

ABSTRACT

Kedungsepur is a national strategic area in Central Java intended to encourage accelerated and equitable development in the region. However, inequality is still found between the main city and its hinterland. Through the study of the potential of each region, it is expected to be able to optimally encourage regional cooperation so as to encourage equity and growth. This study aims to analyze the pattern of economic growth and inequality between regions and identify the potential economic sectors of each district/city in the Kedungsepur Area.

This study uses secondary data for 6 districts/cities in the Kedungsepur area in the period 2017-2021. The source of data was acquired from the Central Statistical Bureau of the Province of Central Java. The analytical method in this study uses Klassen Typology analysis to determine growth patterns between districts/cities, Williamson Index and Theil Index analysis to measure regional inequality, and Location Quotient (LQ) and Shift-Share analysis to identify potential sectors of each district/city in the Kedungsepur area.

The findings indicate that most of the growth patterns of districts/cities in Kedungsepur are relatively underdeveloped areas. Inequality between districts/cities in the Kedungsepur Area in 2017-2021 is relatively high and tends to increase, but inequality between buffer zones is relatively low. The largest potential economic sectors in the Kedungsepur Area are the industrial sector in Kendal, Semarang, Salatiga, and Demak Regencies; the trade sector in Grobogan Regency and Semarang City; and the agricultural sector in Kendal, Grobogan, Demak, and Semarang Regencies.

Keywords: *Regional inequality, economic potential, economic growth, Kedungsepur*