

# Strategy for Accelerating Economic Development in Maluku Province Using Input-Output Table Approach

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**Abstract:** *This study aims to (1) determine the economic sector's role in the Maluku province economy. (2) determine the form of forwarding and backward linkages to the economy in Maluku Province. (3) development strategies to accelerate economic development in Maluku Province. This study uses the 2013 Maluku IO table which was upgraded to the 2017 Maluku IO with a modified RAS approach. The analysis results show that the economic sector's role has a positive and significant effect on the economy in Maluku Province. The analysis results of the economic sector forward and backward linkage show results by translating the four quadrants where the value of the distribution power index and the degree of sensitivity are  $> 1$ , which means that the sector has a performance above the average of the total. The entire economy in Maluku Province is positive and significant. Vice versa if it is  $< 1$ , then the performance is below the average value of the total economy, which is harmful and significant, whereas it is related to the analysis of development strategies for accelerating economic development in Maluku Province with positive if it is focused on the sector A superior value of Backward Linkage index and Forward Linkage Index  $> 1$ , is said to be superior because it has a remarkable ability to move the economy both from the input and output sectors of the sector.*

**Keywords:** Input-Output, Modified RAS, Economic Sector, Regional Economy, Maluku

## 1. Introduction

Province's economic growth is very dynamic, leading to changes in the economic sector's components, resulting in a shift in the economic structure. A shift in the economic structure can shift from the agricultural to non-agricultural sectors, the industrial sector to services, and changes in the use of production factors and the absorption of labour among economic sectors [1]. A shift in the economic structure will impact increasing employment opportunities in a sector, increasing labour productivity, accumulating capital, utilizing new resources, and increasing technology use in an economic sector [2]. This shift in economic structure has the opportunity to absorb maximum human resources into certain sectors. This shift in economic structure has a bearing on current regional development which urgently needs support from local governments, especially after implementing regional autonomy. This regional autonomy emphasizes development in regency/city areas through the relevant regional governments.

With the existence of regional autonomy, it is hoped that each regional government will be able to develop its region independently, both in terms of governance, through the selection of policies for regional development and in terms of its own regional funding. Such conditions will certainly increase local governments' ability to manage the resources and potentials in their own regions [3]. Highlighting the economic aspect's point of view, development is a process of economic growth and the changes that accompany the growth process. This change or transformation includes many things, starting from the structure of production, policies, and society's dynamics. To pass through this process and achieve the expected goals, development is certainly necessary; in this case, economic development. This means that economic development is a transition

process (transition) from a certain economic level to a more advanced economic level.

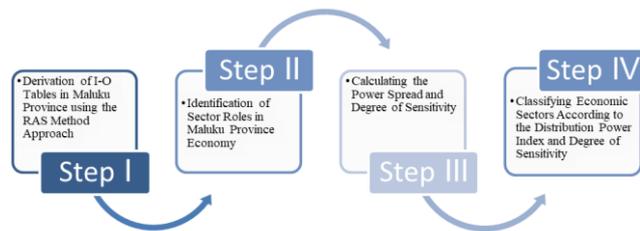
In line with the rapid and complex implementation of development, careful and focused planning is needed. To produce a good plan, it requires statistical data and various analytical tools and models that can be used as information or input to determine development policies. At a regional scale, economic development planning activities will involve a variety of interrelated activities among these economic sectors whose linkages need to be further analyzed against other sectors. One of the analytical frameworks used to plan and evaluate development outcomes, especially in the economic sector, is the Input-Output Table (IO Table). Thus, there is a need for an Input-Output (IO) model, which is an integrated economic analysis framework by consistently depicting relationships or linkages between sectors.

The IO table is a statistical description in the form of a matrix that provides information on transactions of goods and services and the interrelationships between one sector and another in a region's economic activity at a certain time period. Input-output analysis is a common equilibrium analysis tool. The balance of IO analysis is based on transaction flows between economic actors; the main emphasis in IO analysis is on the production side [4].

## 2. Method

Type of research is conducted as part of exploratory research which is defined as research that seeks to develop new knowledge and conjectures and provide direction for future researchers. Is a quantitative descriptive study, describing Economic Development in Maluku Province. This quantitative approach is obtained by interviewing, collecting

the necessary data and documents and documenting them. As seen in Figure 1.



**Figure 1:** Illustration of Data Analysis Flow

This study uses input-output analysis. The stages of this analysis are data collection, data reduction, data presentation and concluding. This research was conducted using interview techniques with the head of the Maluku Provincial Bappeda and the related services head.

### 3. Results and Discussion

#### 3.1. General Description of Maluku Province

The province is one of Indonesia's provinces, which is located in the eastern region of Indonesia. Overall, the geographical condition of Maluku Province is a land and sea area which includes large and small islands. Overall Maluku Province has an area of 712,479.69 km<sup>2</sup>. Most of the area is water covering 658,294.69 km<sup>2</sup> (92.4%), while the land area is only about 54,185 km<sup>2</sup> (7.6%). Maluku Province is an archipelago with several large and small islands of 1,340 islands with a coastline of 10,630 km with the following boundaries:

Northside: Seram Sea, Indonesian Sea  
 Westside : Sulawesi Sea  
 Southside: Arafura Sea  
 Eastside: Papua Island.

Maluku Province administratively consists of 9 districts and 2 cities, namely were 1). Central Maluku Regency, 11,595.57 km<sup>2</sup>, 18 Districts, 186 and 6 Kelurahan, 2) Southeast Maluku Regency Area 3,410.61 km<sup>2</sup>, 11 sub-districts, 190 Villages and 1 Kelurahan, 3) Tanimbar Islands Regency Area of 10,451.94 km<sup>2</sup>, 10 Districts, the number of villages 80 and 1 kelurahan, 4) Buru Regency Area 5,466.44 km<sup>2</sup>, 10 Districts and the number of Villages 82, 5) East Seram Regency Area of 3,952.08 km<sup>2</sup>, 15 Districts and the number of Villages 198, 6) West Seram Regency Area of 4,046.35 km<sup>2</sup>, 11 Districts and the number of Villages 92, 7) Aru Islands Regency 6,369.00 km<sup>2</sup>, 10 Districts, the number of Villages 117 and 2 Kelurahan, 8) Southwest Maluku Regency Area of 4,581.06 km<sup>2</sup>, 17 Districts and the number of Villages 117, 9) South Buru Regency Area 3,780.56 km<sup>2</sup>, 6 Districts and the number of Villages 79, 10) Ambon City Area 377.00 km<sup>2</sup>, 5 Districts, the number of villages 30 and 20 Kelurahan, 11) Kota Tual Area of 254.39 km<sup>2</sup>, 5 Districts, the number of Villages 27 and 3 Kelurahan.

#### 3.2. General Description of Output

The output is a description of the production level produced in the economy of a region. Based on the input-output analysis of Maluku Province, the commodity with the largest

output value is the General Government sector where the output produced is estimated at Rp. 8.8 million, the other largest comes from the construction sector where the output is estimated to reach Rp. 8.3 million. The fisheries sector, which is supported by the region consisting of islands, produces Rp's output. 6.5 million.

#### 3.3. Input Coefficient Matrix

In the input-output analysis, one of the analyses uses the input coefficient calculation or Matrix A, also known as the technology matrix. Matrix A is often called the input-output coefficient, or direct input coefficient. This coefficient can be translated as the amount of input used to produce one output unit in sector j originating from sector i.

This matrix is often referred to as a technology matrix because the composition of the numbers in the matrix describes the composition of intermediate inputs or the composition of raw materials used by a sector. The input structure is none other than describing the technology used by the sector.

The rice commodity in the input coefficient has a value of 0.171, which means that the total input value used is only 0.171, an input obtained from other sectors. This input coefficient is also an illustration of the direct impact resulting from a change in one unit of a sector on other units that become the input for that sector. For rice commodities, based on the description of the owned input coefficient, if there is a change of 1 unit in the commodity, it will result in a change of 0.171 in sectors with backward linkages.

The magnitude of the input coefficient produced by a commodity in the input-output analysis in Maluku Province illustrates the use of technology to produce the commodity output obtained in the region. The greater the input coefficient produced, it will directly impact other sectors in the Maluku region.

#### 3.4. Multiplier Analysis

Can use the input-output table can use the input-output table to analyze the impact on endogenous accounts due to changes in exogenous accounts. For this purpose, what is called a multiplier matrix is used. The amount depicted in this matrix shows the impact of changes in final demand on all sectors' output in a region's economy. If the input coefficient is said to be the level of a direct relationship, the direct impact is caused, then in this multiplier matrix which is the multiplier effect of the multiplier from the iteration rotation of the direct impact.

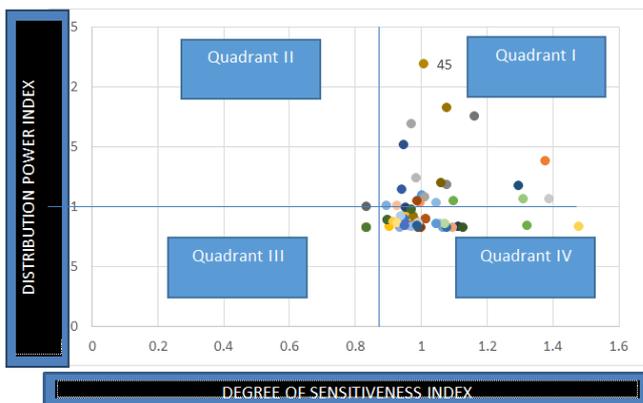
Matrix multiplier is divided into two parts, namely the multiplier for backward linkages(Backward Linkages)and forward linkages(ForwardLinkages).In calculating the Input-output table for Maluku Province, a multiplier matrix is obtained for the level of backward linkage.

An overview of the multiplier effect that can result from changes in a sector or commodity. The value created in the inverse matrix calculation illustrates that a change of 1 unit or 1 rupiah will result in changes in other sectors. The rice

sector produces an inverse matrix value of 1.203 for backward linkages, which means that every change of 1 unit of the rice sector will produce a multiplier effect for the sector that is the input to the rice sector 1,203 units. Meanwhile, the value for forwarding linkages in the rice sector produces a value of 1,319, meaning that every change of 1 unit of the rice sector will multiply for sectors that take advantage of the rice sector's output.

**3.5. Power Distribution Index Analysis and Degree of Sensitivity**

The dispersion index and degree of sensitivity are a continuation of the multiplier matrix (inverse matrix). The dispersion power index value can be the backward linkage index value (back circumference). Simultaneously, the sensitivity degree index can also be called the forward linkage index (front circumference). A high degree of sensitivity indicates that this sector has sufficient forward linkages or a strong driving force compared to other sectors. Vice versa, a high distribution power sector means that this sector has a high dependence on other sectors. As seen in figure 2.



**Figure 2:** Distribution Quadrant Power Distribution Index and Degree Of Sensitivity

on the calculation of the dispersion power index and sensitivity degree index, the calculation results are divided into four (4) quadrants, namely:

**1) First Quadrant (Dispersion Power Index > 1 and Sensitivity Degree Index > 1)**

The first quadrant is a grouping of sectors included in leading sectors. What is included in the leading sector is a sector with a value of BL index and FL Index > 1. This sector is said to be superior because it can move the economy both from the sectors that are the sector's input and output. Sectors included in the leading category can take advantage of other sectors' output and be used as input for other sectors above the economic average. This is what certainly makes the sector that becomes its output develops and also the input produced by the sector can also be utilized by other sectors which can also drive the development of other sectors, as can be seen in table 1

**Table 1:** Leading sectors in Maluku Province in 2017

Sectors	Name Sectors	Indeks BL	Indeks FL
3	Tubers	1,008	1,090
6	Plantation Crops	1,096	1,056
20	Precious Metal Ore	1,075	1,189
26	Food and Beverage	1,386	1,069
30	Processed Wood, Goods from wood, cork, woven goods from bamboo, rattan, and the like	1,291	1,177
33	Rubber, goods made of rubber and plastics	1,058	1,199
36	Metal goods, computers, electronic goods, optics and equipment electricity	1,043	1,041
41	Electricity	1,307	1,068
44	Construction	1,159	1,763
45	Trade-in cars, motorbikes and their repairs	1,005	2,189
55	Information and Communication Services	1,374	1,387
63	Education Services	1,077	1,835

The leading sectors in Maluku Province are Tubers, Seasonal Plantation Plants, Precious Metal Pellets, Food and Beverages, Processed Timber, Wood Products, Cork, Woven Bamboo, Rattan, Rubber, Rubber Products, Plastics, Metal Products, Computers, Electronics, Optical, Electrical Equipment, Electricity, Construction, Car Trading, Motorbikes and Their Reparation, Information and Communication Services, Education Services. This sector in calculating the distribution power index (backward linkage) and the sensitivity degree index (forward linkage) has a value above the average total economy. It is considered to have the ability to drive sectors that become input and sectors that take advantage of the sector's output.

The sector that has the FL (Forward Linkages) index value compared to the BL (indexBackward Linkages) illustrates that the output of this sector is more widely used as input by other sectors and this sector also makes less use of the output of other sectors compared to the usefulness of the output as input for other sectors. Meanwhile, if the BL (Backward Linkages) index value is greater than the FLindex value, it (Forward Linkages) means that the sector can make greater use of other sectors' output than the benefit of that sector's output as input for other sectors.

Such as the Food and Beverage Commodities, which in the analysis of the dispersion power index and the degree of sensitivity have an index value of > 1, so that the sector is considered to have the ability to move a sector is above the total average of the entire economy. Sectors that become input in producing food and beverage commodities include tubers, rice, maize, beans and several other crops. The backward linkages in the food and beverage sector are also supported by the trade sector, which acts as a flow of sales transactions.

In terms of future linkages, the food and beverage sector is related to food and drink provision services. These services are closely related to restaurants and others. The food and beverage sector is used as input for food and drink service providers. As a process of business continuity, the food and beverage sector is the main supplier.

**2) Second Quadrant (Dispersion Power Index <1 and Sensitivity Degree Index > 1)**

Sectors included in this second quadrant are sectors that have index value backward linkages <1 and also value forward linkages index > 1 so that the sectors in this quadrant are sectors that are classified in the category of having the ability to move sectors that become input lower than the average total economy, but the sectors that are included in this quadrant have the ability to absorb output by other sectors which are high above the average total economy, where this sector is also included in the developing potential category. Sectors included in the second quadrant or referred to as developing can see sectors in Table 2 below.

**Table 2: Potential Sectors in Maluku Province 2017**

Sectors	Name Sectors	Indeks BL	Indeks FL
56	Financial services Banking	0,968	1,695
46	Wholesale and Retail	0,945	1,520
14	Fishery Products	0,981	1,238
22	Goods Mining and Quarrying Other	0,939	1,150
1	Rice	0,999	1,096
61	Company Services	0,986	1,058
13	results for Forestry and logging	0,993	1,038
12	Agriculture and Hunting Services	0,890	1,018
48	Other Land Transport Services	0,924	1,011
62	General Government	0,830	1,001

In this quadrant, the sector has a greater forward linkage than backward linkage. The output produced by this quadrant is widely used as input by other sectors, or in other words, for the sectors in this quadrant, the output produced is widely used by other sectors as input. For example, the index value related to the future is the wholesale and retail trade sector with a sensitivity degree index or FL index of 1.520. This sector's output is used as input by almost all sectors in the input-output table for Maluku Province 2017. If you look at it in more detail, the sectors that use the most output of the wholesale and retail trade sector are the car, motorcycle and motorbike trade sectors—repairs amounting to 84,086. As technology develops, the need for transportation is increasing. To increase the trade sector for cars, motorbikes, and high repairs, Maluku Province must fulfil these needs. As an increase in trade results in cars, motorbikes, and repairs, inputs are needed to support these sectors, one of which comes from the output produced by the wholesale and retail trade sector.

Meanwhile, for backward linkages, the wholesale and retail trade sector is classified as high. Input from wholesale and retail trade is obtained from the rice, maize, tubers, legumes & cereals sector, seasonal horticultural crops, seasonal crops, annual horticultural crops, rubber, oil palm, annual plantation crops, poultry, and others. Meanwhile, backward linkages with other sectors such as the gas sector, the exploitation of geothermal energy, coal, copper ore and metal mining products are of no value.

**3) Third Quadrant (Spread Power Index <1 and Sensitivity Degree Index <1)**

The third quadrant is a grouping of sectors included in the non-leading sectors. As for the non-superior sectors are

sectors that have a BL index value and an FL index <1. This sector is said to be non-superior because moving the economy from both the input and output sectors is very small compared to other sectors or is below average another sector average. The following are sectors that are included in the non-superior province of Maluku in 2017.

Based on table 3 below, it can be seen that there are 31 non-superior sectors in Maluku Province. This number is quite a lot of the IO table's total sectors for Maluku Province, amounting to 62, or around 37% are non-leading sectors. It is said to be non-superior because the FL and BL values of the 31 sectors are below 1 (BL and FL <1). This non-leading sector means that both sectors do not use other sectors as input, and not much of the sector's outpour is used as input by other sectors. With this, can say that these sectors did not move the economy in Maluku Province in 2017.

**Table 3: Not Excellent Sectors in Maluku Province in 2017**

Sectors	Name Sectors	Indeks BL	Indeks FL
2	Corn	0,977	0,896
4	Nuts and Cereals	0,902	0,840
5	Annual Horticultural Plants	0,947	0,908
8	Rubber	0,932	0,837
9	Oil Palm	0,961	0,848
10	Other Annual Plantation Plants	0,975	0,926
11	Livestock, Poultry, and Their	0,893	0,890
15	Crude Oil and Condensate	0,912	0,879
16	Gas	0,830	0,830
17	Cultivation Results in Geothermal Power	0,830	0,830
18	Coal and lignite	0,830	0,830
19	Copper Ore	0,830	0,830
21	Other Metal Mining Goods	0,830	0,830
23	Products from Coal	0,830	0,830
24	Products from petroleum refineries	0,830	0,830
25	Products from gas and lubricating oil refineries	0,830	0,830
27	Processed cigarettes and tobacco	0,830	0,830
28	Textiles and Apparel	0,933	0,833
29	Leather, Leather Goods and Footwear	0,830	0,830
31	Paper, Paper Goods, Printing Goods and Recording Media Reproduction	0,998	0,832
32	Chemical, Pharmaceutical, and Traditional Medicines	0,990	0,835
47	Rail Transportation Services	0,830	0,830
49	Sea Transportation Services	0,935	0,926
50	Services River Lake and Crossing Transportation	0,988	0,875
51	Air Transportation Services	0,926	0,870
52	Transportation Support Services, Post and Courier	0,968	0,846
57	Insurance and Pension Fund	0,954	0,975
58	Services Financial Services Others	0,948	0,853
60	Real Estate Services	0,987	0,850
64	Health Services and Social Activities	0,952	0,998
65	Other Services	0,965	0,986

There are 31 non-leading sectors in Maluku Province. This number is quite a lot of the IO table's total sectors for Maluku Province, amounting to 62, or around 37% are non-

leading sectors. It is said to be non-superior because the FL and BL values of the 31 sectors are below 1 (BL and FL <1). This non-leading sector means that both sectors do not use other sectors as input and that not much of the output from that sector is used as input by other sectors. With this, can say that these sectors did not move the economy in Maluku Province in 2017.

The 31 sectors include non-superior, the gas sector, the exploitation of geothermal energy, coal and lignite, copper ore, other metal mining goods, products from coal, and products from petroleum refineries, products from gas and lubricating oil refineries, cigarettes and processed tobacco. This sector has the lowest BL and FL, among other sectors. The product sector from gas and lubricating oil refineries has low BL and FL values. This is because Maluku Province does not have many refineries to produce output.

The air transport sector has BL and FL scores which are also low in Maluku Province. This can happen because the development of air transport in Maluku Province is still relatively small. This is good in moving the output of other sectors as input and moving other sectors from the output provided as input to other sectors. This is confirmed by the IO table results for Maluku Air Transport which shows that air transportation does not contribute (0) to both the sectors backwards and forward.

Furthermore, apart from the two sectors mentioned above, there are 29 other sectors which are non-superior, including corn, peanuts and cereals, seasonal horticultural crops, rubber, oil palm, poultry and their products, textiles and apparel. Leather goods made of leather and footwear, paper goods made of paper, printing goods, and reproduction of recorded media, chemical-pharmaceutical goods and traditional medicines, rail transportation services, sea transportation services.

The sectors included in the non-superior sector could be a tiny portion of the total output absorbed by other sectors, such as what happened to the gas and copper ore sectors. Also, the absorption capacity of the output from other sectors is, on average, smaller than other sectors that are not included in this non-superior group. In this way, it can say that this non-superior sector does not have a major influence on the economic movements in Maluku Province in 2017.

#### 4) Fourth Quadrant (Dispersion Power Index > one and Sensitivity Degree Index <1)

Sectors included in this quadrant are sectors that have the ability to move sectors with input capabilities above the total economy average index value backward linkages > 1. In contrast, sectors that utilize output from these sectors are still low and are below the total average. The economy of a region or has an index value of FL <1.

As stated in the previous explanation, the sectors in this quadrant have a backward linkage value greater than the future linkage value, so automatically the impact on this sector tends to be the sectors that are the sector's input. Based on the table above, the top five sectors that have index value backward linkages > 1 are the printing and reproduction of the recording media sector, the other

livestock sector, the poultry sector, the cattle sector and the metal and metal goods sector. The sectors that are included in this fourth quadrant are shown in table 4 below.

**Table 4:** Potential Sectors in Maluku Province 2017

Sectors	Name Sectors	Indeks BL	Indeks FL
34	Non-metallic mineral goods	1,109	0,842
35	Primary Metals	1,127	0,830
37	Machinery and equipment CDL	1,091	0,830
38	Transport Equipment	1,055	0,8630
39	Furniture Household	1,479	0,838
40	Goods Industry Other Processing, Repair Services, and Installation of Machinery and Equipment	1,065	0,834
42	Natural and Artificial Gas Products, Procurement of Steam / Hot Water, Cold Air, and Ice Products	1,078	0,831
43	Water Supply, Waste Treatment, and Recycling	1,011	0,904
53	Provision of Accommodation	1,068	0,863
54	Provision of Food and Drink	1,041	0,857
59	Financial Support Services	1,319	0,846

The household furniture sector is a sector that has a fairly large backward linkage value, namely 1.479 compared to the future linkage value which is only 0.834, the impact of sectors that become input from other sectors will be greater than sectors that utilize output from household furniture sector. The household furniture sector is more dominant with backward linkages with other service sectors. However, there is also a linkage of inputs from other sectors, such as land transportation services, corporate services, education services.

The transportation equipment sector is a sector whose input is widely used by the construction sector. This is in line with the development activities of facilities and infrastructure in Maluku province. The transportation equipment sector has a backward linkage value of 1.055. Many inputs from this sector, which is used as construction, prove the Maluku Provincial Government's seriousness to develop its territory towards a better direction because facilities and infrastructure are important components to advance a region.

Several other sectors that are also included in quadrant three are the basic metal mining goods sector, the base metal sector, the YTDL machinery and equipment sector, the other processing industry goods sector, repair services, installation of machinery, equipment, the artificial natural gas product sector, water vapour procurement. Hot water, cold air, ice products, water supply sector, waste management, recycling, accommodation provision sector, food and beverage supply sector, and financial support services sector. These sectors illustrate the low level of linkage between the input sectors and the sectors that take advantage of the sector's output. This indicates that if the backwards linkage value is small, the sector's possibility is less dependent on high intermediate imports. In contrast, if the forward linkage's value is low, there is a possibility that the sector is less able to be used for input from other sectors or greater for export purposes than intermediate activity output. Since the third quadrant sectors have low future linkages, the second quadrant is likely to occur in Maluku Province.

Several things cause the level of interest in backward linkages to below, including:

- 1) Dependence on the procurement of inputs used by a sector/sub-sector/commodity/business that is not available in the field so that must import these inputs must import these inputs from other areas outside Maluku.
- 2) A sector's business activities do not require many intermediate inputs and are more dominant in submitting to primary inputs.

Several things, including: can cause the future linkages of a weak sector.

- 1) Other sectors do not utilize the output produced by a sector as an intermediate input.
- 2) The absence of utilization or further processing of the output produced by a sector.

The resulting output is mostly absorbed by final demand such as consumption and exports.

### 3.6. Output, Intermediate Input and Primary Input

In the input-output arrangement, several activities provide input, such as providing intermediate input and primary input. The intermediate input is a description of the input used further in the production process, while the primary input includes inputs such as land rent, wages and salaries. In the input-output structure in Maluku Province, primary inputs are greater than intermediate inputs, thus illustrating that the use of inputs obtained from other sectors is relatively low. The use of smaller intermediate inputs generally occurs in the agricultural sector. Most of the required input comes from primary input; therefore, the agricultural sector has a low dispersion power index value (backward linkage).

## 4. Conclusion

Based on the research results that have been done, several conclusions can be drawn as follows.

- 1) The economic sector's role has a real influence on the economy in Maluku Province; it can see it from the sector, which is the leading sector for other sectors.
- 2) Linkage sectors of the economy forward and backward (forward and backward linkage) in Maluku province based on the calculation of input-output analysis by looking at the level of backward linkages (Backward Linkages) and relevance to the future (Forward Linkages) is twelve sectors, tuber - crops, plants Seasonal Plantation, Precious Metal Ore, Food and Beverage, Processed Wood, Wood Products, Cork, Woven Goods From Bamboo, Rattan, Rubber, Goods Made From Rubber, Plastics, Metal Goods, Computers, Electronics, Optical, Electrical Equipment, Electricity, Construction, Car Trading, Motorbikes and Their Repair, Information and Communication Services, Education Services. This sector in calculating the distribution power index (backward linkage) and the sensitivity degree index (forward linkage) has a value above the average total economy.
- 3) Analysis of development strategies for accelerating economic development in Maluku Province if it is

focused on leading sectors that have Backward Linkage index and Forward Linkage Index values  $> 1$  are said to be superior because they have a large ability to move the economy both from sectors that are input and output of the sector.

So, by looking at the conditions and characteristics above, the Maluku Provincial Government should pay more attention to the development of the leading sectors, on the other hand contributing to the PDRB of Maluku Province, the leading sectors are also the sectors capable of driving other sectors.

The Maluku Provincial Government also needs to prepare a mechanism to stimulate and maintain a strong regional economic condition through firm norms and regulations, to create effective and competitive economic activities, in this study describes a strategy for accelerating development so that it is hoped that it can encourage not only sectors leading in Maluku Province but potential sectors owned by Maluku Province

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