



## Model Of Acceleration Of Economic Development Of Disadvantaged Areas In East Java Province

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### ARTICLE INFORMATION

### ABSTRACT

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*The purpose of this study was to determine the role of the leading sectors and their strengths, weaknesses, opportunities and threats to economic development in disadvantaged areas using the LQ, Shift-share, Klasen Typology, SWOT analysis methods. The results of this study conclude: 1) the economic structure of each region (Sampang, Bangkalan, Situbondo, and Bondowoso) is dominated by the agricultural sector, this is supported by abundant natural resource potential, such as the extent of agricultural land; 3) from the demographic aspect, the people in each disadvantaged area, most of whom work in the agricultural sector, either as farmers or as farm laborers; and 4) based on the discussion above, the resulting strategy is based on the development of the agricultural sector, including: a) optimizing management, utilization of natural resources potential, and investor interest in increasing employment; b) improving the quality of human resources for farmers and fishermen, PPL personnel and information networks by utilizing technology in order to increase production capacity; c) improving facilities and infrastructure, as well as improving technology to increase investment, especially in leading sectors; and d) strengthening regional institutions, trade institutions and management of leading sectors in facing competition between regions.*

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## INTRODUCTION

Development is not only defined as economic phenomena. In addition to considering economic aspects such as growth and equalization at the same time should also consider the economic aspects of people's social life. According to (Kuncoro 2000) in the development process, efforts need to be made that lead to changes in the structure of the economy in a better direction. However, the process of continuity of development of a region is certainly a major problem that leads to the birth of economic gaps between regions due to the ability of masing-each region in encouraging the development process is not the same (Husna, 2013).

East Java province is one of the largest contributors to the country's revenue revenue supported by the abundance of natural resources and other economic sectors that influence the progress of economic development, east Java economic growth always tops the list when compared to other provinces and even higher than national economic growth (Yesyca, 2018). However, the high economic growth is still not supported by the equalization of development of each region in East Java (Wahyudi s, 2017). So the Ministry of Development of Disadvantaged Areas in 2015 determined that East Java Province has 4 (four) districts that are considered disadvantaged, namely: Bondowoso Regency, Situbondo Regency, Bangkalan Regency and Sampang Regency.

Kuncoro (2000), mentions one of the criteria of regional division in regional inequality which is relatively lagging area (Low Growth And Low Income) which is an area with a lower rate of growth and per capita income than the district average. And then, presidential regulation No. 131 of 2015 on The Determination of Disadvantaged Areas in 2015-2019, disadvantaged areas are districts whose regions and communities are less developed than other regions on a National scale. Criteria area is left behind based on the regulation of the Ministry of Villages, Development of Disadvantaged Areas and Transmigration No.3 year 2015, namely: 1) the economy of the community; 2) human resources; 3) facilities and infrastructure; 4) regional financial capabilities; 5) accessibilitas; and 6) regional characteristics.

Addressing the problem of inequality, the government issued a policy of regional autonomy

that was enacted since 2001 to realize regional independence in financing and carrying out its development. Law No. 32 of 2004 also explains the authority of the local government including authority in terms of governance, management of national resources of its territory and responsible for carrying out and maintaining its environmental sustainability. In particular, presidential regulation No. 80 of 2019 mentioned that the acceleration of economic development in East Java region termsuk in it 4 (four) districts that are considered lagging, namely: Bondowoso Regency, Situbondo Regency, Bangkalan Regency and Sampang Regency.

Economic growth reflected by the rate of increase in GDP is one reflection to see the welfare level of a region or with increased economic growth is expected to decrease the poverty rate in the area. However, the high economic growth of each lagging area in East Java has not been able to improve the welfare of its people unless Bangkalan Regency economic growth only reaches 1.03 percent. The high poverty rate in each area is lagging even more than the amount of poverty in East Java Province, this condition indicates that the economic development that has been done by East Java province is still experiencing considerable inequality between regions.

The value of the Human Development Index (IPM) in East Java is only 71.5, the second lowest province after Banten Province in Java island is reviewed from the IPM value. While the IPM value of each region lags on average well below the IPM value of East Java Province and the lowest IPM value is in Sampang Regency with the highest poverty rate when compared to 3 (three) other regions.

According to the World Bank (2004), one of the causes of poverty is due to lack of income and assets to meet basic needs such as food, clothing, housing and *acceptable* levels of health and education . Effectiveness in reducing the number of the poor is the main growth in choosing development strategies or instruments (Muhammad Wahed, 2018). This means that one of the main criteria for the selection of the mainstay sector of regional development is effectiveness in the decrease in the number of the poor.

The same economic structure of each of the lagging regions that are held from the role of each

of the most dominant economic sectors is the agricultural sector with the largest contribution which on average reaches 30 percent of the total PDRB. The transformation of traditional society into an advanced society economy in its development is characterized by a decrease in population and productivity levels in the primary sector. The level of productivity in the agricultural sector is much lower than the level of productivity in the industrial sector because the low level of productivity and income in agriculture means that most of the income is used for food needs (Muhammad Wahed, 2018).

Based on the above explanation it is seen that the potential of agriculture, forestry and fisheries is so large owned by 4 (four) areas of Bondowoso, Situbondo, Bangkalan and Sampang districts.

## LITERATURE REVIEW

### Economic Theory of Development

There are four models of Arsyad (2014) in (Wiratama, Diartha, dan Prianto 2018): namely an oriented economic development model; 1) growth; 2) job creation; 3) poverty elimination; 4) and development models that are oriented towards fulfilling basic needs. Based on the development model, all of it aims at improving quality of life, improving goods and services, the creation of new jobs with a living wage, with the expectation of achieving a minimum level of living for all households which then reaches the maximum limit (Wahed, 2019).

### Understanding of Disadvantaged Areas

According to the Ministry of State development of the Disadvantaged Region of the Republic of Indonesia (2004), the disadvantaged area is a district area that is relatively less developed than other regions on a national scale, and has a relatively disadvantaged population. In the concept of the National Development Planning Agency (2004), disadvantaged areas are generally characterized by their relatively remote geographical location, or areas that are poor in natural resources, or prone to natural disasters. A disadvantaged region is an area in an area whose physical, social, and economic community reflects the delay in growth compared to other regions.

### Criteria for Determining Disadvantaged Areas

Based on the Regulation of the Minister of Villages, Development of Disadvantaged Areas and Transmigration No. 3 of 2016 on Technical Guidance on Determining Indicators of Disadvantaged Areas Nationally. In terms of identifying the problem of lag used 6 (six) criteria and 27 (twenty-seven) indicators of disadvantaged areas that include: economy, Human Resources, Regional Financial Capability, Infrastructure, Accessibility, and Regional Characteristics.

### Regional Economic Development Strategy

According to (Arsyad, 2014), regional economic development strategies can be grouped into four large groups of yait:

1. Physical development strategy (*Locality Or Physical Development Strategy*).
2. *Bussiness Development Strategy*.
3. Human Resource Development *Strategy*.
4. Community Based Development *Strategy*.

### Regional Economic Potential

The sectoral potential of the regional economy is a particular condition in which the regional economy is mapped based on the business sector in the PDRB with certain advantages in each business sector (Destiningsih, Achasa, dan Septiani, 2019). According to (Wahed, 2019) there are four

## METHOD

### Research Approach

In this study, using quantitative methods through mapping economic potential with *Location Quotient* analysis, *Shift Share*, and *Klassen Typology* as well as SWOT qualitative methods through *Dept Interview*. This method is very flexible in the search for ideas and ideas and clues about the conditions and situations related to the issues reviewed so that it can formulate modeling the right policies or strategies.

### Research Sites

The research area is a disadvantaged district in East Java Province namely Kab. Bondowoso, Situbondo, Bangkalan, and Sampang based on Presidential Regulation of the Republic of Indonesia No. 131 of 2015 on The Determination of Disadvantaged Areas in 2015-2019.

### Analysis Method .

1. *Location Quotien* (LQ)

This analysis technique is used to determine the category of a sector including in the

base sector or not the base. The formulation of the analysis technique is (Islamy, 2019):

$$LQ_{ji} = \frac{VA_{ji} / VA_i}{PDRBJ / PDRBI}$$

Description:

LQ<sub>ji</sub> = Location Quotient sector i in area J

VA<sub>ji</sub> = Value added sector i in area J

VA<sub>i</sub> = Value added sector i at the district level

PDRBJ = Gross Regional Domestic Product in area J

PDRBI = Gross Regional Domestic Product of the District

## 2. Shift Share (SS)

Shift share analysis method can be used to project the economic growth of a region and as an analytical tool in rural development research (Destiningsih, Achasa, dan Septiani 2019) This analysis technique is divided into 3 main components, namely regional share, proportional shift and diphthrenal shift.

## 3. Klasen Typology

This analysis develops the results of the *Location Quotient* index calculation ( $LQ > 1$ ), *Differential Shift* components ( $D_j > 0$ ), and *Proportional Shift Components* ( $P_j > 0$ ) for sectoral typology. This typology classifies base and non-base sectors as well as internal and external growth compost. By combining the LQ index with the DJ and Pj components in the *Shift Share analysis*.

## 4. SWOT analysis

The SWOT analysis examines by assessing related factors. For the formulation of strategies and grouping these factors into external factors and internal factors, then compare between external factors that are *opportunities* (*Opportunities*) and *threats* (*Threats*) with internal factors in the form of *strengths* (*Weaknesses*) (Nandiroh, Pratiwi, dan Susanti, 2016).

## RESULT AND DISCUSSION

### Economic Structure

Economic growth is one of the indicators in analyzing economic development that occurs in a country or region. The success of the development carried out by the central government is actually the

result of the success of development in the region. In line with the spirit of regional autonomy, the local government has a very large role in carrying out development. Therefore, local governments should be able to encourage businesses to conduct investment activities that will later boost the economic growth of the region. In order for development in the area to be successful, a proper and sustainable strategy is needed. One of them is by determining the main area as well as the superior sector that is the priority of development.

### Economic Structure of Sampang Regency

Based on data from Sampang Regency in figures (BPS, 2020), the economic structure of Sampang Regency submersible for the last three years is still dominated by the agricultural sector in 2017 the value reached 33.78 percent, but the number decreased every year, so it was recorded in 2019 by 31.23 percent. The second largest sector was held by the mining sector at 18.50 percent (2017) but the figure also decreased by 16.48 percent in 2019. The third largest sector was the trading sector by 16.93 percent in 2017 and increased 18.34 percent each (2019). While the small sector contributes to the economy of Sampang district is the water procurement sector, over the last three years contributed 0.07 percent.

### Economic Structure of Bangkalan Regency

Bangkalan regency in numbers (BPS, 2020), the change in the economic structure of Bangkalan Regency during the last three years (2017-2019), the sector that contributes the most to the economy of Bangkalan area is the agricultural sector with a value of 25.20 percent (2017), but the value decreased 23.57 percent 23.57 percent 23.57 percent. Second, the mining sector has a contribution value to the PDRB of 21.74 percent (2017), but the next period continues to experience a decrease in the value of s ebesar 20.92 percent (2019). The third largest sekto was the trading sector by 15.48 percent in 2017 and increased 16.34 percent (2019). While the small sector contributes to the economy of Bangkalan Regency is the water procurement sector, over the last three years contributed 0.09 percent.

### Economic Structure of Situbondo Regency

Based on situbondo regency data in numbers (BPS, 2020), the economic structure of Situbondo Regency during the period 2017-2019.

Furthermore, the economic sector that contributes to the situbondo regional economy is the agricultural sector with a value of 34.21 percent (2017), but the value decreased 2019 by 31.61 percent. Secondly, in the processing industry sector which is able to contribute to DRB Kabuapten Situbondo reaching 16.64 percent (2017), the next period the sector continues to increase, so that in 2019 the value reaches 18.05 percent. The third position was held by the contrition trade reached 15.18 percent, but the figure is shrinking and continues to increase every year, so that in 2019 the value of its contribution reaches 16.52 percent. While the small sector contributes to the economy of Situbondo Regency is the water procurement sector, over the last three years contributed 0.12 percent.

**Economic Structure of Bondowoso Regency.**

Based on bondowoso regency data in numbers (BPS, 2020), the economic structure of Bondowoso Regency during the period 2017-2019. When viewed as a sectoral contribution, the economic sector contributes to the situbondo regional economy is the agricultural sector with a value of 34.21 percent (2017), but the value decreased 2019 by 31.61 percent. Secondly, in the processing industry sector which is able to contribute to DRB Kabuapten Situbondo reaching 16.64 percent (2017), the next period the sector continues to increase, so that in 2019 the value reaches 18.05 percent. The third position was held by the contrition trade reached 15.18 percent, but the figure is shrinking and continues to increase every year, so that in 2019 the value of its contribution reaches 16.52 percent. While the small sector contributes to the economy of Bondowoso Regency is the water procurement sector, over the last three years contributed 0.12 percent.

**Mapping Economic Potential.**

This analysis developed the results of the Location *Quotient* index calculation ( $LQ > 1$ ), the *Differential Shift* component ( $D_j > 0$ ), and the *proportional shift* component ( $P_j > 0$ ) for sectoral typology to determine. This typology classifies base and non-base sectors as well as internal and external growth compost. By combining the LQ index with the DJ and Pj components in the *Shift Share analysis*. The typology of the sector is as follows (Soerofi, 2005):

Based on the table above can be known, the economic sector entered in typology I with a potential level of "exceptional" there are two sectors namely, the government admin sector and the education services sector. While the economic sector entered in typology III with a potential level of "good" is the agricultural and mining sectors, in typology VI, namely the Processing Industry sector, Electrical Procurement sector, Construction sector, Trade sector, Transportation sector, Accommodation Provision sector, Information sector, Financial Services sector, healthcare sector, Corporate Services sector, and Health Service. lastly, the economic sector that enters in typology VIII, inthesameway: Water Procurement; 2) Real Estate; 3) Other Services.

**Table 1. Typology of Sampang Regency Economic Sector**

Typology	Sectoral	LQ	DSS	PSS	Potential Level
I	Government Admin	2.06	0.00	0.02	Exceptional
	Educator Services	1.19	0.02	0.00	
II					That's good
Iii	Agriculture	2.64	-0.03	0.20	Good
	Mining	4.46	-0.01	0.13	
Iv					More than enough
V					Enough
Vi	Processing Industry	0.11	0.01	-0.26	Almost out of enough
	Electricity Procurement	0.10	0.00	-0.00	
	Construction	0.99	0.06	0.00	
	Trade	0.95	0.02	-0.00	
	Transportation	0.29	0.03	-0.02	
	Provision of Accommodation	0.07	0.03	-0.05	
	Information	0.97	0.02	-0.00	
	Financial Services	0.50	0.02	-0.01	
	Corporate Services	0.37	0.01	-0.00	
	Health Services	0.86	0.00	-0.00	
Vii					Less
Viii	Water Procurement	0.80	-0.00	0.00	Not so bad
	Real Estate	0.80	-0.00	-0.00	
	Other Services	0.68	-0.01	-0.00	

Source: BPS, PDRB Sampang regency and East Java (processed)

**Mapping the Economic Potential of Bangkalan Regency**

To find out what sector is the leading sector of the region and how much impact the sector has to do a further calculation. Generally by looking at pdrb data a population welfare area and the progress of the region can be known, but pdrb data provides only a small amount of information. Therefore, an in-depth study is required using existing data and analysis.

Based on table 2, it is known that the economic sector entered in typology I with a potential level of "exceptional" there are three sectors namely, construction sector, government admin sector and education services sector. While the economic sector entered in typology III with a potential level of "good" is the agricultural and mining sectors, in typology VI, namely the Mining Industry Sector, Electricity & Gas Procurement Sector, Water Procurement Sector, Trade Sector, Transportation Sector, Accommodation Provision Sector, Information Sector, Financial Services Sector, Real Estate Sector, Corporate Services Sector, HealthCare Sector, and Other Service Sectors.

**Table 2. Typology Economic Sector of Bangkalan Regency**

Typology	Sectoral	LQ	DSS	PSS	Potential Level
I	Construction	1.41	0.04	0.04	Exceptional
	Government Admin	2.54	0.03	0.03	
	Educator Services	1.43	0.01	0.01	
II					That's good
Iii	Agriculture	1.97	-0.02	0.12	Good
	Mining	5.64	-0.04	0.18	
Iv					More than enough
V					Enough
	Mining Industry	0.08	0.00	-0.26	
	Electricity & Gas procurement	0.12	0.04	-0.00	
	Water Procurement	0.95	0.01	0.00	
	Trade	0.85	0.03	-0.02	
	Transportation	0.41	0.03	-0.02	
Vi					Almost out of enough
	Provision of Accommodation	0.20	0.05	-0.04	
	Information	0.97	0.02	-0.00	
	Financial Services	0.63	0.01	-0.01	
	Real Estate	0.68	0.02	-0.00	
	Corporate Services	0.30	0.03	-0.00	
Vii					Less
	Health Services	0.57	0.02	-0.00	
Viii					Not so bad
	Other Services	0.50	0.00	-0.00	

Source: BPS, PDRB Bangkalan and East Java Regency (processed)

**Mapping the Economic Potential of Situbondo Regency**

This analysis develops the results of the *Location Quotient* index calculation ( $LQ > 1$ ), *differential shift* components ( $Dj > 0$ ), and *proportional shift components* ( $Pj > 0$ ) for sectoral typology. This typology classifies base and non-base sectors as well as internal and external growth compost. By combining LQ index with DJ and Pj components in *Shift Share analysis*.

Taking into account parameters such as in table 3, (LQ, Dj and Pj), then each typology can be interpreted that the economic sector entered Typology II is a sector whose potential level is "very good", to be developed, Typology III "good", Typology IV "more than enough", Typology V "sufficient", Typology VI "almost than enough", Typology VII "less", Tipology VIII "less once".

**Table 3. Typology of Situbondo Regency Economic Sector**

Typology	Sectoral	LQ	DSS	PSS	Potential Level
I	Information	1.04	0.00	0.00	Exceptional
	Financial Services	1.14	0.01	0.00	
	Government Admin	1.41	0.00	0.01	
	Other Services	1.47	0.01	0.00	
II					That's good
	Agriculture	2.69	-0.03	0.21	
Iii					Good
	Water Procurement	1.34	-0.02	0.00	
	Educator Services	1.45	-0.00	0.01	
	Health Services	1.30	-0.00	0.00	
Iv					More than enough
V					Enough
	Mining Industry	0.57	0.03	-0.12	
	Electricity & Gas Procurement	0.17	0.00	-0.00	
	Trade	0.84	0.03	-0.02	
	Transportation	0.75	0.03	-0.00	
	Provision of Accommodation	0.32	0.04	-0.03	
Vi					Almost out of enough
	Real Estate	0.89	0.02	-0.00	
	Corporate Services	0.51	0.02	-0.00	
Vii					Less
Viii					Not so bad
	Mining	0.47	-0.00	-0.02	
	Construction	0.77	-0.00	-0.02	

Source: BPS, PDRB Situbondo regency and East Java (processed)

Based on table 3, it is known that the economic sector entered in typology I with a potential level of "exceptional" there are four sectors namely, Information Sector, Financial Services Sector, Government Admin Sector, and Other Service Sector. While the economic sector entered in typology III with a potential level of "good" is the agricultural and mining sectors, in typology VI, namely the Processing Industry sector, Electrical Procurement sector, Construction sector, Trade sector, Transportation sector, Accommodation Provision sector, Information sector, Financial Services sector, healthcare sector, Corporate Services sector, and Health Service. finally, the economic sector that enters in typology VIII, it is notable: Water Procurement; 2) Real Estate; 3) Other Services.

### Mapping the Economic Potential of Bondowoso Regency

To find out what sector is the leading sector of the region and how much impact the sector has to do a further calculation. Generally by looking at pdrb data a population welfare area and the progress of the region can be known, but pdrb data provides only a small amount of information. Therefore, an in-depth study is required using existing data and analysis.

This analysis developed the results of the Location *Quotient* index calculation ( $LQ > 1$ ), the *Differential Shift* component ( $Dj > 0$ ), and the *Proportional Shift* component ( $Pj > 0$ ) for sectoral typology. This typology classifies base and non-base sectors as well as internal and external growth compost. By combining the LQ index with the DJ and Pj components in the *Shift Share analysis*.

**Table 4. Typology of Bondowoso Regency Economic Sector**

Typology	Sectoral	LQ	DSS	PSS	Potential Level
I	Information	1.11	0.00	0.00	Exceptional
	Government Admin	1.41	0.02	0.01	
	Educator Services	1.30	0.00	0.00	
	Health Services	1.12	0.00	0.00	
	Other Services	1.17	0.00	0.00	
II					That's good.
Iii	Agriculture	2.50	-0.03	0.18	Good
	Financial Services	1.07	-0.00	0.00	

iv					More than enough
v					Enough
Vi	Mining Industry	0.74	0.03	-0.07	Almost out of enough
	Electricity & Gas Procurement	0.12	0.02	-0.00	
	Water Procurement	0.76	0.00	0.00	
	Construction	0.99	0.01	-0.00	
	Trade	0.82	0.02	-0.03	
	Transportation	0.20	0.02	-0.02	
	Provision of Accommodation	0.12	0.03	-0.05	
	Real Estate	0.69	0.00	-0.00	
	Corporate Services	0.45	0.01	-0.00	
vii					Less
viii	Mining	0.50	-0.01	-0.02	Not so bad

Source: BPS, PDRB Bondowoso regency and East Java (processed)

### Base Sector Roles Increase Employment Opportunities

#### 1. Role of Base Sector in Sampang Regency

The role of the field of agriculture in the agricultural category towards Sampang Regency PDRB still dominates. In 2018 the role was 31.81 %. Other major sectors that are dominant in the structure of the economy, namely mining and quarrying businesses, amounted to 18.58%, including the oil and gas mining sub category. Large Trade and Retail category business field; Car and Motorcycle Repair with a contribution of 17.88 % and construction category business field with a contribution of 9.89 %.

Based on the results of *Loquition Quotient* (LQ) analysis, there are four sectors that are the base sector in Sampang Regency, among others: miningsector, agriculture sector, government admin sector, and education services sector.. Meanwhile, the economic sector of the *klassen* typology analysis in Sampang Regency has two sectors that have a "special" category, among others: Government Admin Sector and Education Services Sector .

#### 2. Role of Base Sector in Bangkalan Regency

Sectorally, bangkalan district's economic business from year to year has always been dominated by agriculture, forestry and fisheries category which in 2018 reached 26 percent, about a quarter of the value of PDRB Bangkalan. Food security in Bangkalan area is best because it is supported from some agricultural sector commodity products.

Agricultural commodities that excel in Bangkalan Regency, among others: rice fields, corn, fruit crops such as salak, durian, mango, rambutan and banana.

Bangkalan Regency has four sectors base through the results of *Loquation Quotient* (LQ) analysis, among others: mining sector, government admin sector, agricultural sector, and education services sector. While the economic sector of Bangkalan Regency which has a "special" predicate from the results of the typology analysis *klassen* is construction sector, government admin sector, and educator service sector.

### 3. Role of Base Sector in Situbondo Regency

In 2018 the population aged 15 years and above was 543,010 people consisting of a workforce of 390,266 people and not a workforce of 152,744 people. Work is the main activity of residents aged 15 and over. The number of people aged 15 and over whose main activities are working is 70.49 percent. Meanwhile, *Loquation Quotient* (LQ) analysis classified as a base sector (agriculture sector, education services, government admin, other services, health services, financial services, information, and water procurement sector).

### 4. Role of Base Sector in Bondowoso Regency

Agriculture is the business field with the largest share of the economy of Bondowoso Regency as a whole with the superior commodities kopi and luas crops reaching 16,636 hectares. In addition, people working according to the largest types of main jobs are in the agricultural sector with a value of 46 percent, the service sector at 36 percent, and the industrial sector at 18 percent. This is in line with the *results of loquation quotient* analysis (LQ) which includes the base sector (agriculture sector, information, financial services, government admin, education services, health services, and other services).

## Development Policy Strategy .

### 1. *Strenghts Opportunities* (S-O) Strategy

S-O strategy is a strategy that uses internal forces to utilize external opportunities to benefit Sampang, Bangkalan, Situbondo, and Bondowoso districts in the development

of its territory, some of the alternative S-O strategies produced are as follows:

- a. Increase the potential of SDA by harmonizing central and regional support in leading sectors.
- b. Utilizing potential resources to attract investors in the form of partnerships and cooperation with sawasta parties.
- c. Optimizing coordination between agencies/agencies to support leading sectors as well as utilization of technological developments.

### 2. *Weakness Opportunities* (W-O) Strategy

The W-O strategy is a strategy devised to overcome weaknesses by utilizing existing opportunities through several alternative strategies produced as follows:

- a. Optimizing management, utilization of SDA, and investor interest to increase employment.
- b. Improving the human resources quality of farmers and fishermen, PPL energy in increasing production by utilizing technology.
- c. Improving facilities and infrastructure, as well as improving technology through cooperation.

### 3. *Strategy Strengths Threats* (S-T)

S-T strategy is a strategy created by using internal forces to avoid or reduce the impact of external threats to the development of Sampang, Bangkalan, Situbondo, and Bondowoso districts through several alternative ST strategies produced are as follows:

- a. Regional institutional empowerment in the face of competition between regions.
- b. Creating a business climate conducive to increasing investment.
- c. Strengthening trade institutions and superior sector management (agriculture sector).

### 4. *Weakness Threats Strategy* (W-T)

The W-T strategy is a proposed strategy to reduce internal weaknesses and avoid external threats through several alternative W-T strategies produced as follows:



- a. Improving the hr quality of farmers, fishermen, and information networks in the face of the era of globalization.
- b. Improvement and optimization of agricultural extension personnel to cope with natural disasters and crop failure.
- c. Improving and optimizing development facilities and infrastructure to face competition between regions.

Therefore, in order for the agricultural sector and the mining sector to develop and grow, it needs to be supported by other sectors. Policies that can be done for example in the mining and excavation sectors need to master technology, increase production, exploration of mineral resources and research of other mining materials. The government admin sector is strategically positioned through public servants in the field of innovation to achieve people's welfare, making it easier for people to get public services.

## CONCLUSION

### Conclusion

Based on the above discussion, the results of this study can be concluded as follows:

1. Economic structure in each region (Sampang, Bangkalan, Situbondo, and Bondowoso) dominated by the agricultural sector, this is supported by the abundant potential of SDA, such as the breadth of agricultural land.
2. Sector base in Sampang area (agricultural sector, government admin sector, and education services sector), base sector in the region (mining sector, agriculture sector, government admin sector, and education services sector), sector in Situbondo area (agricultural sector, education services sector, government admin sector, other service sector, healthcare sector, financial services sector, information sector, and water procurement sector), and base sector in Bondowoso area (agricultural sector, information sector, financial services sector, government admin sector, education services sector, health care sector, and other service sectors).
3. Character of the population, communities in each region (Sampang, Bangkalan, Situbondo, and Bondowoso), the largest of its people

working in the agricultural sector, both as farmers and farmworkers.

4. The strategy produced in this study rests on the development of the agricultural sector, including: a) increase the potential of SDA by harmonizing central and regional support in the leading sectors; b) utilizing potential resources to attract investors in the form of partnerships and cooperation with sawasta parties; c) optimize coordination between agencies/agencies to support leading sectors as well as utilization of technological developments; d) optimize the management, utilization of SDA, and investor interest to increase employment; e) improve the human resources of farmers and fishermen, PPL personnel and information networks with the utilization of technology in order to increase production capacity; f) improve facilities and infrastructure, as well as technological improvement through cooperation; g) regional institutional resources in the face of competition between regions; h) create a business climate conducive to increasing investment, especially in the leading sectors; and i) strengthen the institutional trading and management of the leading sectors.

### Suggestion

From some of the conclusions in this study, the suggestions submitted are as follows: Development of lagging areas in Java Timur province should be done by spurring the performance of the economic sector in order to be able to grow fast and make a big contribution in the formation of PDRB. Mainly investment, incentives, and other economic policies need to be directed at economic activities from sectors that are competitive as well as specialization. One of its strategies is to pursue economic sectors in accordance with the contribution in the formation of PDRB.

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