

ABSTRACT

The aims of this study are to analyze the impact of economic development on the growth of the Surakarta City in constellation town at Central Java in the period 1975-2010. The data that used in this research is secondary data consisting of sequential data from 1975-2010. This data obtained from the Badan Pusat Statistik (BPS) and BAPPEDA Surakarta.

This study uses Primacy Index to determine the growth pattern of six cities in Central Java and Error Correction Model (ECM) to examine the relationship between urban growth (primacy) with economic development (GDP per capita), GDP, population density and industrialization of the Surakarta City.

The results of this study concluded that the growth pattern in the Central Java still centralized in Semarang and Surakarta, the capital of Central Java, as the second city in urban growth pattern in the Central Java. This study also found that GDP has the negative effect in the short term or long term to the growth of the Surakarta City. In the long term per capita income (GDP per capita), population density and industrialization affect in the growth of the Surakarta City. But, in the short term all the variables do not contribute significantly to the growth of the Surakarta City except population density.

Key word: Primacy Index, Economic Development, Error Correction Model (ECM)