

ABSTRACT

This study aims to analyze the spillover effect of economic growth, identify leading sectors with a sector approach that has competitive and specialist advantages and to analyze regional leading sectors that have an influence on the spillover effect on economic growth in districts/cities in the SUBOSUKAWONOSRATEN Region. The data used in this study are distance, GRDB data and economic sector based on district/city business fields in the SUBOSUKAWONOSRATEN Region in the period 2005-2019. The effect of distance between regions on economic growth is analyzed using the spillover effect calculation. Furthermore, to see the regional leading sectors, will use the Shift Share method of Esteban Marquillas. Then the influence of the leading sectors of a region is carried out a regression analysis on the economic growth of other regions in the SUBOSUKAWONOSRATEN Region.

This research was conducted using the spillover effect calculation method with the Capello method to determine the spillover effect of growth obtained by each region in the SUBOSUKAWONOSRATEN Region, Shift Share Esteban Marquillas to see the leading sectors of each region using a sector approach that has a competitive advantage and has specialists and linear regression analysis to see the effect of leading sectors based on the previous Shift Share analysis on the economic growth of other regions in the SUBOSUKAWONOSRATEN Region.

The results of the spillover effect of economic growth with the greatest value are Sukoharjo Regency, Surakarta City, Boyolali Regency, Karanganyar Regency, Klaten Regency, Wonogiri Regency and finally Sragen Regency. In the Shift Share analysis, it was found that Surakarta City has 5 leading sectors, Boyolali Regency has 9 leading sectors, Sukoharjo Regency has 9 leading sectors, Karanganyar Regency has 11 leading sectors, Wonogiri Regency has 10 leading sectors, Sragen Regency has 6 leading sectors and Regency Klaten has 5 leading sectors. The results of linear regression analysis show that agricultural sector and industrial sector have a significant influence on economic growth in other regions.

Keywords: *Spatial Interaction, Leading Sectors, Shift Share Esteban Marquillas, and Growth Spillovers.*