

## **ABSTRACT**

*This study aims to analyze the effects of the spillover effect of economic growth in regencies/cities in the KEDUNGSEPUR area, identify the leading sectors of each region and analyze the influence of regional leading sector growth on economic growth in regencies/ cities in the KEDUNGSEPUR area. The data used in this study are 3 tradable sectors and 1 service sector that have a major contribution to the GRDP component, namely the agriculture, mining, industry and trade sectors in the period 2005-2019. Spillover effect analysis is used to see how much influence the economic growth of the surrounding area has on the economic growth of an area. This research will discuss how big the effect of spillover growth is obtained by each regency/city in the KEDUNGSEPUR area. Furthermore, from each regency/city, the sector which is the leading sector in the region will be observed. Then look at the influence of the leading sectors of a region on the economic growth of neighboring regions in the KEDUNGSEPUR area.*

*The method used in this research is the Capello Formula to see how much the effect of the spillover growth is obtained by each region, Location Quotient analysis to see which sectors are superior in a region, and Linear Regression analysis to see the effect of the leading sectors of a region to the economic growth of neighboring regions.*

*Based on the results of the calculation of the spillover effect of growth, it is found that the city of Semarang has the largest growth spillover effect. Followed by Demak Regency, Semarang Regency, Kendal Regency, Salatiga City and the one with the smallest spillover effect was Grobogan Regency. Furthermore, in the LQ analysis, it was found that Grobogan Regency has 3 sectors, Demak Regency has 3 leading sectors, Semarang Regency has 2 leading sectors, Kendal Regency has 3 leading sectors, Salatiga City has 1 leading sector and Semarang City has 1 leading sector. From the 4 leading sectors that have been analyzed previously, it is found that 2 of the 3 leading sectors of Grobogan Regency, Demak Regency and Kendal Regency do not have a significant effect on the economic growth of neighboring regions. Furthermore, from the 2 leading sectors owned by Semarang Regency, only 1 has a significant influence. Then 1 leading sector of the City of Salatiga and the City of Semarang each have a significant influence on the economic growth of neighboring areas.*

*Keywords : Growth spillover effects, leading sector, interregional economic growth, and regional economic growth.*