INPUT OUTPUT ANALYSIS AND ANP APPLICATION IN DETERMINING PRIORITIES OF DEVELOPMENT INDUSTRIAL SUB SECTOR IN EAST JAVA

Name : Try Mardiantony
NRP : 2506 100 011
Department : Teknik Industri
Supervisor : Prof. Ir. Udisubakti Ciptomulyono, M.Eng.Sc, Ph.D

Abstract
Economic structure of developed country characterized by the growing role of industrial and service sectors. This sector has replaced the role of agriculture in employment and income sources of the region. However, the Ministry of Industry reported that in 2009 the industrial sector's contribution to GDP decreased from 28.1% to 27.34%. In fact, in the first quarter of 2011 the role of industrial sector to GDP is only 24.11%. Moreover, industrial sector showed negative growth. New hope for national industry came when the government issued a policy Masterplan Economic Development Acceleration and Expansion of Indonesia (MP3EI) in May 2011. One of the three main strategies MP3EI is developing economic corridors as the center of its multiplier growth covering the entire territory of Indonesia. Java Island as one of the corridor is focused as a driver of industrial and national services. East Java province which has economic growth above the national economic growth has an important role in boosting overall economic growth.

Selection of potential industry sectors is important because of limited available resources, including human resources, natural resources, technology, and financial. The criteria used to determine the potential industrial sectors, namely: output share; share of GDP; linkages; multiplier effect; and sectoral growth. Selected industry sectors will be analyzed
using SWOT method and combined with ANP method to determine the most appropriate development strategy.

From the research, it is known that the sub-sectors are selected as seed in the East Java is the industry sub-sectors of food, beverages, and tobacco with a weight of 13. From the results of SWOT analysis and ANP, it was found that the best development strategy is to apply SO strategies, which utilize raw materials and manpower to increase production capacity.

Keywords: Input Output Analysis, SWOT Analysis, ANP, Potensial Industry, East Java