

ANALYSIS OF ECONOMIC POTENTIALS, TRANSFORMATION OF SHIFTING STRUCTURES AND ECONOMIC SPECIALIZATION: POST TERRITORIAL SPLIT IN ACEH

¹Mizaj Iskandar, ^{2*}Febri Nurrahmi

¹Department of Law, State Islamic University of Ar-Raniry, Indonesia

²Department of Communication Studies, Syiah Kuala University, Indonesia

[*febri.nurrahmi@unsyiah.ac.id](mailto:febri.nurrahmi@unsyiah.ac.id)

Article History: Received on 01st October 2018, Revised on 15th January 2019, Published on 28th January 2019

Abstract

Purpose of the study: This study aims to determine the potential for economic growth of the parent and split regions after the implementation of the territorial split policy. It specifically looks at the economic position of parent and new regions in the Aceh province, identifies the superior sectors, the structure of regional economies, and interregional differences in economic performance in Aceh after the territorial splits.

Methodology: This study used secondary data from BPS Aceh which will be further analyzed using the Klassen Typology, Location Quotient (LQ) and Shift Share (SS).

Main Findings: Klassen typology analysis shows that there are three districts in the fast-progressing and fast-growing category, Central Aceh, West Aceh, and Nagan Raya. Nagan Raya is the only newly established district, formerly part of West Aceh. All parent and new regions have superior sector which should be put into priority by their regents/mayors. According to the findings, it can be concluded that the parent and split regions have financially benefited from the territorial split.

Applications of this study: This study provide information to government stakeholders in Aceh and Indonesia in developing their annual state budget and development plan.

Novelty: Aceh is one of the provinces in Indonesia who has many split regions. However, there are no studies examining the economic development of the split regions. This topic is very significant to be further studied in order to evaluate the effectiveness of the territorial split policy in Indonesia.

Keywords: *state defense, resilience of marine areas, traditional fishermen, partial least square, territorial split, aceh*

INTRODUCTION

New autonomous regions proliferated in Indonesia since the enactment of decentralization policy Act No. 22 of 1999. By 2008, 173 autonomous regions were formed, consisting of 7 provinces, 135 districts, and 31 cities. The autonomy given to provinces, regencies, and cities is the delegation of responsibility by the central government through equitable distribution and utilization of the national resources, a form of central and regional financial balances (Mardiasmo, 2004: 8). The regional autonomy policy alters the development paradigm from the achievement of growth to equity by concentrating on justice and balance (Argama, 2005). The government embraced later the spirit of a paradigm shift by issuing the Regional Government Act No. 32 of 2004 and Financial Balance between Central and Regional Governments Act No. 33 of 2004.

The government also introduced Government Regulation No. 129 of 2000 and its amendment Government Regulation No. 78 of 2007 to regulate the regional split further. The two regulations not only regulate the regional split but also order the territorial deletion and incorporation. The introduction of these laws and regulations is an accommodative and strategic step by the central government to solve the issues of poverty, development disparity, low quality of life, and human resource development. This condition also opens up opportunities for the regions to strengthen the regional economic base in facing the globalization era.

Regional governments at provincial, district and municipal level are expected to be independent in running the government, determining development policies and funding, and enhancing the ability to plan, explore, manage and use potential resources owned by the region. The local governments have the right to allocate economic resources such as goods and services in the interest of the local communities. Regional economic development is an effort by the local government together with the local communities to optimally manage and utilize viable resources and stimulate regional economic growth and public welfare.

According to (Blakely & Bradshaw, 2002: 55), the primary goal of regional economic development is "to increase the number and variety of job opportunities available to local people". The increase in the number and type of work is the main goal of regional economic development. Blakely also defines regional economic development as a process in which he said that

"...local economic development is process oriented. That is, it is a process involving the formation of new institutions, the development of alternative industries, the improvement in the capacity of existing employers to produce better

products, the identification of markets, the transfer of knowledge, and the nurturing of new firms and enterprises” (Blakely, 1989 cited in Blakely & Bradshaw).

In other words, regional economic development is a process involving new institutions in building the capacity of workers in various aspects of the company's operations. Kuncoro, on the other hand, perceives development as a multidimensional process (Kuncoro, 2004: 62).

The success of regional economic development and community service is measured from its economic growth. Kuznets, Nobel laureate in economics described growth as "a sustained increase in per capita or product worker" (Van Den Berg, 2005). Sukirno (2006: 9) defines economic growth as a quantitative measure depicting economic development in a given year when in comparison to the previous years".

Looking at the regulations, it appears that the Central Government seek to empower the regions. The regulations trigger a rapid expansion of territorial split. The enthusiasm of the territorial split was motivated the prevalence regulations. A new regional division can only be granted if it meets specific requirements such as development gap in which the proposed region is lagging behind the parent region in term of development, the broad territorial authority which restricts smooth bureaucratic coordination, and lack of development budget to build parent regions (Dawood, 2007). By highlighting these issues, the regional elites promote the idea of the territorial split for a region to thrive.

Table 1. Development of District/ City in Aceh Province

No	District / City before Territorial Split	Year of Establishment	Base for Establishment
1	Banda Aceh	1956	UU 24/1956
2	Aceh Besar	1956	UU 24/1956
3	West Aceh	1956	UU 24/1956
4	South Aceh	1956	UU 24/1956
5	Pidie	1956	UU 24/1956
6	Central Aceh	1956	UU 24/1956
7	North Aceh	1956	UU 24/1956
8	East Aceh	1956	UU 24/1956
9	Sabang	1965	UU 10/1965
10	Central Aceh	1974	UU 7/1974
New District and Cities after Regional Autonomy			
11	Aceh Singkil	1999	UU 14/1999
12	Bireuen	1999	UU 48/1999
13	Simeuleu	1999	UU 48/1999
14	Lhokseumawe	2001	UU 2/2001
15	Langsa	2001	UU 3/2001
16	Aceh Jaya	2002	UU 4/2002
17	Southwest Aceh	2002	UU 4/2002
18	Gayo Lues	2002	UU 4/2002
19	Aceh Tamiang	2002	UU 4/2002
20	Nagan Raya	2002	UU 4/2002
21	Bener Meriah	2003	UU 41/2003
22	Pidie Jaya	2007	UU 7/2007
23	Subulussalam	2007	UU 8/2007

The developmental success can be observed from economic growth, economic structure, and smaller income disparity among residents, regions, and sectors (Kuncoro, 2004: 127). An economy is said to experience growth if economic activities and Gross Domestic Product (GDP) are higher than the previous year. Gross Regional Domestic Product (GRDP) indicates the economic development of an area in a given period. GRDP is a financial condition of a region in a given year. The better the financial state of a region the better the GRDP. GRDP is calculated in two ways: with or without oil and gas (Chalid, 2005). Real GRDP (constant prices) and nominal (current prices) can also be used to calculate economic growth (Bendavid-Val, 1991). Economic growth calculated based on real GRDP will give a real picture of output growth because real GDP does not include inflation (Kuncoro, 2004: 84).

Economic often becomes the primary driver of a region to detach from its parent region (Bappenas & UNDP, 2014). Therefore, both the parent region and the split region need to understand their economic potentials and the development of how such potentials so far. The previous study on this topic focused on other provinces, for example, Baransano, Putri, Achzani, and

[Kolopaking](#) (2016) which discussed the economic potential of new territories in West Papua. There is no previous study selecting Aceh Province a subject of study. In fact, Aceh has 13 new autonomous regions. This is a significant number compared to other provinces in Indonesia. These new autonomous regions have run for 11-19 years. Their economic performance can be seen from the development of their GRDP after several periods of leadership and by comparing them with the financial performance of the parent regions.

This study sets out to bridge the gap in the media studies literature on the economic performance of split regions in Aceh. Furthermore, the findings of this study are expected to provide information about the significance of the territorial split policy to influence the economic growth of the region. The information is essential for the Acehnese local government and the Indonesian Government as the current president, Joko Widodo, has launched the moratorium on the policy ([Rochmi](#), 2016).

Based on the background, the current study aimed to analyze the economic growth performance of the parent and the new region. It includes (1) identifying the superior sub-sectors of each district or city and its position in Aceh after the split; and (2) analyzing the economic structure of each district or city in Aceh after the split. The study will also look at the performance difference between the economic growth of the parent region and the new region and the alternative classification of the regional or municipal economy in Aceh.

LITERATURE REVIEW

Economic development is a process of increasing total income and per capita income by taking into account population growth and accompanied by fundamental changes in a country's economic structure and income distribution ([Jhingan](#), 2007).

Economic development cannot be separated from economic growth; economic development encourages economic growth, and conversely, economic growth facilitates the process of economic development ([Sjafrizal](#), 2008). Economic growth is defined as the process of increasing the production capacity which is manifested in the form of an increase in the national income. Their economic growth is an indication of the success of economic development ([Sjafrizal](#), 1997).

There are two different views on economic development. First is the traditional view which sees the development as an effort made to increase the growth of the Gross Domestic Product (GDP) at the national level or the Regional Gross Domestic Product (GRDP). This indicator is believed to reflect the level of prosperity of a nation. Second is the modern view in which development is not only limited to witness the achievement of GDP growth but also look at the decline in poverty, low unemployment rate and income equality ([Widodo](#), 2006: 3-4).

Myrdal (1968 cited in [Kuncoro](#), 2004: 63) defines development as an upward movement of the whole social system. [Sukirno](#) (2006: 10) perceives economic development as economic growth plus changes. According to [Arsyad](#) (2005: 6), economic development is a process that causes a real increase in the per capita population of a country in the long run coupled with an improvement in the institutional system. [Kuncoro](#) (2004) sees that economic development is no longer target GNP (gross national product) as a development goal, but rather focuses on the quality of the development process. History records that countries that adopt human resource development paradigm have been able to develop even though they do not have abundant natural resources ([Kuncoro](#), 2004: 63-64).

[Arsyad](#) (2005: 119) sees that the current development theory (as described above) is unable to provide a thorough and comprehensive explanation of the regional economic development activities. Therefore, an alternative approach to development theory is formulated here to benefit the regional economic development planning. This approach is a synthesis and reformulation of the existing concepts. It provides a basis for the philosophical framework and measures platform to carry out in the context of regional economic development. It can be seen in the following table.

Table 2. New Paradigm on The Theory of Regional Economic Development

No	Component	Old Concept	New Concept
1	Employment Opportunity	The more companies, the more job opportunities	Companies must develop work that is in accordance with the conditions of the local population
2	Development Base	Development of the economic sector	Development of new economic institutions
3	Location Assets	Comparative advantage is based on physical assets	Competitive advantage is based on environmental quality
4	Knowledge Resources	The availability of workforce	Knowledge as an economic generator

[Adisasmitra](#) (2005: 18-19) argues that local-based economic development should emphasize indigenous development policies that consider the potential of local human resources, local institutional resources, and local physical resources.

Todaro (2000, cited in [Widodo](#), 2006: 5) suggests that the development of an area must include three core values, sustenance, self-esteem and freedom from servitude. Sustenance is the ability to meet basic needs (clothing, food, shelter, health, and protection) to sustain life. Self-esteem is a development that humanizes humans. In a broad sense, the development of an area must increase the human pride of the district in question. Freedom from servitude is the freedom of every citizen to think, behave and participate in development.

METHODOLOGY

Adapted from the study of [Azhar, Fuaidah, and Abdussamad](#) (2002), the discussion in this study is limited to the development analysis of the regional economic sectors by identifying economic bases or potential sectors. The study used the secondary data in time series between 2012 and 2016. The data used for the analysis are Gross Regional Domestic Product based on constant prices in 2016, per capita GRDP, regional split data and other relevant data ([Tarigan](#), 2006)

Quantitative approach with panel data regression methods ([Cooper, Donald & Emory](#), 1998) was used in the study. The data about the figures based on districts and cities of the Gross Regional Domestic Product were obtained directly from the Provincial, District, Municipal Central Bureau of Statistics (BPS) in Aceh (published by BPS). Data were analyzed using the Klassen typology. The Location Quotient (LQ) and Shift Share (SS) were also employed to identify the economic growth of each region. The LQ value was calculated using the formula ([Nachrowi, D. Nachrowi, & Usman](#), 2002):

$$LQ = \frac{(GRDPBA_i / \sum GRDPBA)}{(GRDPNAD / \sum GRDPNAD)}$$

According to Sumodiningrat (2002), LQ values can be classified into three categories:

1. ILQ value > 1, meaning that the sector is superior sector
2. LQ value = 1, meaning that the sector has a similar specialty level with other regions
3. LQ value <1, meaning that the sector is not superior sector

While shift share was calculated using the following formula (Syahnur, 2003): $Dij = N_{ij} + M_{ij} + C_{ij}$

DISCUSSION

Regional Typology Analysis

The Klassen Typology is used to find out an overview of the patterns and structure of economic growth in each region. The Klassen typology basically divides regions based on two main indicators, regional economic growth, and regional per capita income. Using the Klassen typology, the authors divided the districts and cities in Aceh into four classifications (refer to table III); fast-developed and fast-growing regions (high growth and high income), developed but depressed regions (high income but low growth), fast developing regions (high growth but income, and underdeveloped regions (low growth and low income) ([McCann](#), 2003).

Nagan Raya, West Aceh, and Central Aceh fall into the category of fast-developed and fast-growing regions. Central Aceh and West Aceh are parent district while Nagan Raya is the newly-split district. Five regions are classified into a developed but depressed category, South Aceh, Bireuen, Bener Meriah, Langsa and Lhokseumawe. South Aceh, the only parent district in this category, actually has a relatively similar performance to Aceh Province. However, due to the lack of high economic growth, the district falls into this category. Kota Langsa, Bireuen, and Bener Meriah have relatively similar positions, yet their growth rate does not exceed the province as the benchmark. Though Lhokseumawe has the highest GRDP of all regions, its growth rate is slightly below Aceh Province.

Table 3. Klassen Typology

Per capita GRDP (y)		
Growth (r)	y1>y	y1<y
r1>r	Fast-developed and Fast-growing Regions	Fast Developing Regions
	Nagan Raya, West Aceh, Central Aceh	Southeast Aceh, Aceh Tamiang, Aceh Singkil, Gayo Lues
r1<r	Developed but Depressed Regions	Underdeveloped Regions
	South Aceh, Bireuen, Bener Meriah, Langsa, Lhokseumawe	Aceh Jaya, Pidie, Simeuleu, East Aceh, Southwest Aceh, North Aceh

Six districts fall into the relatively underdeveloped category Aceh Jaya, Aceh Pidie, Simeuleu, Aceh Timur, Southwest Aceh, and North Aceh. There are three parent districts and three new districts in this category. Aceh Jaya experienced a severe tsunami disaster in 2004, and its impacts still prevail. Slow infrastructure development and unequal development in the South-West regions of Aceh also contribute to this problem. As a consequence, Aceh Jaya experienced a significant decline in growth compared to other regions in this category.

There is only one parent district, Southeast Aceh and there are three new districts Aceh Tamiang, Aceh Singkil and Gayo Lues that fall into the fast-developing region. It is clear that the parent districts do not dominate the fast-developed and fast-growing category and other categories even though the parent regions had been established earlier and had a long time to grow and specialize in the economic sector.

Table 4. The Contribution of The Main Economic Sector of The Fast Developing and Fast Growing Regional Classification

No	District	Sector	Average Percentage (%)	Average Growth (%)
1	Nagan Raya	Agriculture	49.0	9.42
		Trade, hotel and restaurant	23.23	42.65
		Services	12.43	29.02
2	West Aceh	Agriculture	31.87	4.68
		Trade, hotel and restaurant	23.56	5.18
		Services	21.1	18.43
3	Central Tengah	Agriculture	51.85	4.34
		Trade, hotel and restaurant	13.49	4.63
		Services	11.56	11.43

Source: BPS Aceh (2016)

Location Quotient (LQ) Subsector Analysis

Table 5. Location Quotient (LQ) Subsector Analysis 2012-2016

No	District	Agriculture	Mining	Services	Processing Industry	Transportation and Communication	Trade, Hotel, Restaurant	Electricity, Gas, Clean Water
1	Nagan Raya	6,47*	2,58	3.08	1.45	5,99*	1,48	3,18
2	Aceh Jaya	5,53*	1,71	0.98	3.47	5,09*	0,68	0,35
3	Southwest Aceh	6,45*	1,24	1.08	3.45	5,92*	0,81	0,35
4	Simeuleu	1,16	1,50	6,55*	5,88*	1,62	5,82*	0,70
5	Aceh Singkil	1,33	0,44	6,95	2,98*	6,93*	2,80	1,14
6	Bener Meriah	0,31	0,25	6,06	6,89*	6,88*	1,78	3,10
7	Aceh Tamiang	6,85*	0,97	1,29	4,05	6,24*	1,22	0,28
8	Gayo Lues	6,61*	1,13	3,90	4,98	6,65*	0,89	2,56
9	Lhokseumawe	0,59	0,63	0,88	2,76	3,32	6,99*	6,37*
10	Langsa	0,54	0,60	0,83	3,03	1,59	6,20*	6,69*
11	Birieu	1,50	1,64	0,78	1,99	3,63	6,55*	6,59*
12	Pidie	6,87*	3,89	1,80	0,87	2,32	0,78	0,89
13	Central Aceh	1,22	3,98	4,90	6,65*	1,92	3,90	2,92
14	North Aceh	2,90	1,82	2,90	6,88*	2,04	1,06	4,87
15	East Aceh	1,84	3,09	0,82	6,79*	1,90	2,09	4,91

LQ analysis shows that all parent and new districts and cities have the LQ values higher than one in several business subsectors. Three areas, Nagan Raya, Aceh Jaya, and Southwest Aceh, have the same superior subsectors, the agricultural and the transportation and communication. Simeuleu has advantages in the services, processing industry, trade, hotels, and restaurants.

Aceh Singkil and Bener Meriah have relatively similar economic structures and have had the same superior subsector, processing industry, and transportation and communication.

Aceh Tamiang and Gayo Lues have LQ value above one in agriculture and transportation and communication. Lhokseumawe, Langsa, and Bireuen have relatively similar economic structures. They all have advantages in the trade, hotels, restaurants electricity, gas, and clean water

Moreover, most of the parent regions have a relative similarity in superior subsectors. Central Aceh, North Aceh, and East Aceh have strong transportation and communication, while Pidie has the highest LQ value in agriculture.

Shift Share Analysis

According to [Arsyad](#) (2005), a shift-share analysis is used to analyze and determine the shift and role of the economy in the region. This method is used to observe the structure of the economy and its change by emphasizing the growth of the sector in the parent and split regions, which is compared to the same sector at the Aceh Province level. In this study, the data used is the GRDP data of parent and split regions from 2012 to 2016. The analysis includes:

1. Provincial share (PS) is used to determine the growth or shift in the economic structure of the parent and split regions by looking at the GRDP in the initial period which was influenced by the shift in economic growth in Aceh Province ([Syarifudin](#), 2003)
2. Proportional Shift (P) is the growth of Gross Added Value of a certain sector in the parent and split regions compared to the same sector in the Aceh Province level. If P values are positive, the sector growth in the parent and split regions is faster than similar sectors at the Aceh Province level. Adversely, if P is negative, the sector growth in the parent and split regions will be slower compared to similar sectors at the provincial level ([Tarigan](#), 2006).
3. Differential Shift (D) is the difference between the economic growth of parent and split regions and gross added value of the same sector at the provincial level. If D is positive, the sector has higher competitiveness compared to similar sectors at the provincial level. If D is negative, the sector has lower competitiveness compared to similar sectors at the provincial level ([Tarigan](#), 2006).

Table 6. Shift Share Analysis 2012-2016

No	Economic Sector	Provincial Share	Propositional Shift (P)	Differential Shift (D)	Total
1	Agriculture	26.268.92	113.225.74	20.816.07	118.678.59
2	Mining	611.22	2.634.54	94.15	3.339.91
3	Processing Industry	615.29	2.652.04	540.48	3.807.81
4	Electricity, Gas, and Clean Water	146.76	632.26	43.68	822.70
5	Construction	7.862.47	33.889.23	2.437.16	39.314.54
6	Trade, Hotel, and Restaurants	13.996.55	60.328.63	17.098.13	91.423.31
7	Transportation and Communication	2.871.33	12.376.08	4.144.24	19.391.65
8	Finance and Real Estate	505.86	2.180.31	474.11	3.160.28
9	Services	2.148.96	9.262.59	1.644.52	13.056.06
Total		55.027.33	37.181.42	786.09	92.994.84

The actual impact of regional economic growth (Dij) can be seen from the value of the shift share. If the value is positive during the observation period, there will be an increase in economic performance and a decline will be observed in economic performance if the value is negative.

The shift-share analysis shows that the total GRDP growth of the parent and new regions in the period of 2012-2016 is IDR 92,994.84 million/ year which is affected by the growth of the GRDP of Aceh Province in the amount of IDR 55,027.33 million/ year, while the total of proportional shift (P) and Differential Shift (D) is IDR 37,181.42 million/ year and IDR 786.09 million/ year respectively. It demonstrates that the growth of GRDP in Aceh Province has contributed positively to the growth of GRDP in all sectors in the parent and new regions. The agricultural sector is a sector that receives a significant contribution from the growth of the province's GDP with the amount of IDR 26,268.92 million/ year. In addition to agriculture, the sectors that also greatly benefited from the growth of GRDP in Aceh Province are the trade, hotels and restaurants with a value of IDR13,996.55 million/ year, followed by the construction sector with a value of IDR 7,862.47 million/ year, and the transportation and communication at IDR 2,871.33 million/ year.

The overall P component value in the 2012-2016 period was positive. Overall, the GRDP-forming sectors have a positive value. The agricultural sector has the greatest value with IDR 113,225.74 million/ year, followed by the trade, hotel and restaurant sectors with a value of IDR 60,328.63 million/ year. All sectors have a positive P value, meaning that the growth of all these sectors in the parent and new regions are faster than the similar sectors at the Aceh Province level.

Shift Differential Value of the economic sector of the parent and split regions from 2012 until 2016 period also has positive and negative values. Positive D values are found in the following sectors: mining; processing industry; electricity, gas and clean water; trade, hotels, and restaurants; transportation and communication; finance, real estate, and services, while agricultural construction sectors have negative D values. The negative values indicate that the sectors grow more slowly than the same sector at the Aceh Province level, while positive D values signify that the sectors have faster growth than in the same sector in Aceh Province.

Overall, the parent and new districts and cities show a positive value which indicates an increase in economic performance. Only Aceh Jaya experienced a decline in economic performance. It is not a surprise considering the 2004 tsunami disaster severely hit the district.

Since all split regions have superior subsectors, the territorial split policy according to superior subsectors can be considered as a right policy (Aswandi & Kuncoro, 2000). The difference in competitiveness or superiority of the subsector makes it possible for each region to specialize in certain products and services and opens opportunities for commodity exchange based on the needs of each region (Mardiasmo, 2004). If this to take place, the growth of a specific area will influence the growth of other regions. The role of local governments to empower the leading sectors as the driving force of for regional economies is inevitable, especially in the inter-regional commodity exchange process that encourages the flow of external income into the region (Pratikno, 2008)

CONCLUSION

The Klassen Typology Analysis shows that, of the three districts in the fast-progressing and fast-growing category, Nagan Raya is the only newly established district. It had high growth rates and relatively high per capita incomes. Lhokseumawe, the developed depressed city with a low growth rate, has the highest per capita income compared to all districts and cities yet its growth rate is only slightly below the reference area (Aceh Province). Aceh Jaya is the lowest in the underdeveloped category with a negative growth rate and low per capita income. The tsunami disaster seems to slow down the construction of infrastructure in the area. This study shows that the advantage of territorial split policy that can increase economic growth in the split regions compared to the parent regions.

The results of the LQ analysis in the parent districts show that there are similarities in their superior subsectors, the agriculture especially in food crops and plantation crops. Each region also has different superior subsectors. Pidie has a high LQ value in agriculture while Central Aceh has an advantage in the processing industry. North Aceh and East Aceh Timur have advantages in the processing industry. All regions have no value in non-oil-and-gas mining.

The LQ analysis shows that three of the newly established districts, Nagan Raya, Aceh Jaya, and Southwest Aceh, have similar superior subsector. All have advantages in agriculture and transportation and communication. Aceh Singkil and Bener Meriah have a relatively similar economy, and their main subsectors are the same. Lhokseumawe, Langsa, and Bireuen have relatively similar economic structures.

The value of shift-share indicates the real impact of regional economic growth (Dij). If the value is positive, an increase in economic performance is observed, and if it is otherwise, an economic decline should take place. Overall, the shift-share value of the parent and new districts and cities are positive. This indicates that there is an increase in economic performance. Only Aceh Jaya District experienced a decline in economic performance.

The regional specialization index analysis among the parent districts showed that West Aceh has the highest average index at 0.55 while Pidie has the lowest specialization index at 0.40. The highest level of specialization among the new regions was observed for Lhokseumawe and Langsa except for Bireuen. Both cities showed the difference in the economic structure and the diversification of the subsectors compared to other districts and cities in Aceh Province.

The regional specialization analysis shows that the ability of the parent district and cities as an area that has sectoral linkages with other new regions is still weak. The specialization index also confirms a decrease in the average value of the district and city specialization index in Aceh Province. The decline in the average value of the specialization index was mainly driven by a decrease in the average value in each region. The decline in the average specialization index of the parent regions was 0.02 while the new regions experienced an increase of 0.008. The decline in the specialization index was higher in the parent regions compared to the new regions.

The analysis of the differences in the economic performance between the parent and new region can be concluded that considering the growth rate factor, per capita income and regional specialization value, are not significant to the existing

model. Thus, other economic factors need to be included in the analysis. However, the classification of regions based on their GRDP growth and per capita income seem to be constructive in planning the future development of the districts and cities in Aceh Province.

REFERENCES

1. Adisasmitra, R. (2005). *Dasar-Dasar Ekonomi Wilayah. Edisi Pertama*. Yogyakarta: Graha Ilmu Yogyakarta.
2. Argama, R. (2005). *Pemberlakuan Otonomi Daerah dan Fenomena Pemekaran Wilayah di Indonesia*. Jakarta.
3. Arsyad, L. (2005). *Pengantar Perencanaan dan Pembangunan Ekonomi Daerah, Edisi Kedua*. Yogyakarta: BPFE.
4. Aswandi, H., & Kuncoro, M. (2000). Evaluasi Penetapan Kawasan Andalan: Studi Empiris di Kalimantan Selatan 1993-1999. *Jurnal Ekonomi Dan Bisnis Indonesia*, 17(1), 27–45.
5. Azhar, Fuaidah, S. L., & Abdussamad, M. N. (2002). Analisis Sektor Basis dan Non Basis di Provinsi Naggroe Aceh Darussalam (NAD). *Jurnal Penelitian Fakultas Pertanian Unsyiah*.
6. Bappenas, & UNDP. (2014). *Studi Evaluasi Dampak Pemekaran Daerah 2009-2013. Bridge: Jakarta*. Jakarta: Bridge.
7. Baransano, M. A., Putri, E. I. K., Achzani, N. A., & Kolopaking, L. (2016). Peranan Sektor Unggulan sebagai Salah Satu Faktor dalam Mengurangi Ketimpangan Pembangunan Wilayah di Provinsi Papua Barat. *Jurnal Perencanaan Wilayah Dan Kota*.
8. Bendavid-Val, A. (1991). *Regional and Local Economic Analysis for Practitioners, 4th Edition*. New York: Praeger Publisher.
9. Blakely, E. J., & Bradshaw, T. K. (2002). *Planning Local Economic Development Theory and Practic, 3rd Edition*. New York: Sage Publications.
10. BPS Aceh. (2016). PDRB Menurut Lapangan Usaha di Naggroe Aceh Darussalam 2013-2017.
11. Chalid, P. (2005). *Otonomi Daerah: Masalah, Pemberdayaan dan Konflik, Edisi Pertama*. Jakarta: Kemitraan.
12. Cooper, Donald, R., & Emory, W. (1998). *Metode Penelitian Bisnis, Edisi Kelima, Jilid I*. Jakarta: Erlangga.
13. Dawood, T. C. (2007). *Pemekaran Daerah dan Dampaknya Terhadap Alokasi Anggaran Untuk Pelayanan Publik*. Banda Aceh.
14. Jhingan, M. L. (2007). *Ekonomi Pembangunan dan Perencanaan, Edisi Keenambelas*. Jakarta: PT Raja Grafindo Perkasa.
15. Kuncoro, M. (2004). *Otonomi dan Pembangunan Daerah Reformasi, Perencanaan, Strategi dan Peluang*. Jakarta: Erlangga.
16. Mardiasmo. (2004). *Otonomi dan Manajemen Keuangan Daerah, Edisi Kedua*. Yogyakarta: Andi Offset.
17. McCann, P. (2003). *Urban and Regional Economics*. New York: Oxford University Press.
18. Nachrowi, D. Nachrowi, & Usman, H. (2002). *Penggunaan Teknik Ekonometri, Edisi Revisi*. Jakarta: PT Raja Grafindo Persada.
19. Pratikno. (2008). *Usulan Perubahan Kebijakan Penataan Daerah : Pemekaran dan Penggabungan Daerah*.
20. Rochmi, M. N. (2016). Pemerintah moratorium pemekaran daerah baru. Retrieved from <https://beritagar.id/artikel/berita/pemerintah-moratorium-pemekaran-daerah-baru>
21. Sjafrizal. (1997). Pertumbuhan Ekonomi dan Ketimpangan Regional Wilayah Indonesia Bagian Barat. *Prisma*, 3, 27–38.
22. Sjafrizal. (2008). *Ekonomi Regional: Teori dan Aplikasi, Edisi Pertama*. Padang: Beduose Media.
23. Sukirno, S. (2006). *Ekonomi Pembangunan: Proses, Masalah dan Dasar Kebijakan, Edisi Kedua*. Jakarta: Kencana.
24. Sumodiningrat, G. (2002). *Ekonometrika Pengantar, Edisi 2003/2004*. Yogyakarta: Yogyakarta.
25. Syahnur, S. (2003). Analisis Shift-Share Perekonomian Provinsi Naggroe Aceh Darussalam Periode 1969-2001. *Jurnal Ekonomi Dan Bisnis*, 2(2), 295–318.
26. Syarifudin, L. (2003). Studi Pemilihan Subsektor Jasa Unggulan dalam Rangka Mendukung Kota Bandung Sebagai Kota Jasa. *Infomatek*, 5(3).
27. Tarigan, R. (2006). *Ekonomi Regional: Teori dan Aplikasi, Edisi Revisi*. Jakarta: PT Bumi Aksara.
28. Van Den Berg, H. (2005). *Economic Growth and Development, International Edition*. New York: McGraw-Hill Publishe.
29. Widodo, T. (2006). *Perencanaan Pembangunan: Aplikasi Komputer (Era Otonomi Daerah)*. Yogyakarta: UPP STIM YKPN.