavation
3. Procurement of Electricity and Gas
4. Construction
5. Provision of Accommodation and Food and Drink.

Fifth, the base sector was the dominant and necessary sector for maintaining continued growth, and Tangerang City's economy continued to increase.

B. Non Base Sector

The results of the analysis of the Location Quotient (LQ) in Tangerang City are known sector non-base economies. Sector non-base economy that needs to get attention is

1. Agriculture, Forestry and Fisheries
2. Mining and excavation

3. Procurement of Electricity and Gas
4. Construction
5. Provision of Accommodation and Food and Drink
6. Financial Services and Insurance
7. Real Estate
8. Company Services
9. Administration Governance , Defense and Assurance Social Required
10. Education Services
11. Health Services and Activities Social
12. Other Services

Government needs to give convenience and attention, specifically in the non-base sector, as needed (for example, convenience in form access capital to the world of banking, support access, cross transportation, etc.) expected to grow in the future. and capable of absorbing power work in the City of Tangerang and its surroundings, as well as increasing income .

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