

THE IDENTIFICATION OF SECTORS AND SUBSECTORS OF AGRICULTURAL COMMODITY AND COMPETITIVELY AND ITS POTENTIAL USING METHOD OF INDEX SPECIALTY, SHIFT SHARE AND KLASSEN'S TYPOLOGY IN REGENCY OF BURU

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Abstract

The preparation of any regional development planning documents of Buru regency usually starts with the analysis of the general conditions (existing condition) of the area. This analysis is extremely important to describe the objective conditions contained in Buru, in which it could be used as the primary basis to plan ahead realistically. The analysis should use some measurable indicators of development, where it is generally easy to understand and grouped according to the sector. For instance; in economics, the general condition of the area can be determined using the economic potential that can be measured through a specialization index, shift share and Klassen's Typology. The results show that the sectoral specialization level was quite low in Buru. The sector/subsector that has a positive growth rate at the national level and the local economy was also greater than the average growth in the sector at the provincial level in Buru were mining, trade and service sectors, whereas no agricultural sub-sectors. The sectors/sub-sectors of the local economy relative decline, but at the local level, the sector/subsector that are likely to increase and the more competitive were the sector of industrial processing, electricity, gas and water supply, the financial sector, and plantation crops.

Keywords: Specialization Index, Shift Share, Klassen's Typology, Superior sector/subsector, Potential sector/subsector.

INTRODUCTION

There is no hesitant to claim that the future is unpredictable where the decisions taken by the private sector and society are often inappropriate to the intended target. This would be very impaired to the society when the decision concerning the investment and production activities for the long term. Besides, it is probable that the policy set out in the overall use of resources also be directed to the productive sectors. As a result, this is slowing the overall development process and tends to be less efficient economic activity. In overcoming this situation, it could be through the use of the mechanism of development planning, the government made the basis for the preparation of the government's budget to finance the development activities. The role of development planning is essential in order to direct the activities of development actors, including government, private

sector, and the general public in order to make clear of target and beneficial to the whole society. In accordance to these problems, the question arises whether sectoral planning is already done in Buru regency using measurable indicators of development and focused on the sector/subsector productive? Based on the background of the issues, the problems discussed in this study were: 1). what are the superior sectors/subsectors and potentially superior in Buru? 2). How is the contribution of sectoral and structural shifts in the economy of Buru regency?

THEORETICAL STUDY

Regional Development and Commodity Sector

Putting into force of greater autonomy of the region, the current and future success of regional development is highly dependent on local government policies, especially in addressing the changes that occur. Therefore, each local government should be able to develop a vision for the development of each region according to the values, direction and goals that will guide the future of the areas' concerned (Hafizrianda.2010: 19).

The concept of regional development broadly divided into four, namely (Mangiri, 2000): 1). Resource-based regional development. The resources are all potential of natural and human. The shape of these resources, namely land, raw materials, capital, labor, skills, natural and cultural aspects; 2). Regional development based superior commodity. This concept strengthen in the motor development of the region in which assessed the commodity can be seeded or mainstay, both domestic and international level; 3). Regional development based on efficiency. This emphasis is the development of the region through economic development that has a larger portion than other areas. Economic development is carried out in the framework of a free market or a perfectly competitive market (free market mechanism); 4). Regional development based on the actors. The regional development strategy prioritizes the role of each of economic actors' development (household, social institutions, financial and non-financial institutions, governments and cooperatives).

RESEARCH METHODS

Design of Research and Sources Data

This study applied descriptive quantitative using models of Specialization Index, Shift Share Analysis (SSA) and Klassen's Typology. The type of the sources data used in this research were secondary data collected from the Central Statistics Agency (BPS Maluku and Buru), which include: a). Data of PDRB at constant prices of 2000 based the entrepreneur field in Maluku Province from 2008 to 2012. b). Data of PDRB at constant prices of 2000 based the entrepreneur field in Buru in 2008 to 2012.

Data Analysis Methods

Specialization Index (IS)

IS analysis is one of the way to measure the behavior of overall economic activity. For example, regional income (PDRB) in the region spread. The approach used to measure IS the same as with the LQ calculation based on the addition value, in which to calculate it must go through several stages as follows:

1. Calculating the percentage of the PDRB of the sector to its total for the region
2. Calculating the percentage of PDRB also from one sector to its total for the region of the upper or reference area
3. Calculating the difference between the percentages obtained in stage-1 and 2 then add the different values marked as positive, hereinafter the total value and divided by 100 to gain the value of the IS.

The decision taken by the IS approach is the most higher of the IS's value the most higher of the IS level of sectoral specialization in the region are concentrated in sectors that have a positive percentage value of the difference (phase 3). The measurement criteria according to Kim (1995: 883) is if an index of regional specialties close to zero, then the two regions is calculated not have specialties, and if an index of regional specialties approached the two, the second area is calculated to have a specialty. The middle limit between zero and two are one, therefore if the specialization index value greater than one then it can be considered as a sector/subsector which has specialization. To see the high and low degree of specialization of an area to others used the average value of the index of specialization as a comparison.

Shift Share Analysis (SSA)

This analysis assumes that changes in income, production or employment of an area can be divided into three components, namely the growth of regional growth component, component proportional growth and share growth component of the region. In principle, the SSA seeks to break down or decompose the amount of deviation (difference) between the addition values (using a value-added approach) in year of -t with addition value in the base year, and usually denoted by ΔY_i . There are three variables decomposition into components of deviation ΔY_i , which is a component of regional growth (PR), the proportional growth component (PP), and the region share growth component (PPW). In the form of mathematical equations become could be described as follows:

$$\Delta Y_i = PR_{ij} + PP_{ij} + PPW_{ij}$$

Or it could be stated in detail as:

$$Y'_{ij} - Y_{ij} = \Delta Y_{ij} = Y_{ij} (R_a - 1) + Y_{ij} (R_i - R_a) + Y_{ij} (r_i - R_i)$$

Where:

ΔY_{ij} : the change of agriculture subsector income at the -i of the -i area

Y_{ij} : PDRB of the -i sector in Buru to the -j in base years analysis (2008)

Y'_{ij}	: PDRB of the -i sector in Buru in base year analysis (2008)
Y_i	: PDRB of the -i sector in Maluku Province at base years analysis (2008)
Y'_i	: PDRB of the -i sector in Maluku province at the end of year analysis (2012)
R_a	: $Y'_{..} / Y_{..}$
R_i	: Y'_i / Y_i
r_i	: Y'_{ij} / Y_{ij}

The conclusions of the analysis formula are (Widodo.2002: 122):

1. Regional Growth (PRij) which is positive implies that the region is growing faster than the average growth of the Province. While the negative sign gives an indication that a regional growth is slower than the growth of the region between regency/city averages.
2. Proportional Growth (PP) which is positive to give an indication that the -i sector (regional) is an advanced sector; the sector is growing faster than overall economic growth. PP negative value indicates that the sector is a sector that is slow.
3. Share of Regional Growth (PPW) showed competitiveness, an -i sector in a region compared to the same sector in the region of comparison.

Klassen's Typology Analysis

To identify the potential areas of sectoral based on the data of PDRB, can be used typology analysis of Klassen. Klassen's typology analysis is a sector grouping technique to see the growth and contribution of a particular sector to the total PDRB of a region. By using Klassen's Typology, a sector can be grouped into four categories, namely (Mahmudi, 2009):

1. Leading sectors (superfine)
2. Potential Sector
3. Sector develops, and
4. Sector retarded

Prime sector is the most dominant sector contribution to the regional economy. A sector is categorized into primary sector if the sector of high growth and high contribution to the local economy but the sector growth is slow and tends to decrease. Growing sector is a sector that is being increased, as indicated by high growth, but its contribution is low. Underdeveloped sector is a sector that areas of weakness indicated by slow growth and low contribution to the PDRB.

The determination of whether a sector in the category of excellence, potential, developing, and underdeveloped based on the calculation of the contribution of sectoral growth rate and the average major of sectoral contribution to PDRB, as shown in the following table:

Table 1 Sector categories Klassen's Typology

The Average of sectoral contribution toward PDRB	$\hat{Y}_{\text{sektor}} \geq \hat{Y}_{\text{PDRB}}$	$\hat{Y}_{\text{sektor}} < \hat{Y}_{\text{PDRB}}$
The Average of the sectoral growth rate		
$r_{\text{sektor}} \geq r_{\text{PDRB}}$	Superior Sector	Developing Sector
$r_{\text{sektor}} < r_{\text{PDRB}}$	Potential Sector	Undeveloped Sector

Where:

\hat{Y}_{sektor} : The mean score of i sector

\hat{Y}_{PDRB} : The mean score of PDRB

\hat{Y}_{sektor} : The growth rate of i sector

r_{PDRB} : The growth rate of PDRB

To carry out Klassen's typology analysis, the steps are as follows:

1. Measure the mean score of PDRB per sector
2. Measure the average of the score
3. Measure the growth rate of PDRB and the growth rate of each sector
4. Classification of each sector score in a matrix.

RESULTS AND DISCUSSION

Specialization Index

Specialization index level between economic sectors in Buru regency as in Table 2 shows that the level of specialization index from 2008 to 2012 has fluctuated. In general, the level of sectoral specialization in Buru was very low numbers marked with an index level of specialization ranged from 0.01 to 0.43, and averagely of .176. This means that the concentration of economic sectors are fairly evenly distributed in the region's economy, where there are three production sectors which lead to a concentration of growth in the years of 2008 to 2010 i.e., agriculture, construction, and manufacturing. While other economic sectors are sectors such as concentration under the mining sector, electricity sector, trade, transport, financial sector and the service sector. In 2011 to 2012, the sector's production growth has been a concentration of four sectors, namely agriculture, construction, manufacturing and mining sectors. Thus, the sectors under the concentration were the electricity sector, trade, transport, financial sector and the service sector.

Table 2. Resume of Analysis result of Specialization index

SECTORS	2008	2009	2010	2011	2012	Average
Agriculture, Husbandry, Forestry and Fishery	17,92	17,7	16,85	16,08	14,61	0,17
Mining and Shoveling	-0,31	-0,29	-0,3	0,63	0,67	
Manufacturing Industry	1,52	1,5	1,73	1,96	1,74	
Electricity and Mineral water	-0,16	-0,07	-0,12	-0,11	-0,1	
Infrastructures	2,08	2,13	2,91	2,87	2,93	
Macro trading, Retail sales, Hotel, Restorant	-7,34	-7,1	-7,17	-7,58	-6,7	
Transportation and Communication	-5,02	-7,23	-7,2	-7,14	-7,21	
Bank, non Bank, Rental	-2,36	-2,33	-2,18	-2,14	-1,92	
Other Services	-4,34	-4,3	-4,55	-4,47	-4,21	
SPECIALIZATION INDEX	0,03	0,01	0,01	0,43	0,40	
AGRICULTURAL SUBSECTOR	2008	2009	2010	2011	2012	Average
Foodstuffs	16,27	16,24	16,16	15,28	13,82	0,412
Horticulture	9,71	9,69	9,62	9,5	9,5	
Husbandry	2,93	2,82	2,79	2,77	2,82	
Forestry	0,99	0,94	0,75	0,69	0,73	
Fishery	-	-	-	-	-	
	11,97	11,99	12,46	12,56	12,26	
SPECIALIZATION INDEX	0,42	0,42	0,42	0,41	0,39	

Source: Data Analysis Result

Thus, if we look at the level of specialization index among the subsectors of agriculture in Buru, specialization index level is also low but it showed a tendency to decrease from year to year. This indicates that the concentration of the economy of the agricultural sub-sectors in the economy was quite spread out evenly in Buru. But you need to watch out for the level of agricultural subsector specialization index tends to decrease, because the agricultural sector was a sector that is relied upon by the government of Buru in improving the local economy. Therefore, the fisheries sub-sector was a sector under the concentration in Buru needs special attention from local governments considering the minus figures increased from the year 2009 of -12.26 -11.99 in 2012. In addition, the concentration of production sector into the growth should receive attention of local Government. Suppose the foodstuffs subsector which are the agriculture sector with the largest contribution compared with other agricultural subsector, decreased the concentration of growth in 2008, the figure still amounted to 16.27 and then was increased to 13.82 in 2012. Based on the results of the analysis of this specialization index, it can be said that to spur regional economic growth of Buru higher again in the future is most appropriately carried out by encouraging agriculture and subsector of food crops was greater than the present. Because the sectors and sub-sectors in Buru has a high specialization index but its contribution each year continues to decline.

Shift Share Analysis

The Shift Share method is one of the techniques of analysis that aims to identify the main factors that influence and determine the economic growth in a region. In this case the factors that influence can be derived from outside the region and from within their own respective areas. The factors outside the region can be derived from the development of national and international economic activity that could affect the economy due to the presence of a fairly close relationship with the national economy and even internationally. While the factors that originate from within the region usually arise from the structure of the regional economy as well as the specific potential possessed by the relevant area.

Based on the results of the calculation shift share the data in Table 3 shows that turned out to be a sector that has the most rapid growth in Buru when compared with an average growth of Maluku province is the agricultural sector which has a Regional Growth numbers (PR) are the highest among all sectors which is equal to 22310.98, followed by trade sector amounted to 8192.47, the services sector amounted to 6351.03 and 2907.95 of the manufacturing sector. While regional growth sectors were slowest but still faster than average growth in Maluku province were the infrastructures sector, transport and communications, financial sector, mining and electricity, gas and water. The growth in the agricultural sector are growing faster than the average of Maluku province can be caused by the policies of the government which made by Buru government as one of the barns in the area of eastern Indonesia. The rapid growth of the agricultural sector is followed by the agriculture sector and its subsector that everyone has a rapid growth, which is characterized by a positive PR value. The fastest growing of agriculture is foodstuffs subsector with the PR value of 20008.56, followed by at 13640.11 plantation crops, livestock subsector (9708.29), fisheries subsector (2240.60), and forestry (2013.73).

The economic sectors have Proportional Growth (PP) which is positive is the infrastructures sector, the services sector, trade, mining and quarrying and transport and communication, whereas for agricultural sub-sector is the livestock sector and fisheries subsector. Sectors and subsectors that have a positive value indicates that the sector is a sector and subsector advanced or leading sectors resulting, therefore in the industrial sectors of Maluku province is growing faster than the overall economic growth. While agricultural sectors and subsectors are categorized underdeveloped agricultural sector, financial sector, manufacturing, and electricity, gas and water, food crops subsector, plantation crops and forestry subsector. This indicates that the industrial sector in the province of Maluku, growth is lower than the overall economic growth. That is, the outputs produced from a mix of industry (industrial mix) in the economy in Maluku province as a result of interaction between industrial activities in which their activities relate to each other and resemble other activities largely negative impact.

The highest competitiveness among economic sectors in the region of Buru during 2008 to 2012 was mining and quarrying and trade with a value share of Regional Growth component (PPW), each for 2021.95 and 1134.85. Then it followed by the services sector, manufacturing sector, financial sector and electricity, gas and water. The high competitiveness of these sectors is an advantage competitive of Buru in order to encourage the growth of exports. Superior competitiveness in the mining sector and the trade sector in Buru can be caused by both sectors have easy access to natural resources, capital resources, and human resources.

The sectors which are considered unable to compete with products outside the entrance to the Buru are agriculture, construction, and transport and communications. This situation is reflected in the value of the PPW component is negative. Especially for the agriculture sector, only plantation crops that show higher levels of competitiveness in Buru. The negative value shows on four of other agricultural sub-sectors, indicating that the agriculture sector has decreased its competitiveness during 2008 to 2012 in Buru. It shows that foodstuffs subsector, the livestock subsector, forestry and fisheries subsector compete with agricultural products which produced outside the entrance to the Buru because not all market regions can be controlled by all agricultural subsectors in Buru. This condition is exacerbated by the discovery of a gold mine in Buru in 2011 so that the percentage distribution of the agricultural sector's PDRB every year to be reduced although its contribution still large compared to other sectors.

Table 3. Resume of Analysis result of Shift Share Analysis

SECTOR	PRij	PPij	PPWij	Dij
Agriculture, Husbandry, Forestry and Fishery	22.310,98	(6.164,189)	(5.838,85)	10.307,94
Mining and Shovelng	179,08	82,691	2.021,95	2.283,72
Manufacturing Industry	2.907,95	(420,796)	348,15	2.835,30
Electricity and Mineral water	172,69	(106,924)	87,06	152,82
Infrastructures	1.520,74	3.151,017	(355,26)	4.316,49
Macro trading, Retail sales, Hotel, Restorant	8.192,47	1.057,016	1.134,85	10.384,34
Transportation and Communication	1.678,84	57,097	(73,92)	1.662,01
Bank, non Bank, Rental	1.421,84	(624,028)	327,00	1.124,81
Other Services	6.351,03	1.913,500	366,44	8.630,97
Total	44.735,61	(1.054,617)	(1.982,59)	41.698,40
AGRICULTURAL SUBSECTOR	PRij	PPij	PPWij	Dij
Foodstuffs	7.833,51	(2.524,645)	(1.861,34)	3.447,530
Horticulture	5.340,21	(2.095,319)	1.537,56	4.782,450
Husbandry	1.307,44	182,518	(101,66)	1.388,300
Forestry	788,39	(1.007,069)	(50,91)	(269,590)
Fishery	877,21	412,962	(330,91)	959,260
Total	16.146,77	(5.031,553)	(807,26)	10.307,950

Source: Data Analysis Result

Table 3 shows that the value of economic sectors of Regional Share was 44.74 billion Rupiahs and the agriculture sector is 16.16 billion Rupiahs. This suggests that the contribution of external factors influence the economic growth of Buru. This means that the contribution and the role of the central government and the neighboring areas of economic activity or growth of the national economy are affecting the growth economic of Buru. The value Growth Areas between economic sectors in Buru obtained negative value as much as USD -1.05 billion and an agricultural subsector was USD -5.03 billion, which means that the economic structure of Buru do not have a substantial contribution to the economic growth of the region. It shows that the sectors that are developed in the area of economic activity were not quite superior in the sense that the sector is growing slower than the growth in the region. Then, the value of PPW in Buru also obtained a negative value of -1.98 billion Rupiahs for the economy and -807.26 billion Rupiahs for the agriculture sector. This shows that the contribution of particular potential for regional economic growth of Buru is very minimal and even adversely affects regional economic growth. This fact is quite logical because Buru does not have a specific potential that can encourage rapid economic growth of the areas such as petroleum, coal, and natural gas. Even in terms of location, tend to have a negative impact because of Buru included in one of the islands in the Maluku region far from the market so that the transportation costs become relatively larger in bringing products to market, both in the local market of the country and abroad.

Based on the results of shift share analysis, it is known that during the period 2008 to 2012, the economic sector of Buru experiencing absolute value or increases the regional economic performance of 41.70 billion Rupiahs and Rp 10.307 agricultural subsectors billion Rupiahs. It can be seen of value D_{ij} (local sectoral growth) were positive in all economic sectors and sub-sectors of agriculture, forestry subsectors except that decreased. The increase in economic performance of Buru is contributed by three largest economic sectors namely trade, agriculture, and services sector, while its subsectors are plantation crops, and foodstuffs subsector.

Analysis of Sectoral Growth in Graphic

The position of the component Proportional Shift (Proportional Growth, PP) and differential Shift (Share of Regional Growth, PPW) in Table 3 are plotted in the form of a diagram (Setiono, 2011: 501-503) and the results are presented in the following figure. In the shift figure is proportional horizontal axis while the vertical axis is differential shift. In general, the plotting of the results of the sector shift share analysis can be described into four quadrants as follows:

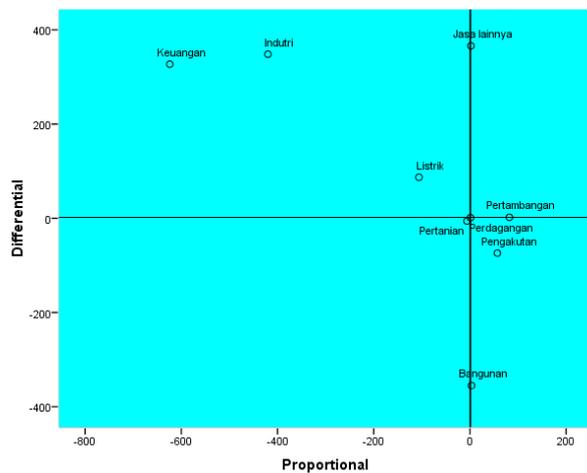


Figure 1
Quadrant Position of Economic Sector

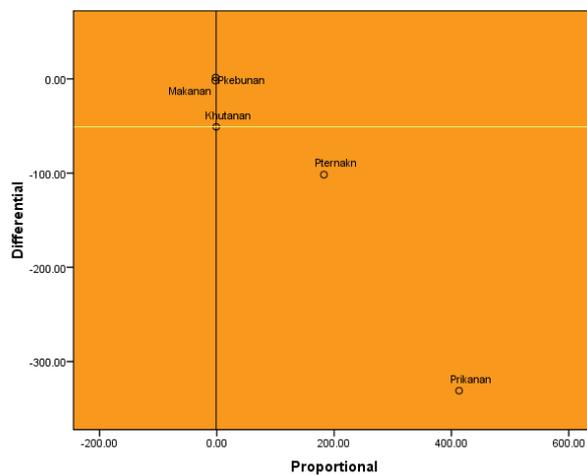


Figure 2
Quadrant Position of Agriculture Subsector

1. Quadrant Winners

This quadrant contains the sectors/sub-sectors that has high levels of competitiveness (shift differential) and proportional positive shift. The sector/subsector in this quadrant, in addition to having a positive growth rate at the national level, the level of their growth in the local economy is also greater than the average sectoral growth at the provincial level. The Figure 1 shows that the economic sectors in the region of Buru are the mining sector, trade and service sectors. While the subsector no classified in this quadrant.

2. Quadrant Losers

This quadrant is characterized by a value proportional shift and shift of differential negative. That is, the sector/subsector of the economy in this quadrant decline or slowdown in the economy and the regional and local level, setbacks experienced by the sector/subsector is even greater than at the regional level. In this case there is only one sector/sub-sector in the region of Buru are included in the category of losers, namely the agricultural sector. While the agricultural sub-sector is the foodstuffs subsector and forestry subsector.

3. Quadrant Mixed Winners

The hallmark of this quadrant is the sector/sub-sector that has a positive shift differential value, although the value of his shift proportional negative. That is, although the local economy sector subsector in this quadrant relative decline, but at the local level, the sector is increasing and tends to be competitive. The sector/sub-sector of the economy in the region of Buru belonging to the mixed category winners are the processing of industrial sector, electricity, gas and water supply as well as the financial sector, while its subsector is horticulture plants.

4. Quadrant Mixed Losers

This quadrant is characterized by a proportional shift of differential shift is positive but its value is negative. This means that, at the regional level sector/subsector, this quadrant tend to increase, but at the local level, the sector is not competitive so that its role has tended to decline in the local economy. The sector/sub-sector of the economy in Buru are included in this category is the construction sector, transport and communications sectors and subsectors livestock and fisheries sub-sector.

Klassen's Typology Analysis

Table 4. Resume of Klassen's Typology Analysis

SECTORS	Average of PDRB	Mean Score of Growth (%)
Agriculture	84.315,34	3,03
Mining and Shoveling	1.524,10	24,29
Manufacturing Industry	11.668,70	5,88
Electricity and Mineral water	665,26	5,39
Infrastructures	7.635,50	13,06
Macro trading, Retail sales, Hotel, Restorant	33.259,82	7,34
Transportation and Communication	6.608,49	5,97
Financial, Rental and enterprise service	5.294,86	0,45
Others Services	26.183,75	7,80
PDRB	177.355,82	5,69
Nilai rata-rata PDRB Sektoral (\hat{Y} PDRB)	19.706,20	
AGRICULTURE SUBSECTOR		
Foodstuffs	40.655,62	2,11
Horticulture	28.416,78	4,12
Husbandry	6.916,66	4,79
Forestry	3.598,72	-2,11
Fishery	4.727,57	4,91
Mean Score of PDRB in agriculture sector (\hat{Y} PDRB agriculture sector)	16.863,07	

Source: Data Analysis Result

The potential revenue of each different region due to differences in demographics, economic, social, cultural, geomorphology, ecology and so on. The

external factors such as regional and global economic developments could also affect the growth potential of the national and regional economy. The main sources of income of a region in general can be seen in the data Gross Regional Domestic Product (GDP) which can be detailed to each sector. Klassen's Typology used to analyze grouping potential economic sectors and between subsector according to each region. The Klassen's Typology forms a matrix between economic sectors and agricultural sub-sectors of Buru shown in Table 5. Based on the typology analysis of Klassen, the leading sectors in Buru are trade, hotel and restaurant and the services sector. While the agriculture sector featured in Buru Regency is plantation crops. The implication is that the government needs to maintain the stability of the growth of the agricultural sector and sub-sector seed, because the agricultural sector and sub-sector is a strength and competitiveness of the region (core competence). The sector and subsector of this seed if not managed properly can be shifted into potential sectors, namely growth will decline even though the numbers are still quite large.

Furthermore, the results indicate that the sectoral mapping growth sector in Buru consists of mining and quarrying, construction, manufacturing, and transport and communications. While the agriculture sector growing in Buru is exerting subsector and fisheries subsector. For the sectors and subsectors of agriculture which is developing the government needs to make efforts to optimize through intensification. This is because the agricultural sector and a growing subsector is the outlook for the region because it still allows for enhanced contribution of the agricultural sector and sub-sector to become the leading sectors. But if the sectors and sub-sectors growing agriculture is not managed properly, it can be grown agricultural sectors and sub-sectors will decrease into sectors and subsectors of agriculture retarded.

Meanwhile, the agricultural sector and foodstuffs subsector which is the potential sectors and subsectors in Buru need coaching and improvement because of potential agricultural sector and sub-sector contributes significantly to the regional economy, but the growth has begun to decline. This potential sector can basically be directed into the leading sectors, of course, with adequate infrastructure. If the potential of agriculture sector and sub-sector is not getting attention, then maybe this sector will turn into sectors and subsectors retarded. Then for backward of agricultural sectors and sub-sectors, which in this case is the electricity and water sectors, financial and business services sector and forestry sub-sector, as much as possible the government seeks to increase the contribution and direct the agricultural sector and sub-sector is becoming a potential sector. Although the backward sector is quite difficult to be competitive, but at least the government should minimize the number of backward sectors and maintained so as not to grow again.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

1. In general, the level of sectoral specialization in Buru was very low average of .176, where there are three production sectors which lead to a concentration of growth in the years 2008 to 2010 i.e., agriculture, construction, and manufacturing. The level of specialization indexes between subsectors of agriculture in Buru, also lower on average (0.412) but showed a tendency to decrease from year to year. This case shows that the concentration of economic sectors and subsectors of agriculture in the economy is spread fairly evenly in Buru.
2. The sector/subsector that has a level of competitiveness (shift differential) and proportional positive shift in Buru were the mining sector, the trade sector and the service sector, while in agriculture subsector was not positive. This means that the sector has a positive growth rate at the national level, the level of growth in the local economy was also greater than the average sectoral growth at the provincial level. Processing of industrial sector, electricity, gas and water supply as well as the financial sector, subsector horticulture plants are sectors/sub-sectors that have a positive shift differential value, although the value of his shift proportional negative. That is, although the local economy sector/subsector in this quadrant relative decline, but at the local level, the sector was increasing and tends to be competitive.
3. Klassen's Typology Analysis result shown that trade, hotel and restaurant and the services sector, plantation crops are the sector/subsector primed/seed in Buru. While the agricultural sector and foodstuffs subsector were potential sectors and sub-sectors in Buru which need coaching and improvement of agricultural sectors and subsectors because this potential can contribute significantly to the regional economy, but its growth has begun to decline.

Suggestion

1. The development of the global economy forced each manufacturer to seek the widest possible market for their production around the world, which in turn creates a global competition to the level of local/regional. Therefore, the sector /sub-sectors identified as having the advantage can be prioritized by the Regional Government of Buru to win the competition. Therefore, we need a policy that can provide incentives for the entry of investment activity sector/subsector of excellence, competitiveness and potential to excel in Buru. Incentives in the form of an increase in infrastructure facilities, so as to cut the scarcity of infrastructure which inhibits the rate of investment in Buru.
2. The strategy of floating agriculture sectors and subsectors that can be carried out by the Local Government of Buru when associated with planning activities for regional economic development in the future, among others, can be done with such a strategy of 9 (nine) sectors and five (5) sub-sectors of agriculture,

developed according to the period of time that can be done in three stages, namely economic development priorities for the short term, medium term and long term. For a short-term period, how the government identified a potential sector and the potential of agricultural subsectors that fall into the category of potential sectors and subsectors that sought to be the leading sectors (primed) by encouraging the more rapid growth. The government has arranged for the sector and sub-sector which is currently as growing sector status became prime sector/seed by expanding the size of its output on the regional economy, and growing sector which was derived from the backward sector pursued into the leading sectors in the long term. In summary it can be seen in the following matrix.

Table 6. The Matrix of Development Strategy

Sort Term (1-5 Years)	Middle Term (5-10 Years)	Long Term (10-25 Years)
The Potential sector/subsector be a superior sector, i.e.: <ul style="list-style-type: none"> ➤ Agriculture sector ➤ Foodstuffs subsector 	The developing sector/subsector be a superior sector, i.e.: <ul style="list-style-type: none"> ➤ Mining and Shoveling sector ➤ Infrastructure sector ➤ Manufacturing industry sector ➤ Transportation and communication sector ➤ Husbandary sector ➤ Fishery sector 	The developing agriculture sector/subsector derived from retarded sector be a superior agriculture sector/subsector, i.e.: <ul style="list-style-type: none"> ➤ Electricity and water ➤ Financial, enterprise and bussiness entity service ➤ Forestry subsector
	The retarded sector/subsector be a developing sector, i.e.: <ul style="list-style-type: none"> ➤ Electricity and Mineral water ➤ Financial, enterprise and bussiness entity service ➤ Forestry subsector 	

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