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Regional development disparity and mapping of economic potential in East Nusa Tenggara Province

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ABSTRACT

East Nusa Tenggara Province is one of the provinces in Indonesia in the form of an archipelago and geographically borders directly with the State of Timor Leste. This province has a problem with a fairly high poverty rate, in fact it was recorded as the 3rd highest in Indonesia after the provinces of Papua and West Papua. Because it is an archipelagic province, the problems of disparity in regional development, income inequality and poverty cannot be avoided. The existence of this disparity symptom does not only lie in regional development, but this disparity occurs in the income and GDP-forming sectors. Therefore the main goal to be achieved in this research is to identify areas in NTT Province which are still classified as lagging behind, and how to find the economic base sector as a leading sector so that it can be used as a locomotive for regional development so that in turn it is able to reduce regional inequality, income distribution and poverty. The analytical tools used are Theil Entropy Analysis, Klasen Typology, Location Quintient (LQ) Analysis and Dynamic Location Quintien (DLQ) Analysis. The data needed is secondary data in the form of published documents from the BPS Province of NTT from 2012-2018 for the purposes of analysis such as GRDP data, population and per capita income for each district in the province of NTT. The results of the analysis found that there were 3 regencies that were classified as developed and fast growing, 3 regencies which were categorized as developed but depressed areas.



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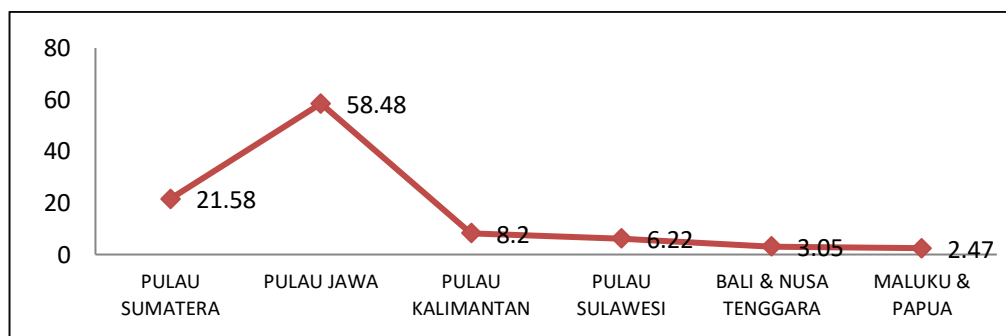
Introduction

Economic development in many developing countries currently only relies on growth without regard to aspects of equity. In an effort to achieve quality development, the forward movement of development should be directed at an inclusive development paradigm (Nalle et al., 2022). The purpose of inclusive development is development accompanied by employment opportunities, increased per capita income and regional economic growth. However, this hope is difficult to materialize due to several empirical facts that found that in various developing countries there is still a contradiction between growth and development equity. High economic growth is also in line with widening income inequality. The existence of this disparity in economic development not only leads to inequality in regional development but also to an unequal distribution of income.

Research conducted by Kunawotor et al., (2020) as well as those submitted by Riandi & Varlitya, (2020) explained that the problem of income inequality occurs more in developing countries such as Indonesia, Africa, India and others as a result of weak socio-economic institutional factors and law enforcement. Further Riandi & Varlitya, (2020) revealed that if there is an acute inequality of income distribution, it can cause externality problems to the socio-economic structure. This income gap gives rise to new socio-economic classes which can actually trigger disharmony in social relations between classes.

Indonesia is one of several developing countries that is actively carrying out development in order to become a more advanced country in various fields, especially in the economic field. Economic development is an accumulation of activities in order to increase investment, distribution and consumption activities that involve community interaction (Cendanawangi, Hariadi, and Ariani 2020). Meanwhile, in the opinion of Michael P. Todaro and Stephen C. Smith (in Zahara et al., 2021), development is a physical reality as well as the determination of a society to try as hard as possible through a series of combinations of social, economic and institutional processes in order to achieve a better life. Development basically aims to make people's lives more prosperous and prosperous, therefore people must continue to work hard to improve their abilities so they can live a better life.

Economic growth is the result of output formed by various economic sectors so that it can describe how progress or setbacks have been achieved by the economic sector in a certain period of time. However, high economic growth does not necessarily reflect equal distribution of income for every region (Szwarcwald, De Andrade, and Bastos 2002). The Central Bureau of Statistics (BPS, 2020) released data that Indonesia's economic growth rate in the period 2012 to 2018 fluctuated with a growth range of 6.12 percent in 2012 falling to 5.17 percent in 2018. The value of economic growth formed through the measurement of the Gross Domestic Product (GDP) based on constant prices, the contribution is still more dominated by the islands of Java and Sumatra. The island of Java contributes to the National GDP up to 58.48 percent, the island of Sumatra by 21.58 percent, while for the islands of Kalimantan, Sulawesi, Bali and Nusa Tenggara as well as Maluku and Papua the contribution does not exceed 10 percent. This condition illustrates that there are still Java-centric symptoms in the development of the state and nation.



Source: National Statistics Center for 2019

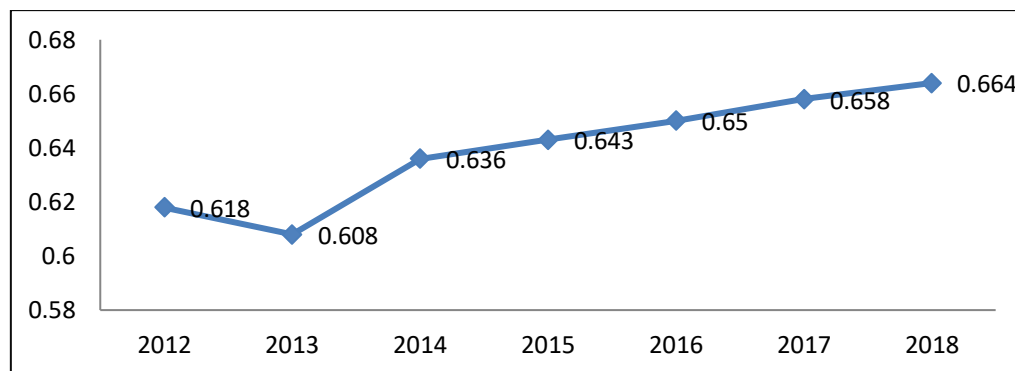
Figure 1. Contribution of National GRDP by region in 2018

Differences in development between regions have led to disparities in welfare and progress between regions, especially between Java and outside Java, between the Western Regions of Indonesia (KBI) and the Eastern Region of Indonesia (KTI). The research results disclosed by Hamza & Chayyani, (2020) revealed that the symptoms of inter-island disparities in Indonesia both for the western, central and eastern parts of Indonesia are more caused by the fact that as much as 80 percent of the development of the industrial, trade and service sectors is more concentrated on the island of Java. Besides that Rosmel, (2018) revealed that both on a national and regional scale the availability of adequate infrastructure is one of the most important aspects in moving the wheels of the regional economy and efforts to minimize inequality.

To overcome regional disparities between the West and East regions, President Joko Widodo with the Nawa Cita program wants to develop Indonesia from the east. This strategy includes major investments in infrastructure to improve transportation and connectivity, develop growth centers outside Java Island, as well as efforts to accelerate the development of border areas, outer islands, and underdeveloped areas so that sustainable economic growth can generate significant poverty reduction and evenly distributed, especially for eastern Indonesia which is also rich in natural resources (Soleman and Noer 2017). According to Gusman, (2021) With the Nawacita program launched by President Jokowi, it is necessary to accelerate the development of border and underdeveloped areas by being more oriented towards meeting basic needs such as education, health, food and regional infrastructure.

In line with the *nawacita* which carries the main program of Indonesia's development from the periphery, East Nusa Tenggara Province has become one of the development targets. This is certainly intended so that the government can develop new economic growth centers that can be developed for the sake of increasing the welfare of the community at large. The Province of NTT, which is one of the outermost provinces and directly borders with the Democratic State of Timor Leste, so far has considerable economic potential in the agricultural and tourism sectors in contributing to the Gross Regional Domestic Product to support regional economic growth. Sadly, when viewed from the composition of the structure forming the NTT Province Gross Regional Domestic Product (GRDP) every year there is still an imbalance in contribution or there is a very large sectoral imbalance between the agricultural sector and other economic sectors. In addition, the high contribution of the agricultural sector is not accompanied by an increase in added value so that the farming community is still trapped in a cycle of poverty (Nalle et al, 2022).

Looking at the Economic Growth value from the Gross Regional Domestic Product (GDP) data at current prices (ADHK) for the Province of East Nusa Tenggara in 2012–2018, in aggregate it has grown by 5.13 percent, experiencing a slight acceleration compared to 2017 which amounted to 5.11 percent. All business fields in 2018 recorded positive growth (BPS NTT, 2020). However, the percentage of economic growth that is categorized as quite high is still not comparable to the level of regional development inequality in the province of NTT, which is represented by the Williamson Index. This shows that there is still inequality or disparity in regional development that is unequal (Abdullah, 2013). Research ever conducted by Istiqamah et al (2018) found that higher growth is actually linear with regional development inequality rates. The fact that shows the higher the disparity in development that is widening in the Province of NTT can be seen in graph 2.



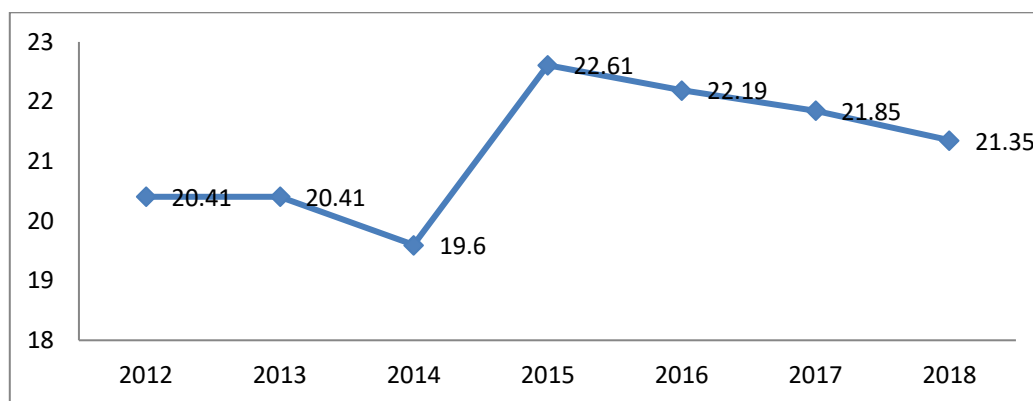
Source: Source: Results of Processed Secondary Data for 2022

Figure 2. East Nusa Tenggara Williamson Index 2012 – 2018

Based on Figure 2 the Williamson Index values between districts in East Nusa Tenggara Province in 2012–2018, shows that development inequality between districts in East Nusa Tenggara Province from 2012 has continued to increase even though in 2013 it had decreased, until 2018 the inequality level reached up to 0.664 is getting closer to 1, meaning it is very unequal and conversely, if the results of the Williamson Index are close to 0, it means it is very even. The high rate of regional inequality has real consequences for the higher poverty rate. There is a positive linearity between regional development inequality and poverty. Previous research that has been done by Nalle, (2018) shows that there are symptoms of regional development exclusivity due to existing regional disparities which have implications for high poverty rates. Another research conducted by Jewaru & Siagian, (2022) found that economic growth has no significant effect on income inequality in NTT Province.

Figure 3 can provide information that during the observation period since 2014 poverty in the Province of NTT has increased, where the movement from 19.6 percent in 2014 rose to 22.61 percent in 2018. This confirms that the high economic growth of the region is also followed by an increasing number of disparities in regional development that has a fairly strong correlation with the poverty rate in the Province of NTT.

Identification of the main problems of development should be the main reference in development planning. The emphasis is on development policies that are based on the specificities of the region concerned by exploiting the potential of human, institutional and physical resources locally. This orientation directs public policy makers at the regional level in the development process to create new job opportunities and stimulate economic sector activities as a whole (Amteme 2021).



Source: Central Statistics Agency for East Nusa Tenggara Province 2013-2019

Figure 3. East Nusa Tenggara Poverty Presentation 2012 – 2018

Sutrisno, (2012) from the results of his research revealed that one of the regional development inequality reduction programs that can be used is to develop the main commodity which is a basic commodity as a commodity that has a competitive advantage to be developed. The same thing was also expressed by Febrianto & Santoso, (2021) where from the results of their research it was found that by determining the leading sector, the government could develop it as a sector that could be used as a locomotive for regional development. Each region has different characteristics and economic potential, so that with the decentralization or regional autonomy policy it is hoped that it will be able to take advantage of all the potential that exists in order to bring prosperity to the community. Fitriyah & Prabowo, (2021). Every Regency and City in the Province of NTT must be able to explore economic advantages which are a source of regional advantage to ensure that the regional economy can develop more quickly in accordance with the availability of potential and capabilities (Sitepu and Rahmawati 2022). The same thing was also expressed by Firmansyah, (2021) which in his research revealed that several basic sectors in West Java Province, including the manufacturing sector, wholesale and retail trade of car and motorcycle repairs, the transportation and warehousing sector and other service sectors are leading sectors that need to be developed by the local government in boosting regional economic growth and It also reduces income disparities between communities.

Nalle et al., (2022) revealed that with the mapping of regional potentials, the government has a reliable database that can be used as promotional materials in presenting investors in the regions. Apart from that, various challenges in the development of leading sectors were able to be eliminated in a systematic and institutionally structured manner in the context of business development and regional investment.

So far, research on development inequality in the Province of NTT is still very rarely carried out by utilizing the potential of the region as a solution. In contrast to previous research conducted by (Alfiansyah and Budyanra 2020) the occurrence of disparities in development between regions in NTT Province can be seen from the variables of literacy rates, general allocation funds, regional original income, capital expenditure and open unemployment rates. Likewise research conducted by (Banunu 2021) which reveals educational inequality in the Province of NTT through the Kuznets Curve approach. In contrast to previous research, this study tries to look at existing development inequalities and then explores the economic potential of each district/city and offers the best solutions for the development of leading sectors as the driving force for the economy of each region.

Based on the description above, the Province of NTT experienced growth economy and reduction of poverty which is also accompanied with inequality in economic development that is increasing every year, to overcome this it is important to examine more deeply what sectors are the basis sectors in each Regency and City in East Nusa Tenggara Province. This analytical study is expected to be useful as a basis for making development policy decisions that are carried out by relying on the sector base owned by each region.

Method

This research is a qualitative research carried out using secondary data from the publication of the NTT Provincial Statistics Center during the observation period from 2012-2018. For the purposes of data analysis, several macroeconomic indicators used include: GRDP at constant prices for all Regencies/Cities and also the Province of NTT, Income Per Capita of the Regencies/Cities and the Province of NTT, Total Population of

the Regencies/Cities and also the Province of NTT. The analytical tools used in an effort to answer the research objectives consist of 3 types of analysis tools, including:

To find out the contribution of regional development inequality in the province of NTT, the Theil Entropy Index is used (Araja et al. 2017), where the formulation used:

$$I_{Intra} = \text{Log} \sum \left(\frac{y_i}{Y} \right) \left[\frac{\{y_i/Y\}}{\{n_i/N\}} \right]$$

Information:

I Intra : *Intra-region Theil Entropy Index*
 Yi : GRDP per capita in Regencies and Cities i
 Y : GRDP per capita of NTT Province
 ni : Total population of region i
 N : Total population of NTT Province

$$I_{Inter} = \sum y_j \cdot \text{Log} \left(\frac{y_j}{x_j} \right)$$

Information :

Inter : *Theil inter region Entropy Index*
 Yj : Average GRDP per capita district j
 Xj : Total population of district j

Typology Classification Analysis

The Klassen Typology analysis is used to classify and find out how the pattern and structure of economic growth for each district and city in the province of NTT are described (Fitriyah and Prabowo 2021). The regional grouping will be divided into four groups, namely:

Table 1. Klassen Typology Classification

GRDP per capita (y)	Yi > y	Yi < y
Growth rate (r)		
Ri > r	a. The area is fast-developing and fast-growing	c. Developed area
Ri < r	b. Developed area but depressed	d. Relatively underdeveloped areas

Source: Mahmudi, 2015

Information :

Ri : GRDP economic growth rate region i
 Yi : PDRB Per Capita region i
 r : GRDP economic growth rate reference region
 y : PDRB Per Capita reference area

LQ and DLQ analysis.

Meanwhile, to find out the basic and non-base sectors as well as the sectoral potential of all Regencies/Cities in the NTT Province, 2 analytical tools are used, namely: Location Quantient (LQ) Analysis and Dynamic Location Quantient (DLQ) according to Tarigan (In Sitepu & Rahmawati, 2022). This is intended to obtain accurate information for each region to be able to develop superior sectors and sub-sectors in overcoming regional development inequality (Arsyad, 2010).

Results and Discussions

Analysis of Development Inequality and Base Sector Problems

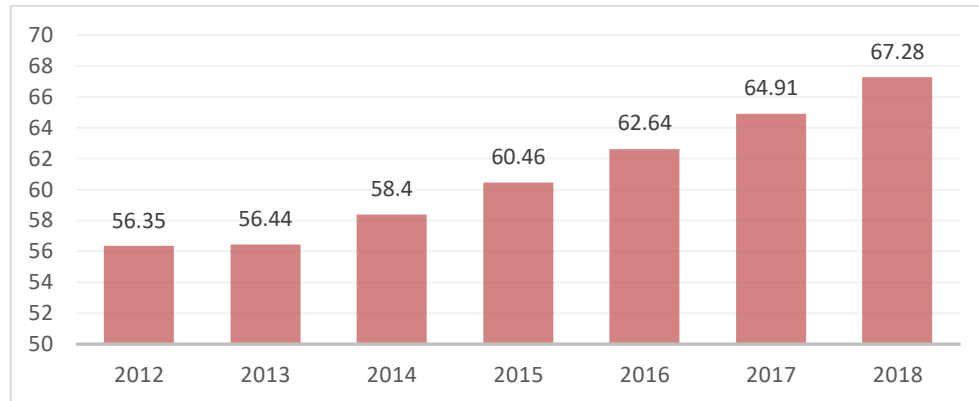
Province East Nusa Tenggara in the last 7 years, from 2012 to 2018, has experienced fluctuating economic growth, where in 2014 it experienced a decline of 5.56 percent, in 2013 it fell by 5.05 percent. However, since 2015 the economic growth of East Nusa Tenggara Province has continued to increase to 5.13 percent in 2018.

Growth economy which is increasing every year does not fully describe the level of social welfare. The geographical differences in each district and city in East Nusa Tenggara result in differences in natural resources and economic activities for each region. This difference is one of the causes of regional, income

distribution and sectoral inequality. To find out the inequality that occurs in the Province of NTT, it can be seen by the Theil Entropy Index analysis tool.

Analysis of Theil's Entropy Index

The Theil Entropy Index can measure inequality with two approaches, namely Inter Region outside the region with other regions and Intra Region within the region itself (Andiny, Adelida, and Meutia 2019). The results of the NTT Province Theil Entropy Index measurements are as follows:



Source: Results of Processed Secondary Data for 2022

Figure 6. Theil Entropy Index of NTT Province 2012 – 2018

Based on Figure 6 6 shows that the magnitude of inequality between districts and cities that occurred in East Nusa Tenggara Province from 2012 to 2018, namely 52.35, continued to increase to 67.28, further away from the number 0 which means there are differences in the level of regional progress and people's welfare in districts and cities in the Province of NTT. In general, high inequality in regional development indicates that there will be differences in economic potential between one region and another and there are also symptoms of disorientation in the development of regional infrastructure facilities between regions that are classified as developed and underdeveloped regions (Hartati 2019).

The results of the calculation of Theil's Entropy Index as shown in graph 6 can provide information to the government as the owner of the policy authority so that if it is able to issue policy packages that lead to equitable development. So far, the local government seems to have issued various policy packages solely to pursue economic growth without balancing aspects of equity (Juliana et al. 2018). There are several factors that cause an administrative area to experience quite high income inequality, including due to differences in the quantity and quality of human resources (Ningsih, Novianty, and Ermeila 2019), differences in regional economic potential as seen from the size of GRDP/Per Capita (Diamondantiya, 2017), regional infrastructure gaps (Sukwika 2018), the amount of investment and labor productivity (Damanik, Zulgani, and Rosmeli 2018).

Recognizing the importance of understanding regional development planners in seeing the problem of regional development inequality with various side effects that can arise, it is necessary to carry out further analysis that is more specific to areas within the Province of NTT which have a fairly high level of inequality. This analysis is absolutely necessary in order to be able to provide complete information to public policy makers in each region so that they are able to minimize the problem of regional underdevelopment and efforts to improve people's welfare. Measurement of development inequality districts and cities can be calculated using the Theil Intra Region Entropy Index.

Inequality development that occurred in the Regency and City also showed high numbers. If the inequality number is close to 0 it indicates that inequality is small or evenly distributed, while inequality is close to 1 it indicates that inequality is widening. On average, districts and cities experience levels of inequality that continue to increase every year, out of 22 districts and cities there are only 2 districts with the smallest levels of inequality, namely Southwest Sumba and East Manggarai, where the inequality level for each region is 0.50 and 0.56.

The largest level of inequality is Kupang City with a Theil Entry Index value of 4.77. Kupang City is the Capital City of East Nusa Tenggara Province from an economic perspective, the average Gross Regional Domestic Product (GRDP) in the districts is lower than the city's GRDP, because economic activity and income in the city is much greater than in the district which results in inequality. Research conducted by (Suntari & Greece, 2019) revealed that the City of Banjarmasin as the center of the Capital City of the

Province of South Kalimantan has a fairly high level of income inequality as a result of differences in the types of jobs and skills that the community has.

Table 1. Theil Intra Region Entropy Index for Regencies and Cities of East Nusa Tenggara Province in 2012 – 2018

No	District/City	Year							Average
		2012	2013	2014	2015	2016	2017	2018	
1	West Sumba	1.38	1.38	1.37	1.37	1.37	1.37	1.37	1.37
2	East Sumba	2,15	2,15	2.34	2.53	2.70	2.82	2.95	2.52
3	Kupang	1.26	1.26	1.24	1.21	1.17	1,13	1.09	1.20
4	South Central Timor	0.71	0.71	0.71	0.72	0.73	0.75	0.76	0.73
5	North Central Timor	1.10	1.10	1.11	1.11	1,12	1,13	1.14	1,12
6	Belu	1.44	1.44	1.45	1.46	1.47	1.48	1.49	1.46
7	Alor	0.93	0.93	0.94	0.95	0.96	0.98	0.99	0.96
8	Lembata	0.93	0.93	0.93	0.92	0.91	0.90	0.90	0.92
9	East Flores	1.41	1.41	1.42	1.43	1.44	1.44	1.45	1.43
10	Sikka	0.85	0.85	0.86	0.87	0.88	0.90	0.92	0.88
11	Ende	1.46	1.46	1.48	1.51	1.54	1.57	1.60	1.52
12	Ngada	1.73	1.73	1.72	1.73	1.75	1.74	1.74	1.73
13	Manggarai	0.73	0.73	0.73	0.73	0.74	0.74	0.74	0.73
14	Rote Ndao	1.55	1.55	1.50	1.45	1.40	1.36	1.32	1.45
15	West Manggarai	0.77	0.77	0.76	0.74	0.73	0.72	0.72	0.74
16	Central Sumba	1.47	1.47	1.46	1.45	1.45	1.45	1.44	1.46
17	Southwest Sumba	0.52	0.52	0.51	0.50	0.49	0.49	0.49	0.50
18	Nagekeo	1.06	1.06	1.06	1.06	1.06	1.06	1.07	1.06
19	East Manggarai	0.55	0.55	0.56	0.56	0.56	0.56	0.57	0.56
20	Sabu Raijua	1,13	1,13	1.11	1.09	1.06	1.04	1.01	1.08
21	Malaka	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
22	Kupang City	4.76	4.76	4.75	4.76	4.76	4.79	4.80	4.77

Source: Results of Processed Secondary Data for 2022

Klassen typology

Grouping The area and level of progress of economic development for each district and city in NTT Province can be identified by the following classification typology analysis.

Table 2. Results of the Klasen Typology Analysis

GRDP per capita (y)	Yi > y		Yi < y	
Growth rate (r)				
Ri > r	Quadrant I		Quadrant II	
	1. Kupang City		1. East Flores	
	2. Belu		2. Ende	
	3. East Sumba		3. Ngada	
Ri < r	Quadrant III		Quadrant IV	
	1. Sikka		1. West Sumba	
	2. Rote Ndao		2. Kupang	
	3. West Manggarai		3. TTS	
	4. Sabu Raijua		4. TTU	
			5. Alor	
			6. Lembata	
			7. Manggarai	
			8. East Manggarai	
			9. Central Sumba	
			10. Southwest Sumba	
			11. Nagakeo	
			12. Malaka	

Source: Results of Processed Secondary Data for 2022

From the results of the grouping of Regencies and Cities based on development and level of progress of economic development in East Nusa Tenggara Province in 2012-2018, it is clear that out of a total of 22 existing Regencies/Cities, there are only three (3) Regencies which are categorized as areas that are classified as developed and rapidly growing include the City of Kupang (as the center of the provincial capital of NTT), Belu Regency and East Sumba Regency. Ironically, as many as 12 regencies are still categorized as underdeveloped and underdeveloped regions. The results of this analysis emphasize that in the Province of NTT there are still quite acute imbalances in regional development and the government as the owner of public policy authority needs to take tactical and strategic steps in overcoming them.

Analysis of Location Quantien (LQ) and Dynamic Location Quantien (DLQ)

Analysis Location Quantien in Regencies and Cities in East Nusa Tenggara Province in accordance with the research design should use data for the last 7 years, namely from 2012 to 2018 but because there is one Regency which has data defects in 2012, LQ and DLQ analysis is carried out with data for the last 6 years i.e. 2013 to 2018.

To overcome the problem of inequality can be anticipated by developing existing superior commodities, especially in the 12 districts that are included in quadrant 4 as underdeveloped areas. Location Quantien (LQ) analysis is used to determine the basis sector and Dynamic Location Quantient (DLQ) used to determine the base sector in the future, namely in the next 6 years, using data on the rate of economic growth in East Nusa Tenggara Province and the growth rate of 12 Regencies and Cities that are classified as lagging behind in East Nusa Tenggara Province in 2013-2018.

West Sumba

Regency West Sumba is a district located in East Nusa Tenggara Province. Its area is 737.42 km². The population of this district is 127,872 in 2018. The boundaries of this district are as follows, North is bordered by the Savu Sea, East is bordered by Central Sumba Regency, South is with the Indian Ocean, and West is bordered by Southwest Sumba Regency. The number of sub-districts in West Sumba Regency consists of 6 sub-districts, namely: (Waikabubak, Lamboya, West Lamboya, Loli, Tana Righu, and Wanokaka District).

Table 3. Analysis of LQ and DLQ in West Sumba Regency

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	0.94	1.25	Not Prospective base
2	Mining and excavation	0.79	8.22	Not Prospective base
3	Processing Industry	1.36	0.41	Unprospective Base
4	Procurement of Electricity and Gas	0.85	1.12	Not Prospective base
5	Water Procurement, Waste Management, Waste and Recycling	0.14	10.54	Not Prospective base
6	Construction	0.62	1.71	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	1.50	1.34	Prospective Base
8	Transportation and Warehousing	0.44	0.48	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.58	2.04	Not Prospective base
10	Information and Communication	0.73	0.12	Not on an Unprospective basis
11	Financial Services and Insurance	1.33	1.57	Prospective Base
12	Real Estate	1.02	1.69	Prospective Base
13	Company Services	0.70	0.44	Not on an Unprospective basis
14	Government Administration, Defense and Compulsory Social Security	1.36	1.12	Prospective Base
15	Education Services	1.05	0.32	Unprospective Base
16	Health Services and Social Activities	0.68	0.81	Not on an Unprospective basis
17	Other Services	0.94	0.26	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

In table 3 the business fields that are the prospective basis sectors of West Sumba Regency are the Wholesale and Retail Trade sectors; Auto And Motorcycle Repair, Financial Services and Insurance, Real Estate.

Kupang Regency

Kupang Regency is one of the regencies in East Nusa Tenggara Province. The district capital is located in Oelamasi City starting October 22 2010, having previously been located in Kupang City since 1958. Kupang Regency has a land area of 7,178.26 km² with a population of 387, 479 people in 2018, Kupang Regency has boundaries North area is bordered by the Sabu Sea (Sawu) and Ombai Strait, East is bordered by North Central Timor Regency, South Central Timor Regency and Ambeno/Timor Leste, South is bordered by Rote Ndao Regency, Timor Sea and Indian Ocean, West is bordered by Rote Ndao Regency and the Savu Sea (Sawu). Kupang Regency consists of 24 Districts, namely: (Semau, South Semau, West Kupang, Nekamese, Central Kupang, Taebenu, Amarasi, West Amarasi, South Amarasi.

Table 4. Analysis of LQ and DLQ in Kupang District

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.47	0.90	Unprospective Base
2	Mining and excavation	1.48	5.12	Prospective Base
3	Processing Industry	1.53	1.78	Prospective Base
4	Procurement of Electricity and Gas	0.38	1.80	Not Prospective base
5	Water Procurement, Waste Management, Waste and Recycling	0.64	0.53	Not on an Unprospective basis
6	Construction	1.17	2.28	Prospective Base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	1.19	3.90	Prospective Base
8	Transportation and Warehousing	1.15	1.11	Prospective Base
9	Provision of Accommodation and Food and Drink	0.22	0.73	Not on an Unprospective basis
10	Information and Communication	0.59	0.39	Not on an Unprospective basis
11	Financial Services and Insurance	0.19	0.63	Not on an Unprospective basis
12	Real Estate	0.62	17.25	Not Prospective base
13	Company Services	0.15	37.72	Not Prospective base
14	Government Administration, Defense and Compulsory Social Security	0.80	0.71	Not on an Unprospective basis
15	Education Services	0.41	0.54	Not on an Unprospective basis
16	Health Services and Social Activities	0.37	2.19	Not Prospective base
17	Other Services	0.07	1.62	Not Prospective base

Source: Results of Processed Secondary Data for 2022

Table 4 business fields which are the prospective basis sectors of Kupang Regency are Mining and Quarrying, Processing Industry, Construction, Wholesale and Retail Trade; Car and Motorcycle Repair, Transportation and Warehousing.

South Central Timor District

South Central Timor (TTS) is a district with the 3rd largest area in East Nusa Tenggara Province with an area of 3,955.36 km² and its entire territory is on the single mainland of Timor Island. The capital of this district is Soe City, with a population of 465,970 in 2018. The northern border is bordered by North Central Timor Regency, the East is bordered by North Central Timor Regency and Belu Regency, the West is bordered by Kupang Regency, while the South is bordered by the Timor Sea. This area is divided into 32 districts, namely: (North Mollo, Fatumnasi, Tobu, Nunbena, South Mollo, Polen, West Mollo, Central Mollo, Soe City, West Amanuban, Batu Putih, Strongnana, South Amanuban, Noebaba, Kuanfatu, Kualin, Amanuban Tengah, Kolbano, Oenino, East Amanuban, Fautmolo, Fatukopa, Kie, Kot'Olin,

Table 5. Analysis of LQ and DLQ in South Central Timor District

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.60	1.24	Prospective Base
2	Mining and excavation	1.37	1.44	Prospective Base
3	Processing Industry	0.56	0.33	Not on an Unprospective basis
4	Procurement of Electricity and Gas	0.50	1.35	Not Prospective base
5	Water Procurement, Waste Management, Waste and Recycling	0.33	1.04	Not Prospective base
6	Construction	0.74	3.56	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.60	0.58	Not on an Unprospective basis
8	Transportation and Warehousing	0.33	0.08	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.15	0.07	Not on an Unprospective basis
10	Information and Communication	0.96	2.04	Not Prospective base
11	Financial Services and Insurance	0.75	3.53	Not Prospective base
12	Real Estate	1.18	3.52	Prospective Base
13	Company Services	0.28	7.16	Not Prospective base
14	Government Administration, Defense and Compulsory Social Security	1.02	5.77	Prospective Base
15	Education Services	0.66	0.99	Not on an Unprospective basis
16	Health Services and Social Activities	0.71	0.00	Not on an Unprospective basis
17	Other Services	0.46	0.01	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

In table 5 the business fields that are the prospective basis sectors for Timor RegencyMiddleSouth namely Agriculture, Forestry and Fisheries, Mining and Quarrying,Real Estate, Government Administration, Defense and Compulsory Social Security.

North Central Timor District

North Central Timor Regency is a district located in East Nusa Tenggara Province. The district capital is in Kefamenanu City. Its area is 2,669.7 km² with a population of around 251,993 people in 2018. North Central Timor Regency has territorial boundaries, North is bordered by the Ombai Strait, East is bordered by Belu Regency and Malacca Regency, South is bordered by South Central Timor Regency and Malacca Regency, West is bordered by Kupang Regency and Ambeno Exclave (Timor Leste). North Central Timor Regency consists of 24 Districts, namely: (East Miomafo, West Miomafo, South Biboki, Noemuti, Kefamenanu City, North Biboki, Biboki Anleu, Insana, North Insana, East Noemuti, Musi, Mutis, South Bikomi, Central Bikomi, Bikomi Nilulat, North Bikomi, Naibenu, Insana Fafinesu).

On the table 6 the business fields which are the prospective basis sectors of North Central Timor Regency namelyAgriculture, Forestry and Fisheries, Transportation and Warehousing, Real Estate, Government Administration, Defense and Compulsory Social Security.

Table 6. Analysis of LQ and DLQ in North Central Timor District

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.55	1.47	Prospective Base
2	Mining and excavation	1.27	0.43	Unprospective Base
3	Processing Industry	0.83	2.14	Not Prospective base
4	Procurement of Electricity and Gas	0.69	0.22	Not on an Unprospective basis
5	Water Procurement, Waste Management, Waste and Recycling	0.31	0.58	Not on an Unprospective basis

No	Business Fields/Sector	LQ	DLQ	Final Description
6	Construction	0.97	0.47	Not on an Unprospective basis
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.39	3.90	Not Prospective base
8	Transportation and Warehousing	1.12	1.09	Prospective Base
9	Provision of Accommodation and Food and Drink	0.99	0.08	Not on an Unprospective basis
10	Information and Communication	0.70	0.14	Not on an Unprospective basis
11	Financial Services and Insurance	0.45	0.54	Not on an Unprospective basis
12	Real Estate	1.01	1.75	Prospective Base
13	Company Services	0.34	8.52	Not Prospective base
14	Government Administration, Defense and Compulsory Social Security	1.11	7.43	Prospective Base
15	Education Services	0.63	3.59	Not Prospective base
16	Health Services and Social Activities	0.65	0.10	Not on an Unprospective basis
17	Other Services	0.39	0.00	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

Alor District

Table 7. Analysis of LQ and DLQ in Alor District

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.10	4.26	Prospective Base
2	Mining and excavation	1.11	3.48	Prospective Base
3	Processing Industry	1.15	0.70	Unprospective Base
4	Procurement of Electricity and Gas	1.31	2.40	Prospective Base
5	Water Procurement, Waste Management, Waste and Recycling	1.58	2.29	Prospective Base
6	Construction	0.94	0.50	Not on an Unprospective basis
7	Wholesale and Retail Trade; Car and Motorcycle Repair	1.07	1.22	Prospective Base
8	Transportation and Warehousing	1.11	0.58	Unprospective Base
9	Provision of Accommodation and Food and Drink	0.67	0.01	Not on an Unprospective basis
10	Information and Communication	0.83	0.09	Not on an Unprospective basis
11	Financial Services and Insurance	1.57	5.19	Prospective Base
12	Real Estate	0.76	4.33	Not Prospective base
13	Company Services	2.15	23.34	Prospective Base
14	Government Administration, Defense and Compulsory Social Security	1.35	0.20	Unprospective Base
15	Education Services	0.36	1.49	Not Prospective base
16	Health Services and Social Activities	0.30	0.11	Not on an Unprospective basis
17	Other Services	0.28	0.42	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

Alor Regency is a district in East Nusa Tenggara Province. The capital city of Alor is in Kalabahi. Alor's population is around 204,380 in 2018, while its area is 2,928.88 km². This district is in the form of islands and

is crossed by international trade shipping routes to the Pacific Ocean. As the easternmost archipelago of East Nusa Tenggara, Alor Regency is bordered by, North is bordered by the Flores Sea, East is bordered by the Southwest Maluku district, South is bordered by the Ombai Strait and Timor Leste, West is bordered by the Lomblen Strait and Lembata Regency, Alor Regency is divided in 17 sub-districts namely: (Northwest Alor, Southwest Alor, South Alor, East Alor, Northeast Alor, Kabola, Overtime, Mataru, Pantar, West Pantar, Northwest Pantar, Central Pantar, East Pantar, Pura Island.

In table 7 the business fields which are the prospective basis sectors of Alor Regency are Agriculture, Forestry and Fisheries, Mining and Quarrying, Electricity and Gas Procurement, Water Supply, Waste Management, Waste and Recycling, Wholesale and Retail Trade; Automobile and Motorcycle Repair, Wholesale and Retail; Car and Motorcycle Repair, Financial and Insurance Services, Corporate Services.

Lembata District

Lembata Regency is a district in East Nusa Tenggara Province. Mother Lembata city is in Lewoleba. The population of Lembata is around 140,390 people in 2018, while its area is 1,266.40 km². The boundaries of the North Lembata Regency are bordered by the Flores Sea, by the East by the Alor Strait, by the South by the Savu Sea, by the West by the Boleng Strait and the Lamakera Strait. Lembata Regency is divided into 9 districts, namely: (Atadei, Buyasari, Ile Ape, East Ile Ape, Lebatukan, Nagawutung, Nubatukan, Omesuri, Wulandoni).

Table 8. Analysis of LQ and DLQ in Lembata District

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.21	1.16	Prospective Base
2	Mining and excavation	0.33	7.79	Not Prospective base
3	Processing Industry	0.17	0.73	Not on an Unprospective basis
4	Procurement of Electricity and Gas	1.24	1.47	Prospective Base
5	Water Procurement, Waste Management, Waste and Recycling	0.57	3.38	Not Prospective base
6	Construction	0.61	3.78	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.58	1.32	Not Prospective base
8	Transportation and Warehousing	0.59	0.46	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.37	0.46	Not on an Unprospective basis
10	Information and Communication	0.96	0.89	Not on an Unprospective basis
11	Financial Services and Insurance	0.10	0.38	Not on an Unprospective basis
12	Real Estate	0.64	4.98	Not Prospective base
13	Company Services	0.24	0.99	Not on an Unprospective basis
14	Government Administration, Defense and Compulsory Social Security	2.27	0.88	Unprospective Base
15	Education Services	0.80	2.05	Not Prospective base
16	Health Services and Social Activities	0.70	0.26	Not on an Unprospective basis
17	Other Services	0.53	0.35	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

In table 8 the business fields which are the prospective basis sectors of Lembata Regency are Agriculture, Forestry and Fisheries, Electricity and Gas Procurement.

Manggarai Regency

Regency Manggarai is a district on Flores Island, East Nusa Tenggara Province. The district capital is Ruteng. Its area is 7,136.4 km², with a population of 333,912 people in 2018. The boundaries of this district are as follows, North with the Flores Sea, West with West Manggarai Regency, South with the Sawu Sea, and East

with East Manggarai Regency. Manggarai Regency is a main regency which has experienced two regional divisions, has an area of 2,096.44 km² consisting of mainland Flores Island and Molas Island. The number of sub-districts in Manggarai Regency consists of 12 sub-districts, namely: (Cibal, West Cibal, Langke Rembong, Lelak, Reok, West Reok, North Rahong, Ruteng, Satar Mese, West Satar Mese, North Satar Mese, and Wae Rii).

Table 9. Analysis of LQ and DLQ in Manggarai Regency

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	0.81	0.07	Not on an Unprospective basis
2	Mining and excavation	2.25	3.37	Prospective Base
3	Processing Industry	0.33	0.32	Not on an Unprospective basis
4	Procurement of Electricity and Gas	1.16	1.68	Prospective Base
5	Water Procurement, Waste Management, Waste and Recycling	1.50	1.09	Prospective Base
6	Construction	1.23	0.98	Unprospective Base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.79	1.37	Not Prospective base
8	Transportation and Warehousing	0.68	0.30	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.68	0.12	Not on an Unprospective basis
10	Information and Communication	1.09	2.14	Prospective Base
11	Financial Services and Insurance	1.87	0.34	Unprospective Base
12	Real Estate	1.00	0.08	Not on an Unprospective basis
13	Company Services	0.67	31.81	Not Prospective base
14	Government Administration, Defense and Compulsory Social Security	1.11	2.64	Prospective Base
15	Education Services	0.89	6.79	Not Prospective base
16	Health Services and Social Activities	0.87	0.25	Not on an Unprospective basis
17	Other Services	1.82	0.94	Unprospective Base

Source: Results of Processed Secondary Data for 2022

In table 9 the business fields which are the prospective basis sectors of Manggarai Regency are Mining and Quarrying, Electricity and Gas Procurement Water Procurement, Waste Management, Waste and Recycling, Financial Services and Insurance, Government Administration, Defense and Compulsory Social Security.

East Manggarai

Regency Manggarai Timur is a district in the Province of East Nusa Tenggara. East Manggarai Regency with its capital city is Borong. East Manggarai is the result of division from Manggarai Regency, precisely on July 17 2007. Its area is 2,643.41 km², has a population of East Manggarai Regency is 283,313 people in 2018. The boundaries of this regency are as follows, North is bordered by the Sea Flores, East with Ngada Regency, South with Sawu Sea, and West with Manggarai Regency. The number of sub-districts in East Manggarai Regency consists of 9 sub-districts, namely: (Borong, Elar, Elar Selatan, Kota Komba, Lamba Leda, Poco Ranaka, Poco Ranaka Timur, Rana Mese, Sambi Rampas).

Table 10. Analysis of LQ and DLQ in East Manggarai Regency

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.58	1,12	Prospective Base
2	Mining and excavation	3,41	0.01	Unprospective Base
3	Processing Industry	0.42	0.10	Not on an Unprospective basis
4	Procurement of Electricity and Gas	0.35	2,14	Not Prospective base
5	Water Procurement, Waste Management, Waste and Recycling	0.07	3,29	Not Prospective base

No	Business Fields/Sector	LQ	DLQ	Final Description
6	Construction	0.49	2,14	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.97	3,20	Not Prospective base
8	Transportation and Warehousing	0.14	0.20	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.16	0.19	Not on an Unprospective basis
10	Information and Communication	1.37	1.57	Prospective Base
11	Financial Services and Insurance	0.11	0.31	Not on an Unprospective basis
12	Real Estate	0.58	5.91	Not Prospective base
13	Company Services	0.00	0.00	Not on an Unprospective basis
14	Government Administration, Defense and Compulsory Social Security	1.08	3,19	Prospective Base
15	Education Services	0.28	4,34	Not Prospective base
16	Health Services and Social Activities	1.10	2,22	Prospective Base
17	Other Services	0.15	0.17	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

In table 10 the business fields that are the base sectorprospective Manggarai RegencyEastthat isAgriculture, Forestry and Fisheries, Information and Communication, Health Services and Social Activities.

Central Sumba

Table 11. Analysis of LQ and DLQ in Central Sumba District

No	Business Fields/Sector	LQ	DLQ	FINAL Description
1	Agriculture, Forestry and Fisheries	1.42	1.03	Prospective Base
2	Mining and excavation	2.54	14.69	Prospective Base
3	Processing Industry	0.45	1.04	Not Prospective base
4	Procurement of Electricity and Gas	0.05	1.96	Not Prospective base
5	Water Procurement, Waste Management, Waste and Recycling	0.13	5.07	Not Prospective base
6	Construction	0.32	3.79	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.40	0.61	Not on an Unprospective basis
8	Transportation and Warehousing	0.10	0.54	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.18	0.03	Not on an Unprospective basis
10	Information and Communication	0.88	0.86	Not on an Unprospective basis
11	Financial Services and Insurance	0.35	0.40	Not on an Unprospective basis
12	Real Estate	1.09	6,65	Prospective Base
13	Company Services	0.05	5.30	Not Prospective base
14	Government Administration, Defense and Compulsory Social Security	2.09	1.71	Prospective Base
15	Education Services	0.95	2.00	Not Prospective base
16	Health Services and Social Activities	0.19	1.91	Not Prospective base
17	Other Services	0.13	1.14	Not Prospective base

Source: Results of Processed Secondary Data for 2022

Central Sumba Regency is a district in East Nusa Tenggara Province, Motherthe citylocated in Waibakul City. This regency is an expansion of West Sumba Regency. The inauguration of this district was carried out

on May 22, 2007 by officials from the East Nusa Tenggara provincial government. Its area is 1,868.74 km² with a population of 71,801 people in 2018. The boundaries of this district are as follows, North is bordered by the Sawu Sea, East is bordered by East Sumba Regency, South is bordered by the Indian Ocean and West is bordered by West Sumba Regency. The number of sub-districts in Central Sumba Regency consists of 5 sub-districts, namely: (Katikutana, South Katikutana, Mamboro, Umbu Ratu Nggay, Umbu Ratu Nggay Barat).

In table 11 the business fields that are the prospective basis sectors for Central Sumba Regency are Agriculture, Forestry and Fisheries, Mining and Quarrying, Real Estate, Government Administration, Defense and Compulsory Social Security.

Southwest Sumba

Southwest Sumba Regency is a district in East Nusa Tenggara Province. As a division of West Sumba Regency, and formed based on Law no. 16 of 2007. Southwest Sumba has an area of 1,445.32 km², with its capital city, namely Tambolaka, the population of this district is 338,427 people in 2018. The boundaries of this district are as follows, North is bordered by the Sumba Strait, East bordering the Indonesian Ocean, South with the Indonesian Ocean, and West bordering West Sumba Regency. The number of sub-districts in Southwest Sumba Regency consists of 11 sub-districts, namely: (Kodi Bangedo, Kodi Balaghar, Kodi Utara, Wewewa Selatan, Wewewa Barat, Wewewa Timur, Wewewa Tengah, Wewewa Utara, Loura, Kota Tambolaka).

Table 12. Analysis of LQ and DLQ in Southwest Sumba District

No	Business Fields/Sector	LQ	DLQ	Final Description
1	Agriculture, Forestry and Fisheries	1.54	0.31	Unprospective Base
2	Mining and excavation	0.61	13,27	Not Prospective base
3	Processing Industry	0.50	0.27	Not on an Unprospective basis
4	Procurement of Electricity and Gas	0.45	4.48	Not Prospective base
5	Water Procurement, Waste Management, Waste and Recycling	0.12	3.37	Not Prospective base
6	Construction	0.41	4,40	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.98	4.38	Not Prospective base
8	Transportation and Warehousing	0.46	13.78	Not Prospective base
9	Provision of Accommodation and Food and Drink	0.05	3.02	Not Prospective base
10	Information and Communication	1.31	0.67	Unprospective Base
11	Financial Services and Insurance	0.51	1.06	Not Prospective base
12	Real Estate	0.83	0.90	Not on an Unprospective basis
13	Company Services	0.03	0.30	Not on an Unprospective basis
14	Government Administration, Defense and Compulsory Social Security	1.00	4.64	Prospective Base
15	Education Services	0.74	3,41	Not Prospective base
16	Health Services and Social Activities	0.82	1.79	Not Prospective base
17	Other Services	0.38	0.36	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

In table 12 fieldbusinesses that are prospective base sectors of Southwest Sumba Regency namely Government Administration, Defense and Compulsory Social Security.

Nagekeo

Nagekeo or Nage Keo Regency is one of the regencies in East Nusa Tenggara Province. Based on Law no. 2 in 2007, precisely on the island of Flores. The inauguration took place on Tuesday, May 22 2007, the administrative center of Nagekeo Regency is located in Mbay. The area is 1,416.96 square km and has a population of 144,414 people in 2018. This area is a district resulting from the division of Ngada Regency. The boundaries of this district are as follows, North is bordered by the Flores Sea, East by Ende Regency, South by the Sawu Sea, and West by Ngada Regency. The number of sub-districts in Nagekeo Regency consists of 7 sub-districts, namely: (Aesesa, Aesesa Selatan, Boawae, Mauponggo, Nangaroro, Keo Tengah, Wolowae).

Table 13. Analysis of LQ and DLQ in Nagakeo District

No	Business Fields/Sector	LQ	DL Q	Final Description
1	Agriculture, Forestry and Fisheries	1.94	1.05	Prospective Base
2	Mining and excavation	0.52	1,13	Not Prospective base
3	Processing Industry	1.46	0.14	Unprospective Base
4	Procurement of Electricity and Gas	0.47	0.22	Not on an Unprospective basis
5	Water Procurement, Waste Management, Waste and Recycling	0.17	1.83	Not Prospective base
6	Construction	0.47	1.90	Not Prospective base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.48	1.35	Not Prospective base
8	Transportation and Warehousing	0.57	0.08	Not on an Unprospective basis
9	Provision of Accommodation and Food and Drink	0.22	0.08	Not on an Unprospective basis
10	Information and Communication	0.62	6,12	Not Prospective base
11	Financial Services and Insurance	0.37	0.47	Not on an Unprospective basis
12	Real Estate	0.29	5.99	Not Prospective base
13	Company Services	0.15	0.69	Not on an Unprospective basis
14	Government Administration, Defense and Compulsory Social Security	1.58	6,74	Prospective Base
15	Education Services	0.15	1.63	Not Prospective base
16	Health Services and Social Activities	0.05	0.16	Not on an Unprospective basis
17	Other Services	0.08	0.12	Not on an Unprospective basis

Source: Results of Processed Secondary Data for 2022

In table 13 the business fields which are the prospective basis sectors of Naga Keo Regency are Agriculture, Forestry and Fisheries, Government Administration, Defense and Compulsory Social Security.

Malaka District

Malacca Regency is one of the regencies in East Nusa Tenggara Province. The capital city is in Betun. Malacca is the result of division from Belu Regency which was ratified in the DPR RI plenary session on December 14, 2012 at the DPR RI building regarding the Draft Law on the New Autonomous Region (DOB). Malacca Regency is entirely land with an area of 1160.63 Km² and a population of 189,220 people in 2018. Malacca Regency has boundaries to the North bordering Belu Regency, East bordering the State of Timor Leste, South bordering the Timor Sea, West bordering with North Central Timor Regency and South Central Timor Regency. Malacca Regency consists of 12 Districts, namely: (Botin Leobe, Io Kufeu, Kobalima, East Kobalima, Laen Manen, West Malacca, Central Malacca, East Malaka, Rinhat.

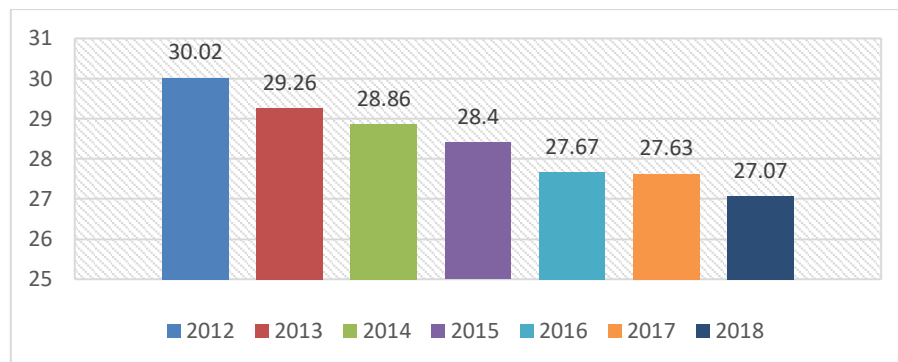
Table 14 the business fields which are the prospective basis sectors of Malacca Regency are Agriculture, Forestry and Fisheries, Real Estate, Administration Government, Defense and Compulsory Social Security. Based on Location Quantien (LQ) and Dynamic Location Quantient (DLQ) analysis, it can be seen that the most leading sub-sectors are Agriculture, Forestry and Fisheries, with 12 Regencies. However, if you look at the graph of the contribution of the agricultural sector to the GRDP of East Nusa Tenggara Province for the last 7 years, it has decreased every year from 30.02 percent in 2012 to 27.07 in 2018. This illustrates that even though the agricultural sector is the leading sector in the Province NTT and employment also come from this sector, but the added value generated by the agricultural sector is also very small, causing farming actors to migrate to other sectors (Nalle et al. 2022).

Table 14. Analysis of LQ and DLQ in Malaka District

No	Business Fields/Sector	LQ	DLQ	Final Description
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1	Agriculture, Forestry and Fisheries	1.47	1.41	Prospective Base
2	Mining and excavation	0.75	5.86	Not Prospective base
3	Processing Industry	1.35	0.93	Unprospective Base
4	Procurement of Electricity and Gas	0.49	0.76	Not on an Unprospective basis
5	Water Procurement, Waste Management, Waste and Recycling	0.14	2.56	Not Prospective base
6	Construction	1.06	0.96	Unprospective Base
7	Wholesale and Retail Trade; Car and Motorcycle Repair	0.34	1.14	Not Prospective base
8	Transportation and Warehousing	1.27	0.49	Unprospective Base
9	Provision of Accommodation and Food and Drink	0.16	0.32	Not on an Unprospective basis
10	Information and Communication	0.80	0.08	Not on an Unprospective basis
11	Financial Services and Insurance	0.33	0.56	Not on an Unprospective basis
12	Real Estate	1.09	16.65	Prospective Base
13	Company Services	0.15	3.54	Not Prospective base
14	Government Administration, Defense and Compulsory Social Security	1.11	3.58	Prospective Base
15	Education Services	0.58	7.30	Not Prospective base
16	Health Services and Social Activities	0.56	5.52	Not Prospective base
17	Other Services	1.25	3.86	Prospective Base

Source: Results of Processed Secondary Data for 2022



Source: Results of Processed Secondary Data for 2022

Figure 7. Contribution of the Agriculture, Forestry and Fisheries Sector to the GRDP of the NTT Province in 2012 – 2018

By looking at the value of the agricultural sector's contribution to the formation of the Gross Regional Domestic Product which is getting smaller every year, of course this is a serious signal for the government to immediately issue a policy package that is right on target considering that most of the population in NTT Province works in the agricultural sector. Ironically, poverty is also greatest in the agricultural sector (Nalle 2018). Therefore, several policies that can be carried out are efforts to increase the added value of the agricultural sector by using post-harvest technology based on agroindustry and agribusiness (Pratiwi, Harianto, and Daryanto 2017). In addition, the development of the agricultural sector can be used as a leading sector driving the regional economy, so institutionally it needs to be regulated starting from improving the quality of human resources for farming actors to regarding the chain of trade systems, both production input and output.

Through the related technical offices there is a need for intensification and extensification programs in the agricultural sector. This intensification policy is directed so that farming actors can use production inputs in the form of quality seeds, fertilizers and pesticides to support the productivity of agricultural products (Magelang, Agung, and Artikel 2020). While the extensification program is by means of expanding agricultural land considering that in NTT Province in general there is still a large area of unused land that has

not been used as productive land to support farming. Moreover, the current government program is an effort to increase food security (Hidayati et al. 2019).

Apart from Agriculture, Forestry and Fisheries, the Government Administration, Defense and Compulsory Social Security sectors are also the most prospective base sectors in the NTT Province. A total of 11 regencies and sectors that are not leading sub-sectors are the Provision of Accommodation and Food and Drink sub-sector. After obtaining the leading sub-sectors in each Regency and City in the Province of NTT, it is hoped that this can become the focus of regional economic development in order to increase the GRDP of each Regency and City so that the Development Inequalities in Regencies and Cities in the Province of NTT can be resolved.

The strategy for overcoming inequality is through the development of base sectors with growth center areas. A growth center is an area or area that is growing rapidly so that it is used as a development center that influences other areas in the vicinity. With the existence of an area that is used as a center of growth, it is hoped that the surrounding areas will also develop. Regencies and cities in NTT Province that can be used as growth center areas are Kupang City, Belu Regency and East Sumba because they are developed areas. These three regencies are expected to be able to encourage other regencies to be more developed, by absorbing the potential sectors of the regencies and cities around them. Like regencies and cities that have a leading sector is the service sub-sector, can absorb superior agricultural sectors in other districts and cities and vice versa. With the exchange of potential sectors between Regencies and Cities, indirectly Regencies and Cities have the ability to export goods and services produced by potential sectors to other Regencies and Cities, which will cause the number of products and services produced to be doubled, the demand for labor will increase. increase in number so that it can open up many jobs for the community.

Conclusions

The results of the data analysis show that the level of income inequality in the Province of NTT is represented by the index sizeTheil's entropy during the analysis period continues to increase, which shows that there is inequality in regional development and income distribution. Furthermore, based on the results of the Klasen Typology analysis, information was obtained that as many as 12 regencies were classified as underdeveloped areas, while there were only 3 regencies which were classified as developed and growing rapidly, namely Kupang City, Belu Regency and East Sumba Regency. Nextfrom the analysis resultsLocation Quantit (LQ) and Dynamic Location Quantient (DLQ)It can be seen that the most leading sub-sectors are the Agriculture, Forestry and Fisheries sectors, while the sector that is not the leading sub-sector is the Provision of Accommodation and Food and Drink sub-sector.

The local government of each Regency and City in East Nusa Tenggara Province, especially Regencies and Cities which are still classified as underdeveloped areas, is expected to continue to develop the regional economy with various strategies, one of which is to pay attention to the sub-sectors on a potential basis or prospective basis to be the focus of development in order to provide added value to regional economic growth.

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