ABSTRACT

This study aims to analyze the linkages of agriculture sector to other sectors of the economy of Central Java and also to know the multiplier output and export multiplier of the agricultural sector. The agricultural sector which in fact is the dominant sector in Central Java can not develop optimally due to lack of maximum use of existing resources, so can not meet the needs of the region.

Input-Output Analysis is used to see the linkages between inputs and outputs and a multiplier of and for the agricultural sector. Estimation of linkage in this study were analyzed by using the Input Output Table of Central Java in 2008 Classification of 88 sectors to 37 sectors and then simplified by aggregating the sectors outside the agricultural sector.

The result of linkage analysis of the agricultural sector is more sectors that have direct relevance to the next larger than the direct linkage to the rear, so that subs agricultural sector more involved in the output multiplier. Figures backward linkage is the largest sub sector Foodstuff Others at 1.46018 and numbers forward linkage is the largest sub-sector linkages Cane with a number of 38.06591. Figures output multiplier is the largest subsector Other Food for 52.76845. Optimizing the output and input from the sub sector Foodstuff Others and Cane can maximize the production of other sectors that use the output from the sub-sectors such as raw materials for production, but it also can affect the absorption of labor to other sub-sectors. The research also details how the impact of changes in output due to changes in primary inputs, primary input on the impact of increased fertilizer subsidy budget of 14.1 billion would increase the output of the economy amounted to 2912 billion Rupiah.

Keywords : **Input-Output, Forward and Backward Linkages, Central Java Province,** *Multiplier*