

## **ABSTRACT**

*Government sectoral development investments to implement local development through government spending are summarized in the budget (Revenue and Expenditure). This study aims to analyze the impact of government spending in the agricultural sector, particularly in the agriculture sub-sector of Food Crops, Plantation Crops, Livestock and Outcomes, Forestry, and Fisheries from 2007 to 2011 on output, household income and employment in Central Java Province.*

*The analysis model used to assess the impact of government spending on the agricultural sector to the economy of Central Java province in this study is the analysis of Demand Input Output Input Output Analysis side or the demand side. Input-output analysis in this study used data Input-Output Tables of Central Java province in 2008 domestic transactions over the classification of producer price 88x88 13x13 sectors are aggregated into sectors and using data Actual Fiscal Year 2007 budget and 2010 budget as well as the data changes Java Fiscal Year 2011 Central in the agricultural sector which is then used as a shock.*

*Based on the results of the analysis of the impact of government spending on the agricultural sector to the economy of Central Java province, it appears that the amount of the shock results of the injection depends on two things, namely the size of the budget and rate multiplier. Livestock sector and its results have a multiplier value of output and household income compared to the four most other agricultural sub-sector. While the food crops sector has a multiplier value of the highest employment opportunity from 12 other sectors.*

*Keywords: Input-Output, Government Spending, APBD (Revenue and Expenditure Regional Budget), Agricultural, Central Java Province*