REGIONAL AND INTRA-REGIONAL ECONOMIC ANALYSIS OF MUSI RAWAS UTARA DISTRICT AS AN OIL PALM PRODUCING REGION IN SUMATRA SELATAN PROVINCE

Analisis Ekonomi Wilayah dan Intra Wilayah Kabupaten Musi Rawas Utara Sebagai Penghasil Kelapa Sawit di Provinsi Sumatera Selatan

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ABSTRACT

This research aimed to identify the key economic sectors that could uplift Musi Rawas Utara Regency from its underdeveloped status within Sumatra Selatan Province. The study employed a descriptive-analytical approach, which included analyzing primary sectors using the Location Quotient (LQ) method, determining leading sectors through Shift Share analysis, and assessing the contribution of the primary highest-value industry using Intra-Regional analysis. Among the 17 sectors contributing to the Gross Regional Domestic Product (GRDP), five were identified as primary sectors in Musi Rawas Utara Regency, with a significant dominance of the Agriculture, Forestry, and Fisheries sectors. However, Shift Share analysis revealed two leading sectors: education and health services with social activities. We identified seven potential sectors: industrial, infrastructure, and developing sectors. Developing sectors include agriculture, forestry, fisheries, mining and quarrying, and education. Meanwhile, five sectors were considered underdeveloped: the processing industry, construction, transportation and trade, financial services and insurance, government administration, defense, and taxpayer social security. LQ analysis emphasized that the agricultural and forestry sector is the primary sector in Musi Rawas Utara Regency, with palm oil production being a vital contributor. For the development of palm oil, Nibung and Karang Dapo districts require particular attention. Given Musi Rawas Utara Regency's disadvantaged status, optimizing agricultural sector development is

crucial. By focusing on this sector, the region can enhance its economic performance, ultimately aiming to overcome its underdeveloped status and improve its financial outlook.

Keywords: location quotient (LQ), shift share (SS), intra region

ABSTRAK

Penelitian ini bertujuan mengidentifikasi sektor ekonomi kunci yang dapat meningkatkan status Kabupaten Musi Rawas Utara sebagai daerah yang masih terbelakang di Provinsi Sumatera Selatan. Pendekatan deskriptif-analitis digunakan, dengan menganalisis sektor-sektor primer menggunakan metode Location Quotient (LQ), mengidentifikasi sektor unggulan melalui analisis Shift Share, dan mengevaluasi kontribusi sektor primer dengan nilai tertinggi melalui analisis Intra-Regional. Dari 17 sektor yang berkontribusi pada Produk Domestik Regional Bruto (PDRB), lima di antaranya diidentifikasi sebagai sektor primer di Kabupaten Musi Rawas Utara, terutama sektor Pertanian, Kehutanan, dan Perikanan. Analisis Shift Share mengungkapkan bahwa sektor-sektor unggulan adalah pendidikan dan layanan kesehatan dengan aktivitas sosial. Terdapat juga tujuh sektor berpotensi, seperti industri, infrastruktur, dan sektor pendukung. Sebaliknya, tiga sektor dikategorikan sebagai berkembang, termasuk pertanian, pendidikan, dan sektor pertambangan. Sementara itu, lima sektor dianggap masih terbelakang, termasuk industri pengolahan, konstruksi, transportasi dan perdagangan, jasa keuangan, serta administrasi pemerintah. Hasil analisis LQ menekankan bahwa sektor pertanian dan kehutanan adalah sektor primer di Kabupaten Musi Rawas Utara, dengan produksi kelapa sawit sebagai kontributor penting. Khususnya, Distrik Nibung dan Karang Dapo perlu mendapatkan perhatian khusus untuk pengembangan komoditas kelapa sawit. Dalam upaya mengatasi status terbelakangnya, pengembangan sektor pertanian menjadi kunci utama untuk meningkatkan kinerja ekonomi daerah ini.

Kata Kunci: location quotient, shift share, intra wilayah

INTRODUCTION

The regional economy of a region is an activity that is closely related to the development of an area. A region's sectoral and aggregate economic development is the key to achieving one of the regional development goals (Masruri et al., 2021). The superior economy of a region will determine the number of workers absorbed to optimize the region's potential. Each area has a sector that has great potential to become the region's leading sector (Khusaini, 2015). Developments in an area's economic sector can be used as indicators of regional economic development (Andhiani et al., 2018). One analysis that can be used to see the economic growth approach to determining leading sectors is the Location Quotient and Shift Share analysis. Then, the intra-regional analysis

is used to see the most significant contribution from one industry and regional distribution (Setiyawan, 2019).

The analysis method is crucial in identifying strategic sectors or a robust economic primary that can drive regional economic growth (Wibisono et al., 2019). This process is integral to selecting economically viable sectors, stimulating regional economic development, and creating job opportunities. The ultimate goal is alleviating unemployment and poverty (Suhandi et al., 2018). Analyzing the base sector and viewing the contribution sector seeded in Musi Rawas Utara Regency results analysis can help the government give input valuable to planners, government, And developer policy. They can identify sectors with a potential for more significant economic development that requires special attention to increase their competitiveness at the regional or national level. So, the problem of unemployment and poverty can be resolved (Setiyawan, 2019).

GRDP (Gross Regional Domestic Product) data were used to analyze the primary sector. This data can be seen in one indicator that influences sectoral economic growth. By looking at the GRDP calculation, we can see what sectors support the economic development of a region (Tutupoho, 2019). Meanwhile, interregional analysis in the context of regional economics is an approach for understanding and evaluating differences, dynamics, and interactions between sub-field economies in one region geographically (Kasarda & Appold, 2014). In the overall condition observed, the disparity in economic growth, inequality in infrastructure development, imbalances in public services, power distribution discrepancies in employment, and a reliance on specific sectors of the economy in Musi Rawas Utara Regency (Putra et al., 2017).

Musi Rawas Utara Regency, in 2022, has great potential in the agriculture, plantation, livestock, fisheries, and forestry sectors. It has been proven that this sector was the most stable during the Covid-19 pandemic (Badan Pusat Statistik, 2022). Although lateness development can be understandable, management potency can increase Regional Original Income (PAD) and overall development. The territory covers seven subdistricts with residents of around 191,394 souls and only 2,120 ASN, the majority of Musi Regency Rawas and Musi Rawas North, which makes the ratio ASN For serving the public very low, around 1.1%. Regency Musi Rawas North is located strategically, connecting the District Musi Rawas, Jambi Province, and Bengkulu Province. These conditions create potency in the economy, which can improve. The mainstay of Musi Rawas Utara as a Regency is a commodity of coconut palm oil. The primary and superior entities in Musi Rawas Utara Regency and their contributions will be analyzed using Location Quotient (LQ) analysis.

Musi Rawas Utara Regency is a new autonomous region given a mandate by the central government to develop itself independently. This district has faced various challenges mandated by UU No 16/2013 about Formation

Regency Musi Rawas Utara in the Province of Sumatra South. As a new autonomous region (DOB), Musi Rawas Utara Regency has formed a government administration with territorial boundaries with the citizens living along the Rupit River and Rawas River watersheds. This district is also included on the list of disadvantaged areas according to Perpres 63/2020 and become the only regency left behind in the Province Sumatra South and developer policy (Andhiani et al., 2018). The designation as the youngest region in Sumatra Selatan Province and the only underdeveloped region in Sumatra Selatan Province has resulted in limited resources in the region in Musi Rawas Utara Regency, encouraging residents in Musi Rawas Utara Regency to seek fulfillment of their needs in the surrounding area (Putra et al., 2017).

A thorough examination is necessary to address the imperative of researching the key sectors propelling economic growth in Musi Rawas Utara Regency. This study aims to delve into the performance of the primary and non-primary sectors, specifically focusing on those whose growth has hitherto remained suboptimal. An essential facet of this analysis is evaluating intra-regional conditions, particularly within the primary sectors, which wield the most substantial influence on economic growth. This nuanced investigation is pivotal in optimizing economic development within the region and elevating the Musi Rawas Utara Regency's status as an underprivileged area within Sumatra Selatan Province, further enhancing its socio-economic landscape.

To achieve this, it is vital to assess the potential catalysts and constraints in the primary and non-primary sectors that have yet to realize their full growth potential. We developed targeted strategies and policies to stimulate growth by identifying these factors. Intra-regional analysis includes basic statistics, LQ analysis, and Shift share analysis. Intra-regional research used GRDP as input to the analysis process, which produced output in the form of a link to the economic growth of a region (Putra et al., 2017). Apart from that, with intra-regional analysis in Musi Rawas Utara Regency, sectors can be identified that can be encouraged to improve the regional economy and assist the government in making policies in Musi Rawas Utara Regency.

This research aims to comprehensively analyze the economic growth dynamics in Musi Rawas Utara Regency. By identifying untapped sectors and understanding the intra-regional context, the study seeks to inform policy decisions. The urgency lies in the potential to drive sustainable growth and uplift Musi Rawas Utara's socio-economic status within Sumatra Selatan Province. Informed interventions can significantly contribute to regional development and enhance its overall economic impact on the province.

RESEARCH METHOD

Data & Method

The research occurred in the Musi Rawas Utara Regency of the Sumatra Selatan Province. The research location was deliberately chosen because Musi Rawas Utara Regency is the only Regency with a disadvantaged area in Sumatra Selatan Province. So, exploring what sectors can be the basis for economic development in the Musi Rawas Utara Regency area is necessary. The data needed is secondary data, namely reviewing secondary data, primary Gross Regional Domestic Product (GRDP) data at constant prices, production data, and the area of oil palm plantations obtained from the Musi Rawas Utara Regency Central Statistics Agency (Badan Pusat Statistik, 2017, 2018, 2019, 2020, 2021).

Data analysis was carried out using primary economic sector analysis. Location Quotient (LQ) analysis was used to see aspects of the leading economic sectors. This analysis was used to see the financial elements that are the basis for the research area. Analysis was used to see aspects of the primary sector's contribution and distribution in the region. Shift Share (SS) analysis: In this analysis, we can compare economic growth in a part to a broader area. This analysis stage is carried out after knowing the value of the LQ Analysis by looking at the economic sectors that are the basis in that region, then to see the condition of the relationship economy in the research area and also looking at the primary commodities which are the basis of the leading sectors in the region. Intra-regional analysis is used; this analysis looks at aspects of the top things that are the basis of an area by looking at the LQ value data in the region; the last stage is carried out using descriptive analysis to see the distribution of primary sector contributions in Musi Rawas Regency.

Location Quotient (LQ) Analysis

The Location Quotient (LQ) analysis is valuable for identifying economic sectors with potential export potential and distinguishing them from non-primary sectors (Syaiful et al., 2014). This is evident when the LQ values exceed one (LQ > 1), indicating that an industry qualifies as a primary sector (Kharisma & Hadiyanto, 2019). A sector with an LQ more significant than 1 possesses comparative superiority and is instrumental in fostering economic growth in a specific geographical area (Maspaitella et al., 2021).

$$LQ = \frac{ps/pl}{PS/PL}$$

Note:
LQ   = Location Quotient
ps   = Production/Opportunity, work sector i, on staying local.
pl   = Production/Opportunity, work total sector, on stay local.

PS   = Production/Opportunity, work sector i, on staying regional.
PL   = Production/Opportunity, work total sector, on stay regional.

Then, suppose the results show fewer than one (LQ<1) in that case, it means sector not the primary sector, capable of fulfilling its region's existing needs and cannot yet be exported abroad (Kartikaningdyah, 2012; Prats, 2018).

Shift Share Analysis

Analysis Shifts Share is a tool for analyzing structural changes in the economy, Which is compared to the economy (Nachnani & Swaminathan, 2017). The shift-share analysis divides a region's economic growth into three components and measures each component's contribution (Pribadi, 2021; Sutanti et al., 2022). Objective analysis This Alone is to determine the performance or work productivity of the regional economy by comparing it with the more extensive region (region/national) (Basuki & Mujiraharjo, 2017; Khusaini, 2015).

$$PE = KPN + KPP + KPPW$$
$$= (Y_t/Y_o - 1) + (Y_{it}/Yio - Y_t/Y_o) + (y_{it}/y_{io} - Y_{it}/Y_{io})$$
$$= [R_a - 1\} + [R_i - R_a] + [r_i - R_i]$$

Where:
PE   = growth economy region local
Yt   = national regional economy indicator, end-year analysis.
Yo   = national regional economy indicator, beginning year analysis.
Yit   = sector i national regional economic indicator, end of year analysis.
Yio   = sector i national regional economic indicator, beginning year analysis.
yit   = sector i local regional economic indicator, end of year analysis.
yio   = sector i local regional economic indicator, beginning year analysis.

Typology Analysis

Analysis typology combines analysis LQ and KPPW, which can produce superior sectors and be a priority for regional development (Harjanti et al., 2021). Research This creates four categories that are:

> Category 1: Primary Sector and Empower competitive
> Category 2: Non-sector primary and Empower competitive
> Category 3: Primary sector and helpless competitive
> Category 4: Sector Primary and Empower competitive

Analysis typology aims to know the sector considered to spur economic growth. In analysis, This case studies Musi Rawas Utara Regency area

compared to each sector of the economy in Province Sumatra South. A typological analysis of the economic sectors of a region can be carried out primarily by analysis of the combined mark LQ and KPPW.

Intra Region Analysis

Intraregional analysis in the context of regional economics is an approach to understanding and evaluating differences, dynamics, and interactions between sub-field economies in One region geographically. Objective primary analysis This is to identify factors that influence the development of the economy in the region, as well as to understand how the various sectors and sub-regions relate to each other.

RESULT AND DISCUSSION

The development of a region and economic growth were closely intertwined and could not be separated. It was essential for a part to experience economic growth to achieve sustainable development. In this case, financial sectors are significant in identifying and analyzing their influence and contribution to the economic growth of the city area both in the macro and microscope. Identifying economic growth in a region can use direct, indirect, or a combination of both methods. Several indirect ways can be used by conducting regional aggregate and intra-regional analyses. Regional economic and intra-regional studies include basic statistics, LQ, and Shift share analyses. Regional financial research and intra-regional analysis use GRDP data as input to the analysis process, which will produce output in the form of a link to the economic growth of a region.

Primary Sector Analysis using LQ

The LQ analysis reveals the internal potential within the examined region, categorized into primary and non-primary sectors (Panjiputri, 2013; Rusli et al., 2021). Based on the calculated average LQ values, it is evident that there are five sectors categorized as primary sectors, while 12 industries are classified as non-primary. The results indicate a sector status change in 2018 within the primary sectors. These sectors include mining, education, healthcare, and other services.

Agriculture dominates, most engaged in food crop farming, rubber, and oil palm plantations. Significant mining operations include sand, karang, coal, and gold excavation. The service sector, particularly healthcare, witnessed growth during the COVID-19 pandemic. Education expanded with government funding for school infrastructure, addressing the low IPM in Musi Rawas Utara Regency, the weakest in Sumatra Selatan. With approximately 20% of the population employed, services prevail, driving economic growth. Other service

sectors also dominate, contributing to economic expansion. Table 1. shows that the number of primary sectors is less than the non-primary sector because Musi Rawas Utara Regency is a district with a DOB status (Andhiani et al., 2018). The development pattern of the economic sector is still strongly influenced by government program intervention (Kumar et al., 2021). This makes the number of primary sectors smaller than the non-primary sectors.

Table 1.   LQ Quantifying in Musi Rawas Utara Regency Year 2017-2021

No	SECTOR	LQ 2017	LQ 2018	LQ 2019	LQ 2020	LQ 2021	AVG	SECTOR
1	Agriculture, Forestry, And Fishery	2.59	2.76	3.42	2.83	3.07	2.93	Primary Sector
2	Mining & Excavations	1.74	0.88	1.15	115	1.14	1.21	Primary Sector
3	Manufacturing Industry	0.28	0.24	0.29	0.32	0.34	0.29	Non-Primary Sector
4	Electricity, Gas	0.16	0.08	0.14	0.17	0.18	0.14	Non-Primary Sector
5	Water Supply, Waste Management, And Recycling	0.12	0.01	0.12	0.13	0.14	0.10	Non-Primary Sector
6	Construction	0.36	2.61	0.38	0.43	0.46	0.85	Non-Primary Sector
7	Wholesale And Retail Trade; Repair Of Motor Vehicles And Bicycles	0.48	1.61	0.43	0.54	0.56	0.72	Non-Primary Sector
8	Transportation And Warehousing	0.41	0.32	0.39	0.48	0.53	0.42	Non-Primary Sector
9	Accommodation And Food Service	0.16	0.11	0.12	0.18	0.18	0.15	Non-Primary Sector
10	Information And Communication	0.08	0.08	0.10	0.09	0.10	0.09	Non-Primary Sector
11	Financial And Insurance Services	0.26	0.21	0.27	0.32	0.32	0.27	Non-Primary Sector
12	Real Estate	0.40	034	0.41	0.45	0.47	0.41	Non-Primary Sector
13	Professional Services	0.39	0.29	0.34	0.44	0.47	0.38	Non-Primary Sector
14	Public Administration, Defense, And Compulsory Social Security	0.67	0.60	0.79	0.78	0.83	0.73	Non-Primary Sector
15	Education Services	1.04	0.99	1.26	1.24	1.31	1.17	Primary Sector
16	Health And Social Work Services	0.82	0.81	0.97	9.42	1.03	2.61	Primary Sector
17	Other Services	1.06	0.91	1.05	1.10	1.19	1.06	Primary Sector

Source: Processed Primary Data, 2023
Note: If the average value of LQ < 1 = non-primary sector and LQ > 1 = Primary Sector

Quantifying Economic Growth in Musi Rawas Utara Regency

Significant economic growth in health services and social activities in Musi Rawas Utara Regency is primarily due to the profound impact of the COVID-19 pandemic on the regional economy. The health services sector has experienced substantial growth, driven by the government's focused efforts and allocation of funds for healthcare infrastructure and capacity enhancement (Kumar et al., 2021). This is reflected in the high shift in share value in the health services and social activities sector as a response to the pandemic.

Table 2.   Quantifying Economic Growth in Musi Rawas Utara Regency (%)

No	Sector	Kpp	Kppw	Kpp+Kppw (Pb)	Sector
1	Agriculture, Forestry, And Fishery	-5.57	-4.57	-10.15	Regressive Sector
2	Mining & Excavations	4.55	-62.53	-57.98	Regressive Sector
3	Manufacturing Industry	-0.70	-3.63	-4.33	Regressive Sector
4	Electricity, Gas	19.12	-11.51	7.62	Progressive Sector
5	Water Supply, Waste Management, And Recycling	5.36	-0.41	4.95	Progressive Sector
6	Construction	-12.01	5.18	-6.83	Regressive Sector
7	Wholesale And Retail Trade; Repair Of Motor Vehicles And Bicycles	11.35	-7.18	4.17	Progressive Sector
8	Transportation And Warehousing	-9.66	4.94	-4.72	Regressive Sector
9	Accommodation And Food Service	15.44	-8.53	6.91	Progressive Sector
10	Information And Communication	20.77	-2.36	18.41	Progressive Sector
11	Financial And Insurance Services	-12.05	0.45	-11.61	Regressive Sector
12	Real Estate	12.12	-7.17	4.95	Progressive Sector
13	Professional Services	7.08	-3.20	3.88	Progressive Sector
14	Public Administration, Defense, And Compulsory Social Security	-14.96	1.52	-13.44	Regressive Sector
15	Education Services	-4.38	3.52	-0.86	Regressive Sector
16	Health And Social Work Services	18.44	3.36	21.80	Progressive Sector
17	Other Services	12.85	-12.49	0.36	Progressive Sector

Source: Processed Primary Data, 2023
Note: If the KPP+KPPW (PB) value < 0 = Regressive Sector
                                    > 0 = Progressive Sector

The calculation of economic shifts in Musi Rawas Utara Regency involves using the Balance Growth Expenditure (KPP) indicator, which measures the balance of various regional sectors. Apart from that, the Regional Expenditure Growth Balance (KPPW) indicator focuses on economic growth in Musi Rawas Utara Regency, and the combination of these indicators produces a Growth Balance (PB), which can determine whether a sector in Musi Rawas Utara Regency is progressing or regressing (Harjanti et al., 2021). It is important to note that the health services and social activities sector has shown the most striking growth, primarily due to the significant impact of the COVID-19 pandemic in Indonesia. The table above shows that the largest KPPW (PB) value is in health services and social work, with a discount of 21.80%. From this data, we can see that in Musi Rawas Utara Regency, during the COVID-19 pandemic, they also took action to shift the main focus of development to the health sector. Prioritizing improving health services and social support has significantly impacted the economic growth of Musi Rawas Utara Regency.

Typology Klassen as Interpretation Analysis

The LQ analysis and KPPW results reveal typological quadrants prioritizing economic sector development in the Musi Rawas Utara Regency, aiming to identify sectors of higher importance than others (Raqib & Rofiuddin, 2018). The typology analysis shows that the Education Services, Health Services, and Social Activities sectors are considered primary and exhibit competitiveness and advancement.

Despite initially lagging in the IPM ranking in Sumatra Selatan Province, the Musi Rawas Utara Regency has made intensive efforts to develop educational facilities, spanning from primary to secondary levels, with support from the central government through APBN and local government initiatives (Badan Pusat Statistik, 2022). The Health Services sector has also played a crucial role, particularly during the COVID-19 pandemic. Other sectors, such as Agriculture, Forestry, Fisheries, Mining and Quarrying, and the Services sector, also demonstrate development potential. With the right local policies and proper encouragement, these sectors have a significant opportunity to become leading sectors in the Musi Rawas Utara Regency (Figure 1).
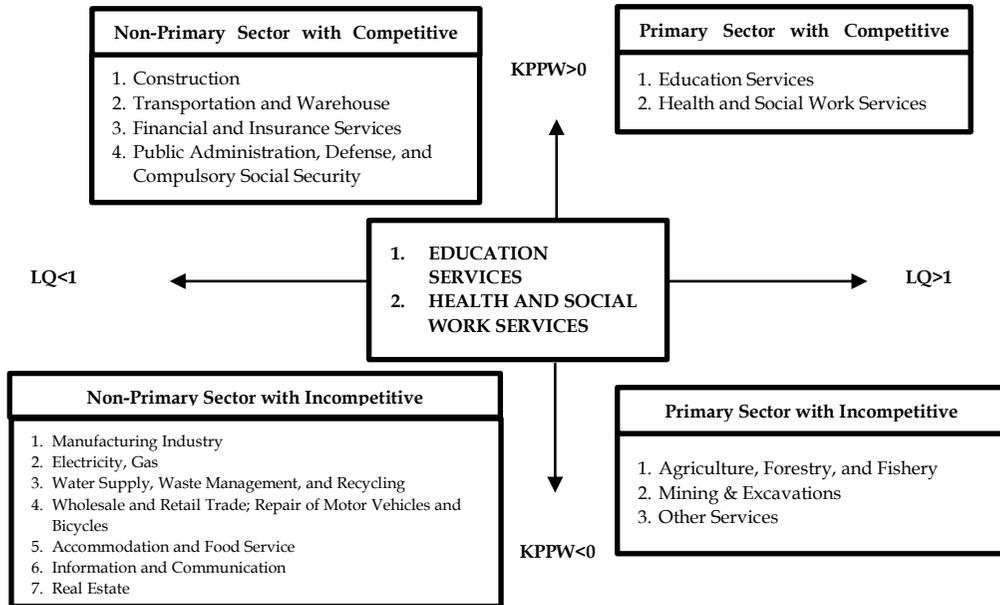
Figure 1.
The Typology of the Economic Sector is Based on LQ & KPPW in Musi Rawas Utara Regency

Furthermore, when combining the results of the LQ analysis and PB, the quadrant typology prioritizes the development of economic sectors, ensuring that no single industry takes precedence over others (Setiyawan, 2019). The typology analysis identifies the Health Services and Social Activities and Other Services sectors as foundational and superior. Meanwhile, developing sectors encompass Agriculture, Forestry, Fisheries, Mining, and Education Services (Figure 2.).

Temporary potential sectors encompass seven sectors related to infrastructure development, while underdeveloped sectors include General Services, Industry, and Accessories. This approach allows for a balanced and holistic economic sector development in the Musi Rawas Utara Regency.
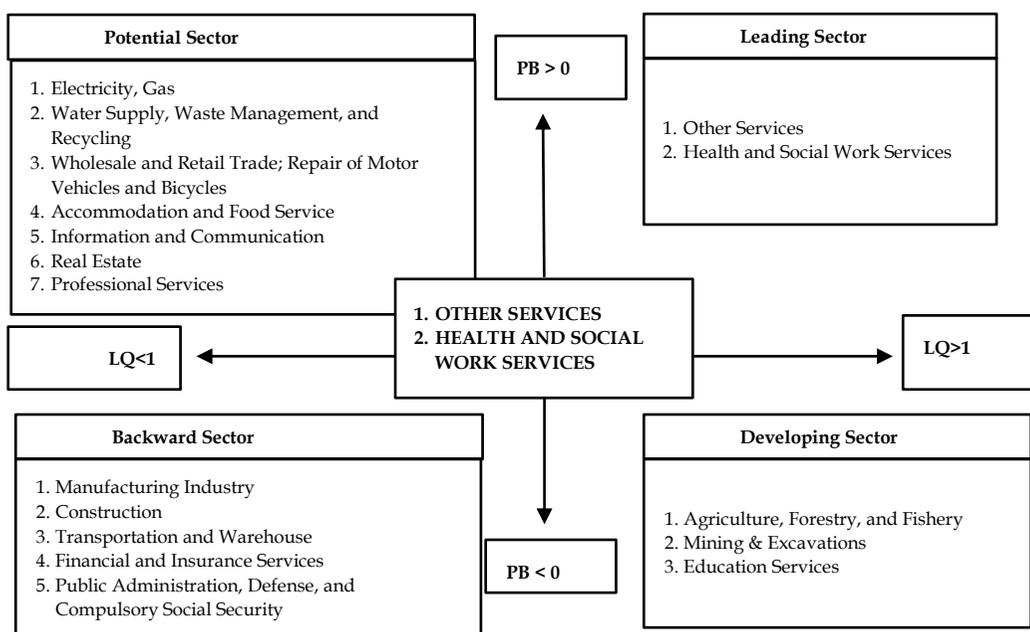
Figure 2.
Typology of Economic Sector based on LQ & PB in Musi Rawas Utara Regency

Intra-Regional Economic Analysis

The initial step in the intraregional analysis in the Musi Rawas Utara Regency is to identify the primary sector with the highest LQ score, which, in this case, is the agriculture sector. To assess the sector's contribution directly (Setiyawan, 2019), the author uses the production of an essential agricultural commodity, coconut palm, as a reference for analysis, as depicted in Figure 3.

The intraregional analysis for these leading commodities involves examining the average production over the past five years in each sub-district within the Musi Rawas Utara Regency (Badan Pusat Statistik, 2022). The results reveal that the sub-districts with the highest average palm oil production are Karang Dapo, Nibung, and Rawas Ilir, as detailed in the table.
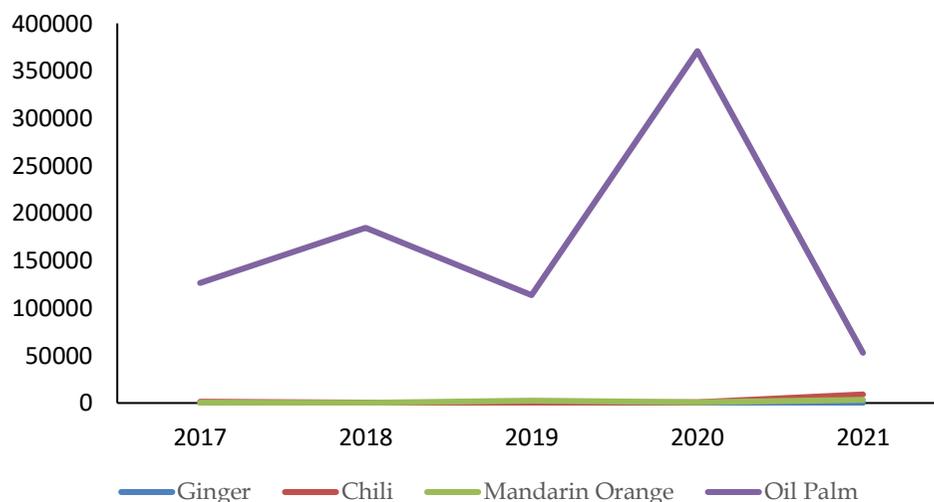
Figure 3.
The Production of Leading Commodities in Musi Rawas Utara Regency 2017 – 2021

Table 2.   Palm Oil Production in Musi Rawas Utara Regency 2017-2021

Subdistrict	Production Of Coconut Palm During 5-Year Final (Ton)						Priority
	2017	2018	2019	2020	2021	Average	
Ulu Rawas	76	76	80.56	539.6	193	193.03	3
Karang Jaya	4,934.00	4,750.50	5,230.04	18,280.00	5,006.00	7,640.11	3
Rawas Ulu	19,448.60	215	227.9	1,221.20	1,616.00	4,545.74	3
Rupit	159.3	160.7	168.54	3,010.40	778	855,388.00	3
Karang Dapo	77,478.60	70,471.00	82,126.68	82,743.30	11,240.00	64,811.92	1
Rawas Ilir	19,448.60	15,306.00	20,164.88	113,709.00	13,644.00	36,454.50	2
Nibung	5,158.80	93,840.00	5,467.48	151,249.90	20,427.00	55,228.64	1

Source: Processed Primary Data, 2023

These calculations are the primary means of prioritizing further economic development in the Musi Rawas Utara Regency. Sub-districts Karang Dapo and Nibung are designated priority 1 for developing palm oil commodities, followed by Rawas Ilir, which holds priority 2. At the same time, other sub-districts are assigned priority 3. From the table above, the development priorities for palm oil commodities included in priority three are four sub-districts based on the average amount of palm oil commodity production over the last five years. The average production amount of the four sub-districts that are included in Priority 3 is no less significant than the other three sub-districts that are included in Priority 1 and 2; this is because the four sub-districts that

are included in Priority 3 are not the base areas producing palm oil commodities (Badan Pusat Statistik, 2022).
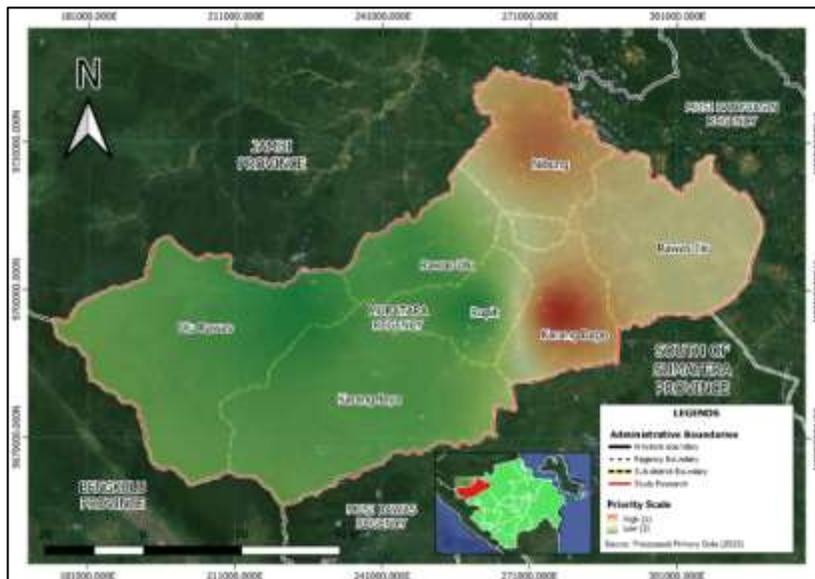

Figure 4.
Regional Priority for Oil Palm Production in Musi Rawas Utara Regency

From a spatial perspective, the priority scale for the production development of superior commodities in the Musi Rawas Utara Regency is concentrated in Karang Dapo (64,811 tons), Nibung (55,228 tons), and Rawas Ilir (36,545 tons). The consistency in increasing the average production year by year makes these areas strong candidates for prioritized development. This connection is also influenced by the predominant use of productive land, such as plantations and rice fields in these regions. As a result, further measures are necessary to guide the development of Palm Oil production in the Musi Rawas Utara Regency, focusing on these three priority sub-regions.

CONCLUSION AND SUGGESTION

Conclusion

Based on a recent study, the LQ method and Shifts Share analysis can effectively assess economic growth in each Musi Rawas Utara Regency sector, which serves as this methodology's focal point. The study revealed that from 2017 to 2021, the Musi Rawas Utara District had five primary and 12 non-primary sectors, maintaining their status throughout this time frame. The

primary sectors include Agriculture, Forestry, Fisheries, Mining and Excavations, Education, Health Services, and Social Activities, along with other Services. The Shifts Share analysis further identifies six sectors that displayed positive growth and competitive potential, with the Health Services and Social Activities sector experiencing the most substantial change. Additionally, a typology analysis highlights competition in education and health services and the leading sectors, particularly in health services and social activities.

The intraregional analysis underscores the need for sub-districts like Karang Dapo, Nibung, and Rawas Ilir to concentrate on developing oil palm production due to its high production levels and the dominant plantation land use.

Suggestion

The recommendations derived from this analysis are directed toward three key groups: planners, government policymakers, and researchers in the Musi Rawas Utara Regency. To enhance the effectiveness of this study, it is advisable to supplement the available data with additional variables beyond GDP since the current dataset is somewhat limited. Furthermore, the government must pay close attention to sectors that still need to be dominant and those that are non-primary, as the contribution of dominant sectors heavily relies on the presence of complementary supporting sectors. To plan and execute a comprehensive and integrated economic development strategy, all stakeholders must be actively involved to ensure the sustainable economic growth of the Musi Rawas Utara Regency.

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