

DEVELOPMENT OF THE AGRICULTURAL SECTOR AS AN EFFORT TO STRENGTHEN REGIONAL COMPETITIVENESS

Silvia Rahayu, Dorris Yadewani

Program Studi Ekonomi Pembangunan, Sekolah Tinggi Ilmu Ekonomi Sakti Alam Kerinci

Program Studi Manajemen, Universitas Sumatera Barat Lubuk Alung

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Abstract

This study aims to determine How the Analysis of Agricultural Sector Development to Strengthen Regional Competitiveness in Tebo Regency. This study was conducted for 1 month. The data used in this study are secondary data obtained from the BPS Bungo Regency and BPS Jambi Province websites. The data obtained were analyzed descriptively quantitatively and descriptively qualitatively. The analysis tools used are Location Question (LQ) and Shiftshare Analysis. Based on the results of the study, it was found that the leading economic sectors in Tebo Regency are the Government Administration, Defense and Compulsory Social Security, Agriculture, Forestry and Fisheries, Other Services, Real Estate, Electricity and Gas Procurement and the Information and Communication sector. The agriculture, forestry and fisheries sector is the second leading sector in Tebo Regency with an average LQ value of 1.91 (> 1). This can also be proven through the agricultural sector in the economic structure of Tebo Regency playing a fairly large role. The results of the shift share calculation for the agriculture, forestry and fisheries sector show that it has a proportional (+) and differential (+) shift value, meaning that the sector has experienced significant growth both in Jambi Province and Tebo Regency, which means that the agriculture, forestry and fisheries sector of Tebo Regency is able to compete with similar products in other regencies and cities.

Keywords : *Development of the agricultural sector and competitiveness*

Abstrak

Penelitian ini bertujuan untuk mengetahui bagaimana pengembangan sektor pertanian untuk menguatkan daya saing daerah. Penelitian ini dilakukan di Kabupaten Tebo Provinsi Jambi. Penelitian ini dilakukan selama 1 bulan. Data yang digunakan dalam penelitian ini adalah data sekunder yang diperoleh dari website BPS Kabupaten Bungo dan BPS Provinsi Jambi. Data yang diperoleh dianalisis secara deskriptif kuantitatif dan deskriptif kualitatif. Alat Analisa yang digunakan adalah Location Quotient (LQ) dan Analisis Shiftshare. Berdasarkan hasil penelitian diperoleh bahwa sektor ekonomi unggulan di Kabupaten Tebo adalah sektor Administrasi Pemerintahan, Pertahanan dan Jaminan Sosial Wajib, Pertanian, Kehutanan dan perikanan, Jasa Lainnya, Real Estate, Pengadaan Listrik dan Gas dan sektor Informasi dan Komunikasi. Sektor pertanian, kehutanan dan perikanan merupakan sektor unggulan kedua di Kabupaten Tebo dengan rata-rata nilai LQ 1,91 (> 1). Hal ini juga dapat dibuktikan melalui Sektor pertanian dalam struktur perekonomian Kabupaten Tebo memegang peranan yang cukup besar. Hasil perhitungan shift share sektor pertanian, kehutanan dan perikanan menunjukkan bahwa mempunyai nilai perpindahan proporsional (+) dan diferensial (+),

artinya sektor tersebut mengalami pertumbuhan yang signifikan baik pada Provinsi Jambi dan wilayah Kabupaten Tebo yang berarti sektor pertanian, kehutanan dan perikanan Kabupaten Tebo mampu bersaing dengan produk sejenis di kabupaten dan kota lain.

Kata kunci: Pengembangan sektor Pertanian dan daya saing.

I. INTRODUCTION

One of the efforts made to overcome poverty in a region is through local economic development. PEL is a participatory process of the community, local government, and the private sector to increase local competitiveness through available resources with the aim of creating decent jobs and sustainable economic activities (Huda, 2020).

Local economic development also needs to be directed to support the development of economic sectors that have the potential to create broad employment opportunities and have good prospects in improving the welfare of the community in a region. (m.salman huda 2018). The birth of Law No. 22 of 1999 concerning Regional Government which was later replaced by Law No. 32 of 2004 became a reform in the relationship between the central and regional governments and became the forerunner to the birth of regional autonomy in Indonesia including fiscal decentralization. The existence of regional autonomy is able to encourage regional enthusiasm to develop their economies. Law No. 32 of 2004, states that development must pay attention to regional potential and diversity, because each region has different social, cultural, and even geographical characteristics so that different policies are needed (Husna Nailatul et al., 2021). The regional autonomy of each region in Indonesia is required to be able to develop every local potential it has in order to survive and thrive amidst regional and global competition. Indirectly, this means that the economic development of a region is more directed at an approach that is oriented towards the development of local resources which are endogenous factors of the region optimally and maximally.

The economic development policy taken by the regional government is expected to be able to maximize the potential in its region in order to achieve optimal development results. The success of economic development is seen through its economic growth, where economic growth can be measured, one of which is using Gross Regional Domestic Product (GRDP) (Husna Nailatul et al., 2021) The main problem of a region in implementing development is the inability of the regional government to implement a mature planning strategy and the lack of thoroughness in seeing the potential of the region. Efforts to increase economic development require the determination of leading sectors as regional base sectors which will then become regional growth points and see how the growth rate and competitiveness of

economic sectors are, thus it is hoped that regions will grow and develop as national growth centers.

Development supported by priority programs for developing superior local economic potential can increase the competitiveness of its regions. This means that if the government wants its regions to be competitive, its development programs must start from developing the superior economic potential of the region. Through the development of these superior economic potentials, economic growth is expected to increase. So that regional economic development whose approach focuses on the utilization and optimization of regional resources and competencies in driving the regional economy is able to overcome the problems of poverty, unemployment and create sustainable development. In addition, the right regional economic development strategy is expected to be able to find and explore productive economic potential that is competitive and based on regional resources (Husna Nailatul et al., 2021). Tebo Regency has the largest GRDP in two sectors, the first is the agriculture, forestry, and fisheries sector and the second is the mining and quarrying sector. These two sectors always contribute the most to Tebo Regency. GRDP experienced a gradual increase in growth from 2019 by 5,190,079.4 then increased to 5,315,227.4 in 2020 and continued to increase in the following years until the highest income, namely 2023, reached 5,901,458.64.

Both sectors are sectors that play a very important role in Tebo Regency in regional development, the challenges faced by Tebo Regency in implementing its development strategy are how to increase the productivity and efficiency of all sub-sectors and produce various commodities in order to provide the greatest added value to the community by optimizing all the potentials of the region. Increasing the productivity and efficiency of all sub-sectors in Tebo Regency can be done if the local government knows the potential of its region. Based on the background and data that have been taken, it leads researchers to analyze the agricultural sector in 2014-2023. Based on this, the author is interested in conducting research on "Development of the Agricultural Sector to Strengthen Regional Competitiveness". Where the purpose of this study is to analyze the economic sector which is a potential sector based on the Location Quotient (LQ) analysis and Shift-Share analysis in 2014-2023 in Tebo Regency. And to find out how the development of potential sectors can support regional competitiveness in Tebo Regency in 2014-2023. This study aims to find out How to Analyze the Development of the Agricultural Sector to Strengthen Regional Competitiveness in Tebo Regency.

II. RESEARCH METHODS

This type of research uses a qualitative and quantitative approach. This research was conducted in Tebo Regency. The research was conducted for 1 month. The type of data used is secondary data, where secondary data is data obtained indirectly through intermediary media, in the form of evidence, records or historical reports that have been compiled in published sources related to the problem. The data used in this study were taken from the official website of BPS Tebo Regency <https://tebo.bps.go.id/>. The data collection technique in this study was carried out through library research. Library Research or library research is a method of collecting data based on books related to the title of this Final Assignment.

The analysis method used in this study is the quantitative analysis method. Quantitative analysis is used to analyze quantitative information (data that can be measured, tested, and transformed into equations, tables and so on). To determine the magnitude of the influence of the independent variable on the dependent variable, this study uses a model. The method used is the Location Quotient (LQ) and Shift Share (SS) methods.

Location Quotient (LQ) Analysis

The formula for calculating LQ is as follows:

$$LQ = \frac{X_i}{PDRB_i}$$

$X_i/PDRB_i$

Where:

X_i = Added value of sector i in a narrower area

$PDRB_i$ = PDRB of a narrower area

X_i = Added value of sector i by Province or Nationally

$PDRB_i$ = PDRB by Province or Nationally

Criteria:

If the LQ value >1 then the agricultural sub-sector is categorized as a leading sector. This means that the agricultural sub-sector in the Tebo Regency economy can play a greater role than the role of the agricultural sub-sector in the Jambi Province economy.

LQ=1 then the agricultural sector is categorized as a closed sector. Because it is considered that the results are only able to meet the needs of its own region, but such conditions are difficult to find in a regional economy.

LQ <1 then the agricultural sector is categorized as a non-leading sector, meaning that the role of the agricultural sector in the Tebo Regency economy is smaller than the role of the agricultural sector in the Jambi Province economy.

Shift Share (SS) Analysis

The Shift-Share method is one of the analysis techniques in Regional Economics which aims to determine the main factors that influence and determine economic growth in a region (Sjafrizal, 2014). The mathematical formulation of this model is as follows:.

$$y_i = [y_i(Y_t/Y_o - 1)] + [y_i(Y_{it}/Y_{io}) - (Y_t/Y_o)] + [y_i(y_i/y_{io}) - (Y_{it}/Y_{io})]$$

where

y_i = change in value added of sector i ;

y_{io} = value added of sector i in the region at the beginning of the period;

y_{it} = value added of sector i in the region at the end of the period;

Y_{io} = value added of sector i at the national level at the beginning of the period;

Y_{it} = value added of sector i at the national level at the end of the period.

The formulation in the equation above shows that the increase in the added value of a region can be decomposed into 3 parts. The first part on the left side of the equation is:

1. Regional Share: $[y_i (Y_t / Y_o - 1)]$ is a component of regional economic growth caused by external factors, namely: increased regional economic activity due to national policies that apply to all regions, or due to the encouragement of economic growth and trade in neighboring regions;
2. Proportionality Shift (Mixed Shift): $[y_i (Y_{it} / Y_{io}) - (Y_t / Y_o)]$ is a component of economic growth from within the region itself caused by a relatively good regional economic structure, namely specializing in sectors that can grow rapidly nationally, such as the industrial sector.
3. Differential Shift (Competitive Shift): $[y_i (y_i / y_{io}) - (Y_{it} / Y_{io})]$ is a component of regional economic growth due to specific regional conditions that are competitive. This growth element is the Competitive Advantage of the region that can encourage export growth in the region concerned.

III. RESEARCH RESULTS

Research Object Overview

Tebo Regency is a regency in Jambi Province, Indonesia. This regency is the result of the expansion of Bungo Tebo Regency, on October 12, 1999. At the end of 2023, Tebo Regency had a population of 362,946 people. This regency, which borders the provinces of Riau and West Sumatra, has its capital in Muara Tebo. The spirit of reform in 1998 that occurred in Indonesia had a major impact on the Jambi Provincial government, both in its executive and legislative institutions. In this regard, the Jambi Provincial Government

through the Letter of the Governor of the Head of the Level I Region of Jambi Number 135/2465/Pem of 1999 programmed the Plan for the Expansion of the Level II Region of the Regency.

With the issuance of the Jambi Governor's Letter, it was followed up by the Regent of Bungo Tebo, Drs. H. Sofian Ali, by issuing the Decree of the Head of the Bungo Tebo Regency Level II Region Number 669 of 1999 concerning the Implementation Team for the Establishment of the Bungo Tebo Regency Level II Region. The same thing was also supported by the Bungo Tebo Regency Level II Regional DPRD Number 170/271/1999 dated May 21, 1999. The boundaries of Tebo Regency are as follows:

North Indragiri Hulu Regency, Riau Province

East Batanghari Regency and Tanjung Jabung Regency West

South Tabir District, Merangin Regency

West Bungo Regency and Dharmasraya Regency, West Sumatra

Tebo Regency has 12 sub-districts, 5 urban villages and 107 villages (out of a total of 141 sub-districts, 163 urban villages and 1,399 villages throughout Jambi). In 2017, the population was 327,669 people with an area of 6,461.00 km² and a population density of 51 people/km².

DISCUSSION

LQ Analysis

Location quotient (LQ) analysis is useful for viewing the specialization of production activities in a region. Basically, this technique presents a relative comparison between the capabilities of a sector in the area being investigated with the capabilities of the same sector in a wider area. Location quotient (LQ) is a method for determining the level of specialization of economic sectors in a region that uses the base sector. Location quotient measures the degree of specialization of economic activities through a comparative approach. The following are the results of the LQ analysis for 17 economic sectors in Tebo Regency. Based on the results of the LQ calculation, it was obtained that the leading economic sectors in Tebo Regency are:

- Government Administration, Defense and Compulsory Social Security
- Agriculture, Forestry and Fisheries
- Other Services
- Real Estate
- Electricity and Gas Procurement

• Information and Communication.

For more details, the results of the LQ calculation for each economic sector in Tebo Regency are presented in the following table:

Table 1. Results of LQ Analysis of Tebo Regency, Jambi Province

No	Lapangan Usaha/Industry	Tahun								Rata Rata	Ket
		2016	2017	2018	2019	2020	2021	2022	2023		
A	Pertanian, Kehutanan, Dan Perikanan	1.90	1.89	1.94	1.94	1.95	1.94	1.87	1.86	1.91	Sektor Unggulan
B	Pertambangan Dan Penggalian	0.41	0.41	0.39	0.38	0.36	0.38	0.49	0.49	0.42	Non Unggul
C	Industri Pengolahan	0.59	0.59	0.60	0.61	0.60	0.61	0.60	0.61	0.60	Non Unggul
D	Pengadaan Listrik Dan Gas	1.27	1.25	1.22	1.19	1.19	1.17	1.11	1.12	1.19	Sektor Unggulan
E	Pengadaan Air, Pengelolaan Sampah, Limbah, Dan Daur Ulang	0.31	0.31	0.32	0.32	0.32	0.33	0.32	0.33	0.32	Non Unggul
F	Konstruksi	1.02	1.01	1.02	1.02	0.93	0.91	0.90	0.88	0.96	Non Unggul
G	Perdagangan Besar Dan Eceran, Reparasi Mobil Dan Sepeda	0.85	0.87	0.87	0.85	0.86	0.85	0.84	0.85	0.85	Non Unggul
H	Transportasi Dan Pergudangan	0.44	0.44	0.45	0.46	0.51	0.52	0.47	0.47	0.47	Non Unggul
I	Penyediaan Akomodasi Dan Makan Minum	0.33	0.34	0.34	0.35	0.35	0.34	0.33	0.33	0.34	Non Unggul
J	Informasi Dan Komunikasi	1.05	1.04	1.02	1.02	1.02	1.02	1.01	1.01	1.02	Sektor Unggulan
K	Jasa Keuangan Dan Asuransi	0.60	0.59	0.59	0.58	0.55	0.54	0.54	0.54	0.57	Non Unggul
L	Real Estat	1.31	1.29	1.28	1.26	1.27	1.23	1.23	1.23	1.26	Sektor Unggulan
M	Jasa Perusahaan	0.06	0.06	0.06	0.05	0.05	0.05	0.05	0.05	0.05	Non Unggul
N	Administrasi Pemerintahan, Pertahanan, Dan Jaminan Sosial Wajib	0.97	0.95	0.93	0.94	0.97	0.96	9.60	0.96	2.03	Sektor Unggulan
O	Jasa Pendidikan	0.69	0.68	0.68	0.67	0.67	0.68	0.66	0.67	0.68	Non Unggul
P	Jasa Kesehatan Dan Kegiatan	0.82	0.81	0.81	0.81	0.80	0.76	0.76	0.77	0.79	Non Unggul
Q	Jasa Lainnya	1.90	1.88	1.86	1.84	1.81	1.80	1.73	1.64	1.81	Sektor Unggulan

Source: Processed data, 2025

The agriculture, forestry and fisheries sector is the second leading sector in Tebo Regency with an average LQ value of 1.91 (> 1). This can also be proven through the agricultural sector in the economic structure of Tebo Regency plays a fairly large role with a contribution of 52.11%, the large contribution reflects the large job creation, increased income and poverty alleviation through this sector. This agricultural sector is also needed for the provision of food and industrial raw materials.

Judging from the composition of the agricultural sector in the economy of Tebo Regency, it reflects that most of the livelihoods of the population of Tebo Regency are in the agricultural sector, reaching 76.24% of the total number of households are farming households (RTP)

Shift Share Analysis (SS)

Shift-share analysis is an analysis method to determine the economic structure in a region, the shift in leading sectors in two time periods, and to determine the position of the

economic sector of a region in relation to a wider area. The results of the shiftshare analysis are presented in the following table:

Table 2. Results of Shift Share Analysis for Tebo Regency

No	Lapangan Usaha/Industry	Regional Share	Propotionality Shift (Mixed Shift)	Diferential Shit (Competitive Shift)	Shift Share
A	Pertanian, Kehutanan, Dan Perikanan	5823651.074	77974.27156	5890695.03	11792320.38
B	Pertambangan Dan Penggalian	1053732.284	270732.1388	1324429.208	2648893.631
C	Industri Pengolahan	672883.3679	42531.33324	715366.356	1430781.057
D	Pengadaan Listrik Dan Gas	9374.126267	-787.7166691	8447.506181	17033.91578
E	Pengadaan Air, Pengelolaan Sampah, Limbah, Dan Daur Ulang	4590.30798	6308.475712	5116.867418	16015.65111
F	Konstruksi	883400.3761	-98052.63296	785249.8645	1570597.608
G	Perdagangan Besar Dan Eceran, Reparasi Mobil Dan Sepeda	523689.8386	28012.58062	1014547.948	1566250.367
H	Transportasi Dan Pergudangan	166960.54	16611.8218	183531.6129	367103.9748
I	Penyediaan Akomodasi Dan Makan Minum	45077.46968	974.1985998	46018.18242	92069.8507
J	Informasi Dan Komunikasi	515636.0853	-1732.078011	511108.12	1025012.127
K	Jasa Keuangan Dan Asuransi	148684.8527	-9216.243579	139419.582	278888.1911
L	Real Estat	215364.4785	-4931.953286	210316.8555	420749.3807
M	Jasa Perusahaan	8062.653522	-1003.14744	7052.145097	14111.65118
N	Administrasi Pemerintahan, Pertahanan, Dan Jaminan Sosial Wajib	326758.0698	8878.966111	335564.203	671201.2389
O	Jasa Pendidikan	252516.6271	1727.521945	254183.8341	508427.9832
P	Jasa Kesehatan Dan Kegiatan	81879.15002	-3719.216519	119923.6592	198083.5927
Q	Jasa Lainnya	227287.7193	-24301.02811	202816.6484	405803.3397

Source: Processed data, 2025

From the table of results of the calculation of the shift share of agriculture, forestry and fisheries, it shows that it has a proportional (+) and differential (+) shift value, meaning that the sector has experienced significant growth both in Jambi Province and Tebo Regency, which means that the agriculture, forestry and fisheries sector of Tebo Regency is able to compete with similar products in other regencies and cities.

IV. CONCLUSION

Based on the research results, it was found that the leading economic sectors in Tebo Regency are the Government Administration, Defense and Compulsory Social Security, Agriculture, Forestry and Fisheries, Other Services, Real Estate, Electricity and Gas Procurement and the Information and Communication sector. The agriculture, forestry and fisheries sector is the second leading sector in Tebo Regency with an average LQ value of 1.91 (> 1). This can also be proven through the agricultural sector in the economic structure of Tebo Regency playing a fairly large role. The results of the shift share calculation of the agriculture, forestry and fisheries sector show that it has a proportional (+) and differential (+) shift value, meaning that the sector has experienced significant growth both in Jambi

Province and the Tebo Regency area, which means that the agriculture, forestry and fisheries sector of Tebo Regency is able to compete with similar products in other regencies and cities.

Suggestions

Based on these conclusions, it is recommended that related agencies optimize coordination and cooperation with other parties in the management and development of the agricultural sector in Tebo Regency so that it can be used as the main sector in the development of the Tebo Regency area.

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