

## Analysis of Economic Potentials in the Efforts to Reduce Inter-District Inequality in Tegal Regency

By:

Mulyo Sugiarto

BAPPEDA & Litbang of Tegal Regency

Email: edinsugiarto@gmail.com

### ABSTRACT

This study aims to analyze the economic potential to reduce inequality between sub-districts in Tegal Regency. The result of the research shows that with mapping analysis of production modification of each sub-district which has a fast growing potential economic sector and contributing significantly in Tegal Regency during the period of 2009-2013 a) The superior agricultural sector in Sub District Balapulang, Suradadi, Warurejo; b) Superior Mining and Quarrying Sector in Balapulang Sub District; c) Superior Processing Industry Sector in Sub District Pangkah, Slawi, Adiwerna, Warurejo; d) High Electricity, Gas and Water Sector in Slawi, Dukuhwaru, Dukuhturi Sub-District; e) Superior Building Sector in Kecamatan Pangkah, Slawi, Dukuhwaru, Kramat, and Warurejo; f) Superior Trade, Hotel and Restaurant Sector in Jatinegara and Adiwerna Sub-district; g) The Transport and Communications Sectors excel in Margasari, Bojong and Pagerbarang Sub-districts; h) The Finance, Leasing, and Corporate Services sector is superior in Margasari, Balapulang, Pangkah Sub District; i) superior service sectors in Pangkah, Slawi, Adiwerna, and Suradadi Sub District.

**Keywords:** Regional Inequality, Economic Potential, Base Sector, Relative GRDP Growth, Klassen Typology.

### ABSTRAK

*Penelitian ini bertujuan untuk menganalisis potensi ekonomi dalam upaya penurunan ketimpangan antar kecamatan di Kabupaten Tegal. Hasil penelitian menunjukkan bahwa 1) Berdasarkan analisis pemetaan modifikasi produksi tiap kecamatan yang memiliki sektor ekonomi potensial yang tumbuh cepat dan memberikan kontribusi yang besar di Kabupaten Tegal selama kurun waktu 2009-2013 adalah a) Sektor Pertanian unggul di Kecamatan Balapulang, Suradadi, Warurejo; b) Sektor Pertambangan dan Penggalian unggul di Kecamatan Balapulang; c) Sektor Industri Pengolahan unggul di Kecamatan Pangkah, Slawi, Adiwerna, Warurejo; d) Sektor Listrik, Gas dan Air Bersih unggul di Kecamatan Slawi, Dukuhwaru, Dukuhturi; e) Sektor Bangunan unggul di Kecamatan Pangkah, Slawi, Dukuhwaru, Kramat, dan Warurejo; f) Sektor Perdagangan, Hotel dan Restoran unggul di Kecamatan Jatinegara, dan Adiwerna; g) Sektor Pengangkutan dan Komunikasi unggul di Kecamatan Margasari, Bojong, dan Pagerbarang; h) Sektor Keuangan, Persewaan dan Jasa Perusahaan unggul di Kecamatan Margasari, Balapulang, Pangkah; i) Sektor Jasa-jasa unggul di Kecamatan Pangkah, Slawi, Adiwerna, dan Suradadi.*

**Kata kunci:** Ketimpangan Wilayah, Potensi Ekonomi, Sektor Basis, Pertumbuhan PDRB Relatif, Tipologi Klassen.

### INTRODUCTION

Economic development is defined as a series of businesses in an economy to develop its economic activities so that infrastructure is more widely available, companies are increasingly and growing, the level of education is increasingly high, and technology is increasing (Davies and Tonts, 2010). As an

implication of this development, it is expected that employment opportunities will increase, income levels rise, and community prosperity will be higher (Sukirno, 2010). The primary objective of economic development efforts in addition to creating the most top growth must also eliminate and reduce the level of poverty, income inequality, and unemployment. Job opportunities for residents or the community will provide income to meet their needs (Todaro, 2008).

One indicator to see the welfare of the community from the material aspect is through the level of economic growth (Nugraha and Basuki, 2007). Economic growth is also one of the targets in the process of economic development. Even a country's economic development can be said to increase by only looking at its economic growth. If economic growth increases every year, the economic development can be reported to increase (Dhyatmika and Atmanti, 2013). In addition to creating the highest economic growth, one of the main objectives of economic development efforts is also the need for an increase in people's living standards (Todaro, 2008).

However, efforts to improve regional economic growth are undoubtedly inseparable from problems of inequality or disparity between regions one with other areas (Cai *et al.*, 2002). That is, high regional economic growth may not necessarily overcome the existing challenges in the region (Keeble *et al.*, 2007). As explained by Kuncoro (2002) that is relevant to the conditions in the area that economic growth is only a necessary but not sufficient for the development process. Even Arsyad (2010) stated that high economic growth has little benefit in solving problems of poverty, unemployment and unequal distribution. The method of regional economic growth should no longer only focus on efforts to increase local income but the quality of the region's economic growth. The quality of the region's economic growth is related to the reduced level of inequality between developed economies and weak areas. Therefore, the needs needed by each region to achieve a quality economic growth process are very different.

Regional disparity arises because of the absence of equity in economic development. This can be seen from the existence of developed regions and less developed regions. The success of growth is primarily determined by the potential of available natural resources, the infrastructure that has been built, the development policies carried out and the ability of the human resources of each region. The concentration of the development of infrastructure and facilities has made the business development opportunity unbalanced. The difference in business opportunities affects investor interest to invest in the region. As a result, the distribution of investment has become uneven, and this has caused a shift in economic activity and an increase in the prosperity of the population between regions has become unbalanced. Development in underdeveloped areas is needed to overcome the problem of inequality and inequality of development.

Williamson explained that the growing gap between regions was caused by: first, the existence of labor migration between areas was selective, and in general, the migrants were more educated, had high enough skills and were still productive. Second, the existence of capital migration between regions, the presence of agglomeration processes in other areas so that it results in the occurrence of capital flows to areas that have already advanced. Third, the development of public facilities in more dense and potential regions results in a more significant gap/inequality between regions. Fourth, the lack of inter-regional linkages can lead to delays in the process of spreading effects from the development process which has an impact on the increasing gap/inequality that occurs (Restiatun, 2009).

Economic development in Tegal regency is concentrated in urban areas including Slawi, Adiwerna, and Dukuhturi, while other sub-districts have relatively small growth. This condition is not balanced between sub-districts in urban areas and sub-districts in rural areas (Deller, 2010). Learn more about the conditions of inter-regional inequality in Tegal District in 1999-2013 in Figure 1.1. *Williamson Index* and *Theil Entropy Index* indicate inequality between regions.

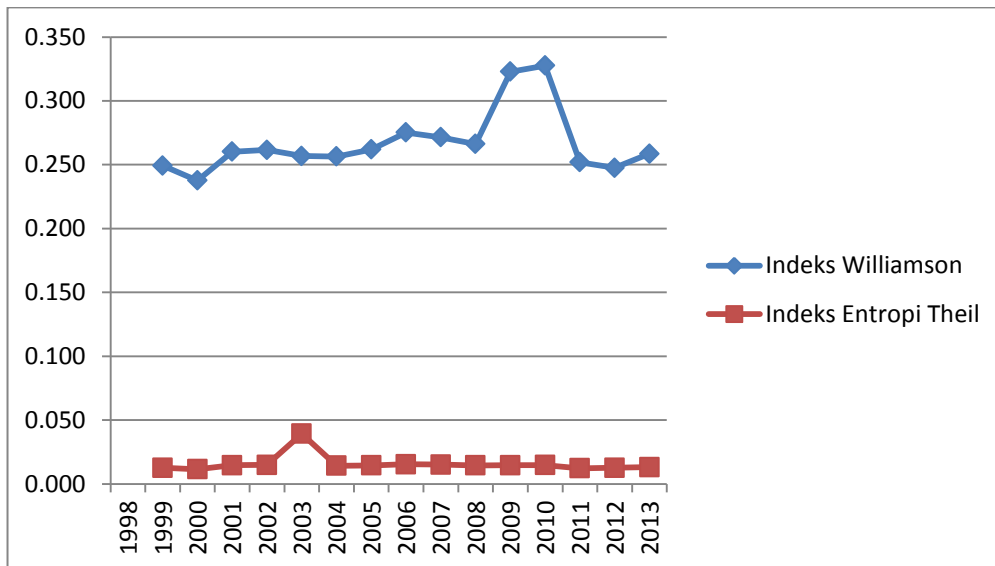


Figure 1. Inequality in Tegal District 1999-2013

Source: BPS data from Tegal Regency, 2016

From the BPS data processed, it shows that Tegal Regency can still be categorized in the level of low inequality. Even so, the trend that occurs is that the Williamson Index tends to rise; which implies that regional inequality tends to increase. This needs to be watched out, that the inequality in the regions included in the low category should remain the concern of the Tegal District Government in carrying out development so that the direction of development must be oriented towards equity and not just growth.

By developing superior products, the existence of a region will still be guaranteed. Therefore identification and analysis of potential economic sectors are essential for each district. Tegal Regency is a district in Central Java Province, which has regional potential, geographical conditions, and another unique potential that is different from other districts/cities. Table 1 below shows that economic activity in Tegal Regency has increased every year.

Table 1. Growth of Tegal Regency GDP at Constant Prices by Business Fields 2009 - 2013 (Percent)

No.	Sector	Year				
		2009	2010	2011	2012	2013
1	Agriculture	2,59	2,46	1,02	2,41	2,03
2	Mining and excavation	6,32	6,76	5,26	7,71	5,83
3	Processing industry	6,79	5,46	5,20	5,28	6,14
4	Electricity, gas, and clean water	4,79	5,04	4,80	4,78	6,00
5	Buildings	7,05	6,38	6,52	5,79	6,87
6	Trade, hotel, and restaurant	5,77	5,81	6,43	5,46	6,37
7	Transportation and communication	4,19	4,77	5,38	7,45	6,53
8	Finance, rental, and company services	4,46	3,41	3,79	7,78	10,00
9	Services	3,53	3,26	4,65	5,65	4,91
GRDP with oil and gas		5,29	4,81	4,81	5,25	5,81
GRDP without oil and gas		5,29	4,81	4,81	5,25	5,81

Source: BPS of Tegal Regency, 2014

The development and economic development of a region in principle are based on the utilization and processing of natural wealth potential and other resources available in the area. The economic potential of a region is a source of natural wealth and its results as well as available human resources in an area.

In line with this, the regional economic development requires cooperation between the government, business, and society in managing the resources owned by the region in order to increase economic growth and employment as widely as possible. Indicators of development success are shown by economic growth and reduced inequality both in the distribution of population and inter-regional income.

Regarding the economic potential that exists in the Tegal Regency sub-districts, the potential economic sectors in each sub-district differ depending on the natural conditions and geographical location of the region. As for economic growth can be seen PDRB and the rate of economic growth. The condition that often occurs is that there are very developed regions with high levels of GRDP, but many regions have low GRDP and low economic growth. The inequality of economic development results in regional inequality so that ultimately the welfare of society is difficult to materialize.

Some researchers have researched inequality. Kuncoro and Sutarno (2004) analyzed economic growth and inequality between sub-districts in Banyumas Regency during the 1993-2000 period. The results of the study indicate that the development policies and sectoral development of the regional economy should be based on the leading sectors owned by each district/city. Meanwhile, Aswandi and Kuncoro (2007) evaluated the determination of the mainstay area in the Province of South Kalimantan for the period 1993-1999. The evaluation aims to determine the economic position of regions in South Kalimantan Province. This evaluation measures the comparison of district/city per capita growth and income levels and finds a superior economic sector that has the potential to be developed as an economic driver in each district/city. The results of the analysis show the importance of prioritizing the leading sectors owned by each district/city in determining regional development policies.

## **RESEARCH METHOD**

This research is descriptive comparative, taking a case study of the economic potential of the sub-district to reduce inequality between districts in Tegal District. The data used in this study is time series data for 5 years, from 2009 to 2013, and cross-section data from 18 sub-districts in Tegal Regency consisting of 18 sub-districts namely: Margasari, Bumijawa, Bojong, Balapulung, Pagerbarang, Lebaksiu, Jatinegara, Kedungbanteng, Pangkah, Slawi, Dukuhwaru, Adiwerna, Dukuhturi, Talang, Tarub, Kramat, Suradadi, and Warureja. Whereas the object in this study is an analysis of the economic potential of sub-districts and types of economic growth in Tegal District. The data sources used in this study are secondary data obtained from the Tegal District Statistics Agency (BPS) and the District Regional Development Planning Agency (BAPPEDA) Tegal and related agencies in the Tegal Regency Government. The data collection method used to conduct data collection at the agency of the Tegal Regency Statistical Center, Tegal Regency Bappeda and related agencies.

The Analysis Method used in this study is Location Quotient and Classification Typology Analysis. This study modifies the method of analysis, namely Symmetric Revised LQ, Relative GRDP Growth, and Klassen Typology.

## **RESULT AND DISCUSSION**

Poverty is a crucial problem that greatly affects the community in accessing basic services, namely education services, health services, and purchasing power. The number of poor people in Tegal Regency in 2014 was 140,308 people or 9.87% of the total population. This number decreased when compared to previous years (2008-2013), wherein 2008 the number of poor people reached 220,700 people or 15.78% of the total population and in 2009 reached 195,500 people or 13.98% of the total population. Furthermore, the number of poor people in 2010 reached 182,542 people or 13.11%, in 2011 it reached 161,116 people or 11.54%. In 2012 reached 152,758 people or 10.75%. In 2013 it reached 149,800 people or 10.58%.

Also, the rate of decline in the percentage of the number of poor people in Tegal Regency is also the best (on average 1.34%; Central Java Province 0.71% and Indonesia 0.67%). However, the

proportion of poor people who are still in the range of 10% is one thing that needs to be addressed immediately.

Having known the condition of the Tegal Regency residents, then the next is to determine the economic base analysis or also called comparative analysis of the Tegal Regency and sub-districts in Tegal Regency through Symmetric Revised LQ analysis. It is deemed necessary to know the superior sectors of the region and so that it can be known the position of each sector in each district. The results of Symmetric Revised LQ analysis per district in Tegal Regency per economic sector are summarized in Table 2 as follows:

Table 2. The Result of Symmetric Revised LQ in Tegal District in 2009-2013 (Average Symmetric Revised LQ)

No.	Sub-District	Sector								
		1	2	3	4	5	6	7	8	9
1	Margasari	0,217	0,676	-0,269	-0,100	-0,179	-0,114	0,219	0,016	-0,216
2	Bumijawa	0,295	-0,353	-0,294	-0,076	-0,296	-0,005	-0,008	0,208	0,063
3	Bojong	0,103	-0,323	-0,329	-0,057	-0,068	0,175	0,052	0,044	-0,021
4	Balapulang	0,075	0,469	-0,065	-0,106	-0,220	-0,034	0,112	0,016	-0,086
5	Pagerbarang	0,425	-0,333	-0,303	0,015	-0,133	-0,192	0,075	0,077	0,021
6	Lebaksiu	-0,030	0,590	0,005	-0,036	-0,077	-0,076	-0,105	0,016	-0,122
7	Jatinegara	0,291	-0,888	-0,436	-0,061	-0,183	0,101	-0,035	0,128	0,072
8	Kadungbanteng	0,354	-0,467	-0,211	-0,073	0,080	-0,150	-0,143	0,085	0,085
9	Pangkah	-0,101	0,446	0,013	-0,032	0,044	-0,083	-0,023	0,082	0,068
10	Slawi	-0,678	-0,582	0,128	0,038	0,142	-0,029	0,127	-0,095	0,320
11	Dukuhwaru	0,192	-0,674	-0,212	0,253	0,202	0,000	-0,139	0,102	0,102
12	Adiwerna	-0,579	-0,965	0,068	-0,063	-0,007	0,152	-0,028	-0,043	0,036
13	Dukuhturi	-0,687	-0,939	0,133	0,102	0,032	0,154	-0,170	-0,142	-0,156
14	Talang	-0,481	-0,660	0,239	-0,011	-0,052	-0,029	-0,323	-0,071	-0,104
15	Tarub	0,098	-0,782	-0,153	0,091	-0,074	0,079	0,019	0,082	0,075
16	Kramat	-0,173	-0,825	0,220	-0,086	0,019	-0,095	-0,018	-0,185	-0,269
17	Suradadi	0,261	-0,446	-0,158	0,012	0,205	-0,115	0,057	0,061	0,024
18	Warurejo	0,399	-0,831	-0,324	0,180	0,136	-0,158	0,092	0,055	0,004

Source: Data Proceed, 2017

Comparative advantage cannot only consider the growth of GRDP in certain sectors in one region. Also, need to compare it with regional conditions. This is to ensure that growth is real and robust growth compared to other regions, can determine these conditions by calculating the derivation of the GRDP growth rate from the common axis (zero). Thus, the formula for the relative GRDP growth in the conditions of comparative advantage is "the growth of sector I in one sub-district" reduced by "the growth of Sector i in the district area".

Calculations using the Average GRDP Growth method Relative to the districts in Tegal Regency during the 2009-2013 period using GRDP data from constant prices in 2000, it can be seen that the growth of the dominant economic sectors in each district of Tegal Regency can be seen in Table 3 as follows:

Table 3. Analysis of Average GRDP Relative Growth of Sub-Districts in Tegal Regency in 2009-2013

No.	Sub-District	Sector								
		1	2	3	4	5	6	7	8	9
1	Margasari	-0,011	-0,009	0,000	-0,003	-0,014	0,003	0,005	0,001	-0,015
2	Bumijawa	-0,016	0,039	-0,010	0,004	0,005	0,000	0,046	-0,001	-0,022
3	Bojong	-0,010	0,011	-0,024	0,003	-0,022	0,000	0,035	-0,014	-0,011
4	Balapulang	0,004	0,030	0,027	0,004	-0,017	-0,012	-0,020	0,003	0,000
5	Pagerbarang	-0,005	-0,009	-0,016	-0,017	-0,039	-0,014	0,029	-0,009	-0,009
6	Lebaksiu	0,002	-0,005	-0,006	-0,013	-0,027	-0,005	0,042	-0,001	0,024
7	Jatinegara	-0,009	0,012	-0,003	0,011	-0,014	0,005	0,022	-0,007	0,001
8	Kadungbanteng	-0,011	0,056	0,015	0,014	-0,032	0,001	0,033	-0,016	-0,007
9	Pangkah	0,002	-0,027	0,033	0,013	0,004	0,009	0,002	0,010	0,007
10	Slawi	0,026	0,071	0,011	0,029	0,013	-0,002	-0,016	0,002	0,013
11	Dukuhwaru	-0,001	0,066	-0,005	0,015	0,019	-0,009	-0,005	0,000	-0,021
12	Adiwerna	0,021	0,020	0,021	-0,004	0,010	0,014	-0,007	0,013	0,014
13	Dukuhturi	0,004	0,034	-0,011	0,000	-0,016	-0,015	-0,008	0,000	-0,009
14	Talang	-0,015	0,012	-0,022	0,001	0,018	-0,004	-0,003	-0,002	-0,011
15	Tarub	-0,010	-0,001	-0,005	-0,028	-0,011	-0,012	-0,017	-0,010	-0,011
16	Kramat	0,002	0,056	-0,008	-0,008	0,024	0,025	-0,020	0,008	-0,007
17	Suradadi	0,027	-0,006	-0,002	-0,005	-0,001	0,000	-0,007	-0,002	0,010
18	Warurejo	0,015	0,024	0,001	-0,015	0,007	-0,019	-0,006	-0,003	-0,002

Source: Data Proceed, 2017

Information :

- |                                      |  |
|--------------------------------------|--|
| 1. Agriculture                       | 6. Trade, hotel, and restaurant          |
| 2. Mining and excavation             | 7. Transportation and communication      |
| 3. Processing industry               | 8. Finance, rental, and company services |
| 4. Electricity, gas, and clean water | 9. Services                              |
| 5. Buildings                         |  |

Thus it can be concluded that based on Symmetric Revised LQ analysis, Relative GRDP Growth in each sub-district, and mapping of sectoral sub-districts, the potential economic sectors that grow fast and make significant contributions in Tegal Regency during the 2009-2013 period are as follows:

- (1) Superior Agriculture Sector in Balapulang District, Suradadi, Warurejo.
- (2) Superior Mining and Excavation Sector in Balapulang District.
- (3) Superior Processing Industry Sector in Pangkah, Slawi District, Adiwerna, Warurejo.
- (4) The electricity, gas and clean water sector are superior in the District of Slawi, Dukuhwaru, Dukuhturi.
- (5) Superior Building Sector in Pangkah, Slawi, Dukuhwaru, Kramat and Warurejo Districts.
- (6) Trading, Hotels and Restaurants sector excels in Jatinegara District and Adiwerna.
- (7) The Transportation and Communication Sector is superior in Margasari, Bojong, and Pagerbarang Districts.
- (8) The Financial, Rental and Company Services sector excels in Margasari, Balapulang, Pangkah.
- (9) Superior Services Sector in Pangkah, Slawi, Adiwerna and Suradadi Districts.

In Table 4 we can find the GRDP and per capita income of each sub-district in Tegal Regency. There are types of sub-districts that have a faster GRDP growth rate compared to the growth rate of GRDP in Tegal Regency. There are also districts that have per capita income higher than the per capita income of Tegal Regency. Conversely, some sub-districts have a slower GRDP growth rate compared to Tegal Regency and have per capita income below the per capita income of Tegal Regency.

Table 4. Klassen District Typology in Tegal District 2009-2013

Sub-District	The Average Growth of GRDP (%)	Average per Capita Income (Rp)	Regency GRDP Growth (%)	Regency per Capita Income (Rp)	Type
	Ri	Yi	R	Y	
Margasari	4.374	2,208,279	5.194	2,385,316.74	Type IV
Bumijawa	4.236	1,456,451	5.194	2,385,316.74	Type IV
Bojong	4.382	2,142,753	5.194	2,385,316.74	Type IV
Balapulang	5.660	2,210,726	5.194	2,385,316.74	Stage II
Pagerbarang	4.254	2,081,595	5.194	2,385,316.74	Type IV
Lebaksiu	4.754	2,329,959	5.194	2,385,316.74	Type IV
Jatinegara	5.954	1,869,954	5.194	2,385,316.74	Stage II
Kadungbanteng	5.130	2,122,157	5.194	2,385,316.74	Type IV
Pangkah	6.702	1,953,643	5.194	2,385,316.74	Tahap II
Slawi	6.154	3,991,024	5.194	2,385,316.74	Stage I
Dukuhwaru	5.096	2,029,170	5.194	2,385,316.74	Type IV
Adiwerna	6.378	2,859,637	5.194	2,385,316.74	Type I
Dukuhturi	4.120	3,080,874	5.194	2,385,316.74	Type III
Talang	3.980	2,395,322	5.194	2,385,316.74	Type III
Tarub	3.850	1,913,082	5.194	2,385,316.74	Type IV
Kramat	5.810	3,415,203	5.194	2,385,316.74	Type I
Suradadi	5.170	2,062,714	5.194	2,385,316.74	Type IV
Warurejo	4.736	2,029,361	5.194	2,385,316.74	Type IV

Source: BPS Tegal Regency 2013, Data Processed in 2017

Based on Table 4, it can be further simplified the classification of the Klassen District Typology in Tegal Regency as in Table 5 below.

Table 5. Klassen District Typology in Tegal Regency 2009-2013

r/y	yi/y	yi/y
$r_i > r$	The sub-district has a faster GRDP growth rate than the district, This region is also said to be advanced because it has a higher per capita income compared to the district, This area is rich, and the population is also rich, The sub-district which is said to be advanced and fast-growing is the District of Slawi, Adiwerna, and Kramat.	Districts have a GDP growth rate that is slower than the Regency, However, this region is said to be advanced because it has a higher per capita income than the district, It means that the area is less developed, but the population is rich. Districts that are said to be growing are Dukuhturi District and Talang District.
$r_i < r$	The sub-district has a faster GRDP growth rate than the district, However, this region is also said to be depressed because it has a lower per capita income compared to the district, This means that the area is rich, but the population is poor, Subdistricts that are said to be advanced but are depressed are Balapulung, Jatinegara and Pangkah sub-districts.	The sub-district has a slower GRDP growth rate compared to the district, This region is also said to be poor because it has a lower per capita income compared to the district, This means that the region is less developed and the population is poor, Subdistricts that are said to be advanced but depressed are Margasari, Bumijawa, Bojong, Pagerbarang, Lebaksiu, Kedungbanteng, Dukuhwaru, Tarub, Suradadi, and Warurejo Subdistricts.

Source: Data Processed in 2017

Based on Table 5, it can be said that the sub-districts in Tegal Regency that are included in the classification of Klassen Typology Group I, namely the developed and fast-growing sub-districts are the Districts of Slawi, Adiwerna, and Kramat, Then the sub-districts included in Group II, namely the Districts that are said to be growing, are Dukuhturi District and Talang District, The sub-districts which are said to be advanced but depressed in Group III are Balapulang, Jatinegara and Pangkah sub-districts, Moreover, the sub-districts that are said to be left behind included in Group IV are Margasari, Bumijawa, Bojong, Pagerbarang, Lebaksiu, Kedungbanteng, Dukuhwaru, Tarub, Suradadi, and Warurejo Districts.

To reduce inequality between sub-districts in Tegal Regency, it is expected that the implementation of economic development in each sub-district area must be adjusted to the region's potential, establish partnerships with private institutions by providing incentives and ease in investing, building rural communities with the help of funds and capacity building of village communities and their institutions, Improvement of the agribusiness sector, entrepreneurship, and SME development, as well as increasing infrastructure development, Building sub-districts that have potential economic sectors that are growing fast and making substantial contributions in Tegal Regency, local governments must be able to optimize each of the dominant sectors and prioritize the development of sub-districts in potential sectors but still pay attention to the economic sectors, Other non-superior ones owned by each sub-district, such as increasing the quality of human resources, improving infrastructure, and increasing working capital assistance through synergies in collaboration between educational institutions, financial institutions, and village government institutions, For districts that are relatively left behind, policies or government intervention are needed, among others, by disbursing development funds, making improvements, expanding and maintaining economic infrastructure by considering and paying attention to the closest sub-districts with the goal of harmonizing growth between sub-districts, An adequate program is needed for carrying out policies such as regional development priorities especially in economic infrastructure for disadvantaged sub-districts in order to reduce the level of inequality, Increase private investment by providing facilities and incentives, so investors want to invest, Investment is also directed at less developed sub-districts by building infrastructure that supports investment.

Klassen Typology Classification shows that there are differences in the pattern of economic growth in each sub-district in Tegal Regency, The regional government together with the community is expected to be able to improve and spur regional economies through policies that prioritize underdeveloped regions so that equitable development can be realized such as the development of economic supporting infrastructure followed by the help of entrepreneurial management following the conditions and potential of the local environment.

In accordance with Law Number 23 the Year 2014 concerning Regional Government, the Regional Government of Tegal Regency continues to strive to reduce inequality between sub-districts, equitable distribution of infrastructure development including road infrastructure, irrigation networks, market revitalization, expanding electricity networks and improving education and health facilities, building sub-districts left behind and border, By providing financial assistance through the Regional Community Empowerment Program (PDPM) to all villages proportionally according to needs and priority scale, The allocation of the Village Fund that was handed over to the village gave the village government room to manage according to the needs of the village community, then the Village Fund from the central government also encouraged village development, However, in Law Number 9 of 2015, it is stipulated that the authorities of the regional government and village government must be adjusted according to the limits of their authority, in this case, the effect of reducing the authority of the regional government regarding the management of Village Funds is carried out by the village so as to reduce the role of the regional government in developing villages, Local governments can only intervene with regulations and synchronize regional development vision and missions, Economic Development in Tegal Regency is recognized that it still prioritizes areas of growth centers and urban areas, most of the General Allocation Funds are still building urban areas, which have already been developed, political policies favor the immediate development because the results are faster, more interesting the attention of policymakers in determining the direction of



regional development, In connection with this research, to reduce inequality between sub-districts in Tegal District, the local government and the community should equate perception and safeguards to develop areas that are lagging behind in real terms,

## CONCLUSION

From the results of the analysis, some conclusions can be drawn, The first is based on Symmetric Revised LQ analysis, Relative GRDP Growth in each sub-district and mapping of sectoral sub-districts, the potential economic sectors that grow fast and make a significant contribution in Tegal Regency during 2009- 2013 is as follows:

- (1) Superior Agriculture Sector in Balapulang District, Suradadi, Warurejo.
- (2) Superior Mining and Excavation Sector in Balapulang District.
- (3) Superior Processing Industry Sector in Pangkah, Slawi District, Adiwerna, Warurejo.
- (4) The electricity, gas and clean water sector are superior in the District of Slawi, Dukuhwaru, Dukuhturi.
- (5) Superior Building Sector in Pangkah, Slawi, Dukuhwaru, Kramat and Warurejo Districts,
- (6) Trading, Hotels and Restaurants sector excels in Jatinegara District and Adiwerna.
- (7) The Transportation and Communication Sector is superior in Margasari Bojong, and Pagerbarang Districts.
- (8) The Financial, Rental and Company Services sector excels in Margasari, Balapulang, Pangkah.
- (9) Superior Services Sector in Pangkah, Slawi, Adiwerna and Suradadi Districts.

Then the second is based on the Klassen Typology classification, the subdistricts in Tegal Regency are divided into four groups as follows:

- (1) Group I, which is said to be an advanced and fast-growing sub-district covering the Sub-districts of Slawi, Adiwerna, and Kramat.
- (2) Group II, which is said to be a growing sub-district, includes Dukuhturi District and Talang District.
- (3) Group III, which is said to be a developed but depressed sub-district, includes Balapulang, Jatinegara and Pangkah sub-districts.
- (4) Group IV namely the sub-districts which are said to be left behind include Margasari, Bumijawa, Bojong, Pagerbarang, Lebaksiu, Kedungbanteng, Dukuhwaru, Tarub, Suradadi, and Warurejo Districts.

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