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Analysis of Economic Disparities and Leading Sectors Between Lombok and Sumbawa Islands, 2020–2024

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ABSTRACT
Regional economic disparities between Lombok Island and Sumbawa Island remain a major development challenge in West Nusa Tenggara Province (NTB), particularly in terms of uneven sectoral growth and regional economic concentration. This study analyzes the economic structure and identifies leading sectors in NTB during the 2020–2024 period using the Klassen Typology and Location Quotient (LQ) methods. The analysis employs secondary data on Gross Regional Domestic Product (GRDP) at constant 2010 prices published by the Central Statistics Agency, supported by relevant literature. Economic sectors are classified based on their growth rates and contributions to GRDP to distinguish advanced and fast-growing sectors, potential sectors, and relatively underdeveloped sectors. The findings indicate that regions on Lombok Island—especially Mataram City and West Lombok Regency—are dominated by advanced and fast-growing sectors, primarily modern services such as trade, transportation, accommodation and food services, finance, education, and health. In contrast, Sumbawa Island is characterized by a concentration in agriculture, fisheries, mining, and basic services, which largely fall into the potential or relatively underdeveloped categories. LQ analysis further confirms that Lombok Island's economic base is driven by trade, tourism, real estate, and educational services, while Sumbawa Island relies more heavily on agriculture, construction, and mining sectors. These findings demonstrate persistent regional economic disparities in NTB and highlight the need for region-specific development policies. The future development strategy is directed at strengthening the base sector in each region, diversifying the economy, and strengthening connectivity between regions to create inclusive and equitable growth.

Keywords: Economic Disparity, Lombok Island, Sumbawa Island, Klassen Typology, Location Quotient (LQ) Approach.

I. Introduction

Indonesia possesses significant potential for sustainable economic development due to its abundant natural resources and large population. However, transforming this potential into long-term and inclusive growth requires strategic and sector-based development planning. Such planning is essential to optimize regional economic potential, expand employment opportunities, and reduce persistent regional disparities. (Maulina, 2021). Economic development is a dynamic process that involves continuous structural

GOLDEN RATIO
ISSN [Online]: 2776-6411

transformation across sectors. Indicators such as equitable income distribution, job creation, and shifts in production structures reflect the success of inclusive development. Despite its resource endowment, Indonesia continues to face challenges in attracting investment, reducing poverty, and narrowing regional development gaps, particularly across provinces with diverse economic characteristics. (Chen & Haynes, 2017). To address these challenges, analytical tools that can identify regional economic strengths and structural conditions are required. Klassen Typology and Location Quotient (LQ) analyses are widely used to classify economic sectors based on growth performance, contribution, and specialization. These methods enable policymakers to identify leading and potential sectors, evaluate sectoral dynamics, and formulate region-specific development priorities that align with local economic conditions. (Fracasso & Vittucci Marzetti, 2018). Equitable regional development is crucial, as prolonged economic inequality can constrain national growth. In line with Law No. 32 of 2004 and Law No. 33 of 2004, local governments are mandated to conduct comprehensive analyses of regional economic potential to identify leading sectors and design effective development policies.

By leveraging regional comparative advantages, development strategies can be more focused, investment-oriented, and responsive to local needs. (Purnamasari et al., 2025). West Nusa Tenggara Province (NTB) illustrates the coexistence of economic progress and regional inequality. Although NTB has experienced positive economic growth, poverty remains a significant concern. According to the Central Statistics Agency (BPS), the poverty rate in NTB declined from 14.14% in 2021 to 11.91% in September 2024, accompanied by an increase in Gross Regional Domestic Product (GRDP) from IDR 93.87 trillion in 2019 to IDR 109.41 trillion in 2024. This growth has been driven primarily by agriculture, mining, trade, and tourism sectors. (Manrulanggi & Putri, 2025). NTB consists of two main islands with contrasting demographic and economic characteristics: Lombok Island and Sumbawa Island. Lombok Island is characterized by higher population density and a concentration of service-based economic activities, while Sumbawa Island has a larger land area, lower population density, and stronger reliance on primary sectors. These differences result in distinct development challenges and contribute to regional economic disparities within the province. (Ariviya Juliantari et al., 2024). Despite the strategic importance of both islands, comprehensive comparative studies that analyze their economic structures and leading sectors using recent data remain limited. This study addresses this gap by applying Klassen Typology and Location Quotient analyses to compare Lombok Island and Sumbawa Island during the 2020–2024 period. The findings are expected to provide empirical evidence to support region-specific development strategies and policy formulation aimed at reducing regional disparities and promoting inclusive economic growth in West Nusa Tenggara Province. With GDP data, this study can determine and categorize the economic sector into several categories using the cash typology and Location Quotient (LQ) approach.

Table 1. Gross Regional Domestic Product by Business Field (2019–2024)

Business Field	2024	2023	2022	2021	2020	2019
A. Agriculture, Forestry, and Fisheries	22,992.21	22,642.74	22,187.32	21,712.18	21,466.10	21,555.36
B. Mining and Quarrying	20,342.79	18,218.41	20,331.78	16,580.67	16,606.14	13,008.32
C. Manufacturing Industry	4,839.21	4,644.52	4,530.84	4,442.86	4,351.56	4,458.91
D. Electricity and Gas Supply	129.45	118.67	112.97	103.21	95.80	88.00
E. Water Supply, Waste Management, Waste Treatment, and Recycling	81.03	80.41	78.95	76.41	76.03	72.98
F. Construction	10,884.96	10,575.41	9,538.98	9,723.13	8,925.47	10,410.35
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	15,603.08	14,737.70	13,781.64	13,131.49	12,908.89	13,585.10

GOLDEN RATIO
ISSN [Online]: 2776-6411

H. Transportation and Storage	6,090.24	5,844.35	5,404.30	4,623.55	4,526.59	6,594.57
I. Accommodation and Food Service Activities	1,686.30	1,556.05	1,427.93	1,145.24	1,129.96	1,574.55
J. Information and Communication	3,145.87	3,818.83	2,874.68	2,787.64	2,655.52	2,363.05
K. Financial and Insurance Activities	4,037.08	2,961.11	3,865.08	3,849.76	3,688.04	3,319.07
L. Real Estate Activities	3,398.75	3,267.52	3,129.78	3,006.32	2,962.65	2,932.19
M, N. Business Activities	206.13	195.86	182.37	168.25	167.69	173.67
O. Public Administration, Defence, and Compulsory Social Security	5,576.67	5,233.33	5,204.60	5,088.04	5,000.96	4,859.15
P. Education	5,256.24	5,080.24	4,832.83	4,686.35	4,609.53	4,572.23
Q. Human Health and Social Work Activities	2,540.69	2,392.52	2,256.48	2,202.13	2,041.56	2,091.37
R, S, T, U. Other Services Activities	2,604.26	2,484.71	2,333.13	2,110.63	2,076.40	2,213.58
Gross Regional Domestic Product (GRDP)	109,414.97	103,906.22	102,073.66	95,437.86	93,288.87	93,872.44

Based on GDP data for West Nusa Tenggara Province (NTB) on the basis of constant prices in 2010 in the period 2019 to 2024, it can be seen that the economy of this region has experienced positive development even though it was depressed during the pandemic. In total, NTB's GDP in 2019 was recorded at IDR 93,872.44 billion and experienced a slight decrease in 2020 to IDR 93,288.87 billion due to the impact of the COVID-19 pandemic. However, since 2021, the economy has begun to show signs of recovery with GDP increasing to IDR 95,437.86 billion, then jumping significantly in 2022 to reach IDR 102,073.66 billion. This growth trend will continue in 2023 with a value of IDR 103,906.22 billion and reach IDR 109,414.97 billion in 2024. This shows that in general, the NTB economy is on a positive growth path after experiencing pressure at the beginning of the pandemic. When viewed based on business fields, the agriculture, forestry, and fisheries sectors are the largest contributors to the NTB economy with a value of IDR 22,992.21 billion in 2024. This sector is relatively stable and continues to grow from year to year, indicating the important role of the primary sector in supporting the regional economy. Another sector that has a large contribution is mining and quarrying, which in 2024 will reach IDR 20,342.79 billion. However, this sector has fluctuated quite sharply in the last five years, for example in 2022 it reached IDR 20,331.78 billion, then decreased in 2023 to IDR 18,218.41 billion, and increased again in 2024. These fluctuations are closely related to global commodity price conditions which greatly affect the performance of the NTB mining sector. Meanwhile, the large trade and retail sectors, including car and motorcycle repairs, also showed a significant role in GDP with an achievement of IDR 15,603.08 billion in 2024.

The growth of this sector is relatively stable and reflects the high consumption activity of the public. The construction sector also made a considerable contribution with a value of IDR 10,884.96 billion in 2024, where the growth was in line with the increase in infrastructure development in NTB. This research aims to analyze the base and non-base sectors that make up the economy and analyze the typology of leading sectors to be developed in NTB Province. The base sector is an economic sector that produces goods or services that exceed the needs of its own region, so that the surplus can be sold or exported to other regions. In other words, the base sector plays a role as the main driver of a region's economy because it is able to bring in income from outside while the non-base sector is an economic sector whose activities are only to meet the local needs of the community and do not produce surplus to be sold outside the region. So, its contribution is greater to sustain the daily lives of the local community. It is hoped that this research can be an input to the

ISSN [Online]: 2776-6411

NTB Provincial Government in the direction of regional economic development. Using the Typology Klassen and Location Quotient approaches, this study aims to identify economic disparities between Lombok Island and Sumbawa Island, as well as provide strategic recommendations for the development of superior sectors that can improve the welfare of the people on both islands.

II. Literature Review and Hypothesis Development

2.1. Regional Economic development

Regional economic development is a planned process aimed at improving community welfare through the management of resources, infrastructural development, and human resource quality improvement. (Pebriani, 2022) It targets sustainable economic development by harmonizing economic progress, environmental sustainability, and social welfare. A major aspect of this growth is the creation of new job opportunities by investment and partnership with the private sector that can increase community income and reduce unemployment. Collaboration between the local governments, private sector, and communities is instrumental in creating an efficient and inclusive economic setting. In addition, economic growth must be done systemically and take into account political, social, and cultural factors, as noted by (Ryansyah et al., 2023) in their five-stage theory of economic growth. Take-off is a very important phase for developing countries or regions, which is marked by increased investment, infrastructural expansion, and human resource capacity strengthening. With a combined and sustainable approach, regional development can bring about balanced economic growth as well as promoting community welfare on a sustainable basis (Hatta, 2023).

2.2. Economic Disparities

Inter-regional disparities are a complex phenomenon that is influenced by the differences in natural resources, demographic conditions, mobility of goods and services, concentration of economic activities, and uneven distribution of development finances (Suprianto et al., 2022). These factors are interlinked and tend to increase disparities if not managed through planned controls. For example, regions with high natural resource endowment but inadequate infrastructure will not develop. This is evident between the Lombok and Sumbawa islands, where Lombok is developed due to good infrastructure and investment while Sumbawa lags behind despite its richness in natural resources. In order to reduce these imbalances, there must be improvement in infrastructures, equalization of developmental funds, and the development of the local economic sector so that less developed areas may realize their full potential and accelerate the well-being of their people (Islamiah, 2025).

2.3. Gross Regional Domestic Product (GRDP)

Gross Regional Domestic Product (GRDP) is one of the key indicators in measuring regional economic performance because it reflects the value added produced by every sector of the economy (Taufiqqurrahman, 2022). Using GRDP, the government can identify sectors that significantly contribute to economic growth and formulate effective development policies (Prabowo, 2023). GRDP can be estimated with two methods, i.e., current prices and constant prices. PDRB at current prices reflects inflation influenced value added and reflects the current economic composition, while PDRB at constant prices reflects real economic growth without any influence of inflation. Together, the two give a total perspective of an area's economics. For Indonesia, GRDP accounts for nine major sectors such as agriculture, mining, manufacturing, and services, each playing a specific role in the regional economy (Hidayadi & Niam, 2022). GRDP examination is important in determining leading sectors, investment areas, and potential employment generation. In addition, GRDP per capita is an indicator of welfare measuring the level of prosperity of an area's population. Thus, it is crucial to monitor and

ISSN [Online]: 2776-6411

formulate GRDP-based policies to ensure balanced, sustainable, and inclusive economic growth in all the regions (Soeharjoto et al., 2021).

2.4. Klassen Typology

The Klassen typology, as outlined by (Purnamasari et al., 2025), refers to an analytical typology which classifies regions into four categories based on economic development and per capita income, i.e., advanced and fast-growing regions, depressed but advanced regions, fast-growing but backward regions, and disadvantaged ones. The typology helps in understanding the nature, issues, and potential of every region. For example, advanced and fast-growing regions usually have diversified and advanced productive sectors, while advanced but depressed regions stagnate despite having sufficient infrastructure and human resources. Meanwhile, underdeveloped but fast-growing regions must still improve infrastructure and public services, while underdeveloped ones face fundamental limitations in the form of insufficient investment and limited access to education and health care (Halim et al., 2023). Klassen's typology analysis applies to policymakers as it informs development strategies relevant to regional conditions. Fast-growing but less developed areas, for example, need investment in education and infrastructure to make growth sustainable. Poor areas need more attention to basic development in an attempt to attract investment and stimulate competitiveness. Through an accurate perception of a region's location in this typology, the government will be able to formulate improved and balanced policies, develop inclusive economic growth, and attain regional development balance (Budiono et al., 2025); (Muammar, 2021).

2.5. Location Quotient (LQ)

Location Quotient (LQ) is an analytical technique to calculate the proportion of an economic sector in a region compared to a larger region, such as a nation or province. Through this technique, LQ can identify sectors that have comparative advantages and can differentiate leading sectors or supporting sectors (Ramadhani, 2022). The main advantage of this method is that it is able to measure the level of specialization of regional economic sectors in an easy but effective manner. By comparing the proportion of the contribution of each sector to the regional and reference region economy, decision-makers are able to determine which sectors are capable of producing sustainable economic growth and becoming the basis for regional development (Ray Julio Pangow et al., 2023). Other than LQ, an improvement known as Dynamic Location Quotient (DLQ) further takes into account changes and growth tendencies in the economic sectors over a span of time (Ananta & Aulia, 2024). DLQ provides a more dynamic perspective by revealing whether a sector is on the rise or fall in its relative economic role. Through DLQ analysis, the government is able to modify its development policies adaptively through investment in growing industries and developing industries with a declining performance. The combined use of LQ and DLQ thus presents a clear picture of the regional economic structure, facilitates data-driven decision-making, and supports inclusive and sustainable development (Mo et al., 2020).

III. Research Method

3.1. Research Design

This study adopts a descriptive quantitative approach to examine economic disparities between districts/cities on Lombok Island and Sumbawa Island in West Nusa Tenggara Province. The quantitative approach is employed because the analysis relies on numerical economic indicators, while the descriptive method is used to explain differences in regional economic performance and sectoral structures.

ISSN [Online]: 2776-6411

3.2. Study Area

The study covers ten administrative regions in West Nusa Tenggara Province, consisting of five districts/cities on Lombok Island—Mataram City, West Lombok Regency, Central Lombok Regency, East Lombok Regency, and North Lombok Regency—and five districts/cities on Sumbawa Island—Bima City, Bima Regency, Dompu Regency, Sumbawa Regency, and West Sumbawa Regency. These regions were selected to represent the two main islands with distinct demographic and economic characteristics.

3.3. Data Types and Sources

This study uses secondary time-series data for the 2020–2024 period. The data include Gross Regional Domestic Product (GRDP) by industrial sector at constant 2010 prices, obtained from official publications of the Central Statistics Agency (BPS) at both provincial and district/city levels. Supporting data are sourced from official regional planning documents such as the Regional Medium-Term Development Plan (RPJMD), reports from Regional Development Planning Agencies (Bappeda), and relevant scientific literature.

3.4. Data Collection Technique

Data collection is conducted through documentation studies to compile time-series and cross-sectional economic data. All data are systematically organized to ensure consistency across regions and years prior to analysis. Klassen's typology was employed to classify regions into four categories, namely advanced and fast growing, advanced but under pressure, rapidly developing, and relatively underdeveloped regions. The classification is based on regional economic growth rates (ri) and the contribution of Gross Regional Domestic Product (GRDP) (Yi) to the provincial economy. The criteria for regional classification are as follows (Rosi, 2023).

a. Advanced and Fast-Growing Regions ($ri > r$ and $Yi > Y$)
b. Advanced but Under Pressure Regions ($ri < r$ and $Yi > Y$)
c. Rapidly Developing Regions ($ri > r$ and $Yi < Y$)
d. Relatively Underdeveloped Regions ($ri < r$ and $Yi < Y$)

where:
a. ri = growth rate of district/city GRDP
b. r = provincial GRDP growth rate
c. Yi = contribution of district/city GRDP to total provincial GRDP
d. Y = average contribution of the province

Furthermore, the Location Quotient (LQ) analysis was applied to identify base and non-base economic sectors in each district/city. The LQ formula used in this study is expressed as follows (Topadda et al., 2024):

Explanation:
a. Xij = GRDP of sector I in the district/city
b. Xi= Total GRDP of the district/city
c. Xj= GRDP of sector I in NTB Province
d. X = Total GRDP of NTB Province

Criteria:
a. LQ > 1: basic sector

ISSN [Online]: 2776-6411

b. LQ = 1: self-sufficient sector
c. LQ < 1: non-basic sector.

IV. Result and Discussion

4.1. Overview Of The Research Location

West Nusa Tenggara Province (NTB) is an archipelago consisting of Lombok Island and Sumbawa Island with Mataram as the seat of government, economy, and culture. West Nusa Tenggara Province occupies a land surface area of approximately 20,153 km^2 and a sea surface area of 29,159 km^2 with a coastline of 2,333 km, which makes it very potential in business, tourism, and services. Astronomically, NTB is located in 8°10'–9°5' south latitude and 115°46'–119°5' east longitude with a strategic position favorable for regional connectivity. NTB has 8 regencies and 2 cities with 117 subdistricts, and borders 280 small islands.

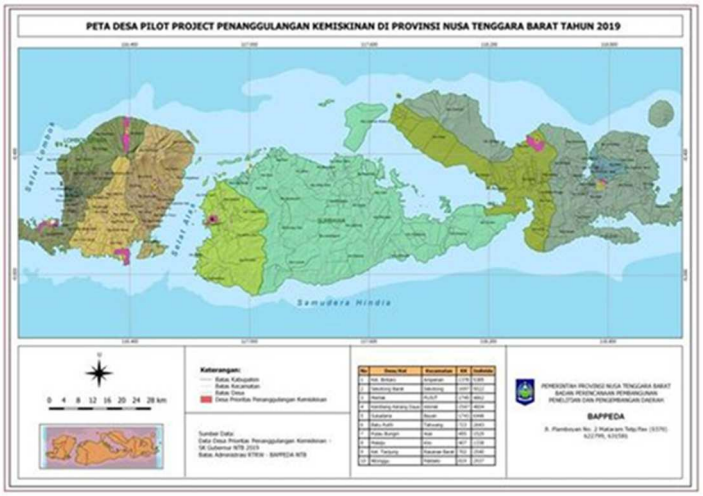

Figure 1. Map of West Nusa Tenggara Province

Based on the 2020 Census, NTB consists of around 5 million individuals with an average density of 264 persons/km^2. Most individuals live in Lombok Island with more than 3.5 million inhabitants, while the most populous area is East Lombok Regency. Mataram City is the densest with 7,940 persons/km^2 and the least dense is West Sumbawa Regency with 144 thousand inhabitants. NTB's GRDP in 2020 was IDR 93.27 trillion, which is lower than a 0.16% drop brought about by the pandemic. Lombok and Sumbawa are the best economic growth centers of NTB because they have different population distribution and economic potentials between the two islands. The population of West Nusa Tenggara (NTB) Province in 2024 is estimated at approximately 5.62 million, a significant increase from the 5.32 million recorded in the 2020 census. East Lombok Regency remains the most populous region, while West Sumbawa has the least population. The population growth rate of West Nusa Tenggara from 2020 to 2024 averaged around 1.6% per year.

4.2. Economic Growth

NTB's economic performance from 2020 to 2024 reflects the sharp fluctuations of the COVID-19 pandemic, mining commodity prices, and the recovery of tourism. After a contraction of -0.62% in 2020, NTB recovered gradually by 2.30% in 2021, accelerated by 6.95% in 2022, slowed down to 1.79% in 2023, and accelerated again by 5.30% in 2024. This pattern reflects the heavy dependence of NTB on exogenous drivers, especially the mining and tourism industries, where the variation in mineral prices and tourist visitation patterns largely dictate the pace of the economy. At the sectoral level, mining is the anchor but is highly

GOLDEN RATIO
ISSN [Online]: 2776-6411

volatile, while agriculture, government services, education, and health are stabilizers with moderate growth. The manufacturing, construction, and energy sectors show recovery trends for the upside, while trade, transportation, accommodation, and food and beverages reflect the strong post-pandemic recovery in tourism. Finance and communications sectors remain volatile with sharp spikes and contractions, indicating structural volatility in these two sectors.

Table 2. Economic Growth Rates by Sector in West Nusa Tenggara (NTB), 2020–2024

Business Sector	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)
A. Agriculture, Forestry, and Fisheries	1.54	2.05	2.19	1.15	-0.41
B. Mining and Quarrying	11.66	-10.39	22.62	-0.15	27.66
C. Manufacturing Industry	4.19	2.51	1.98	2.10	-2.41
D. Electricity and Gas Supply	9.08	5.05	9.46	7.73	8.86
E. Water Supply, Waste Management, Wastewater, and Recycling	0.77	1.85	3.32	0.50	4.18
F. Construction	2.93	10.87	-1.89	8.94	-14.26
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	5.87	6.94	4.95	1.72	-4.98
H. Transportation and Warehousing	4.21	8.14	16.89	2.14	-31.36
I. Accommodation and Food Service Activities	8.37	8.97	24.68	1.35	-28.24
J. Information and Communication	-17.62	32.84	3.12	4.98	12.38
K. Financial and Insurance Activities	36.34	-23.39	0.40	4.38	11.12
L. Real Estate Activities	4.02	4.40	4.11	1.47	1.04
M–N. Business Activities	5.24	7.40	8.39	0.33	-3.44
O. Public Administration, Defence, and Compulsory Social Security	6.56	0.55	2.29	1.74	2.92
P. Education	3.46	5.12	3.13	1.67	0.82
Q. Human Health and Social Work Activities	6.19	6.03	2.47	7.87	-2.38
R, S, T, U. Other Service Activities	4.81	6.50	10.54	1.65	-6.20
Gross Regional Domestic Product	5.30	1.80	6.95	2.30	-0.62

4.3. Contribution of Economic Sectors For GRDP

The economic base of NTB is still dominated by the primary sector, particularly agriculture, mining, and quarrying. Agriculture will contribute 21.01% in 2024, down from 23.01% in 2020, due to economic diversification and the declining dominance of this sector. Mining will contribute 18.59% in 2024, with steep fluctuations to mirror the whims of the world production of commodities and prices. The services sector also emerged as a force to be reckoned with, rising from 13.83% in 2020 to 14.26% in 2024, reflecting the recovery of public consumption. The construction sector persisted with a significant contribution of 9.94% in 2024, although it decreased in 2022.

Table 3. Contribution of Economic Sectors to the Gross Regional Domestic Product (GRDP) of West Nusa Tenggara (NTB), 2020–2024

Business Sector	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)
A. Agriculture, Forestry, and Fisheries	21.01	21.79	21.74	22.75	23.01
B. Mining and Quarrying	18.59	17.53	19.92	17.37	17.80
C. Manufacturing Industry	4.42	4.47	4.44	4.66	4.66

ISSN [Online]: 2776-6411

D. Electricity and Gas Supply	0.12	0.11	0.11	0.11	0.10
E. Water Supply, Waste Management, Wastewater, and Recycling	0.07	0.08	0.08	0.08	0.08
F. Construction	9.95	10.18	9.35	10.19	9.57
G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	14.26	14.18	13.50	13.76	13.84
H. Transportation and Warehousing	5.57	5.62	5.29	4.84	4.85
I. Accommodation and Food Service Activities	1.54	1.50	1.40	1.20	1.21
J. Information and Communication	2.88	3.68	2.82	2.92	2.85
K. Financial and Insurance Activities	3.69	2.85	3.79	4.03	3.95
L. Real Estate Activities	3.11	3.14	3.07	3.15	3.18
M–N. Business Activities	0.19	0.19	0.18	0.18	0.18
O. Public Administration, Defence, and Compulsory Social Security	5.10	5.04	5.10	5.33	5.36
P. Education	4.80	4.89	4.73	4.91	4.94
Q. Human Health and Social Work Activities	2.32	2.30	2.21	2.31	2.19
R, S, T, U. Other Service Activities	2.38	2.39	2.29	2.21	2.23
Gross Regional Domestic Product	100	100	100	100	100

The tertiary sector helps contribute to the subsidization of public welfare, such as transportation (5.56%), government (5.09%), education (4.80%), and health (2.32%). Although still in low percentages, the utilities and corporate services sectors help contribute towards subsidization of economic activity. Overall, this trend shows that the NTB economy is still heavily reliant on natural resources, but growing towards trade and services towards a balanced split between the primary, secondary, and tertiary sectors.

4.4. Klassen Typology Result

Typology Klassen analysis is a spatial and sectoral analysis method developed by German economist Theodor Klassen during the 1960s. It is normally employed in regional economic analysis for the classification of economic sectors into two main dimensions: growth rate and contribution level to the region's overall economy. Its aim is to provide a clearer picture of economic growth patterns and structures, and thereby identify leading, potential, or intervention-needed sectors(Buendía Azorín et al., 2022). Klassen's typology analysis of 17 sectors in 10 districts/cities in NTB shows that the service sector (trade, finance, education, administration, and real estate) dominates Quadrant I as a developed and rapidly growing sector (Darius et al., 2021).

Table 4. Results of Klassen Typology Analysis by Economic Sector and District/City

No.	Business Sector	M	WL	EL	CL	NL	B	S	WS	BR	D
1	A. Agriculture, Forestry, and Fisheries	IV	IV	I	III	I	IV	I	II	III	III
2	B. Mining and Quarrying	IV	IV	IV	IV	IV	IV	IV	I	IV	IV
3	C. Manufacturing Industry	I	III	I	III	II	II	II	II	II	II

GOLDEN RATIO
ISSN [Online]: 2776-6411

4	D. Electricity and Gas Supply	II	I	I	II	I	IV	I	II	IV	IV
5	E. Water Supply, Waste Management, Wastewater, and Recycling	III	I	II	III	I	IV	IV	IV	IV	IV
6	F. Construction	IV	III	I	I	II	IV	III	II	IV	IV
7	G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	III	IV	I	II	I	I	I	II	I	I
8	H. Transportation and Warehousing	IV	I	II	III	IV	I	IV	II	I	II
9	I. Accommodation and Food Service Activities	II	III	II	IV	I	I	II	IV	II	II
10	J. Information and Communication	III	III	IV	IV	IV	IV	IV	IV	IV	IV
11	K. Financial and Insurance Activities	I	I	II	II	II	II	I	II	I	II
12	L. Real Estate Activities	I	I	I	I	I	I	IV	II	II	I
13	M–N. Business Activities	I	IV	II	I	II	I	I	II	II	I
14	O. Public Administration, Defence, and Compulsory Social Security	I	I	I	III	I	I	I	II	I	I
15	P. Education	I	I	I	II	III	III	III	II	II	I
16	Q. Human Health and Social Work Activities	III	I	II	I	IV	I	II	II	II	II
17	R, S, T, U. Other Service Activities	III	III	II	I	I	III	IV	II	II	II

Notes:

- M = Mataram
- WL = West Lombok
- EL = East Lombok
- CL = Central Lombok
- NL = North Lombok
- B = Bima
- S = Sumbawa
- WS = West Sumbawa
- BR = Bima Regency
- D = Dompu

GOLDEN RATIO
ISSN [Online]: 2776-6411

Meanwhile, primary sectors such as agriculture and mining are susceptible to Quadrants III and IV, or leading but stagnant and lagging. This is evidence that the economic structure of NTB is transforming from an agrarian-extractive base to services, although the information and communication sector is underdeveloped (predominantly in Quadrant IV). The economic profile of Lombok Island is more robust and diversified in the trade and service sectors on the back of urbanization and tourism. The leading sectors in Lombok are normally located in Quadrant I, such as trade, government services, education, finance, and manufacturing. The accommodation, transportation, and electricity and water sectors are located in Quadrant II, which shows their strong support role for tourism. The predominant sector of Lombok is relatively less advanced (Quadrants III-IV), yet Lombok as an entity is more stable with the service sector dominating GRDP. Contrary to Lombok, Sumbawa Island is more dependent on the primary and extractive sectors, most notably mining. The Quadrant I dominant sectors are further restricted to trade, real estate, government services, and education. The mining, manufacturing, construction, transport, and accommodation industries are further placed in Quadrant II, indicating high potential but vulnerability to global volatility of commodity prices. The agricultural and utilities industries are most placed in Quadrants III-IV, indicating stagnation. This makes Sumbawa's economic foundation relatively less diversified than Lombok. A comparison between the two islands confirms that Lombok is more diversified and led by the services sector and, as such, more resilient to external shocks, especially with the contribution of tourism. Sumbawa, by contrast, continues to be overly dependent on mining and therefore vulnerable to global fluctuations even though it has development potential centered on resource-based industries. Development-wise, Lombok is the "locomotive" with its service-tourism focus and Sumbawa is the "support" with its mining prowess.

4.5. Result of Location Quotient Analysis

The Location Quotient (LQ) approach is used to identify base sectors or potential sectors that drive economic growth in NTB by comparing the role of the sector at the regency/city level with the provincial level. Industries having LQ > 1 are base industries because they are not only able to meet the needs of their own region but can also create a surplus for export to other regions, thereby earning income, inducing investment, and creating new jobs. Conversely, sectors with LQ < 1 do not yet play an important role and still depend on external regional supplies. Therefore, in designing NTB's development, priority is put on sectors with LQ > 1 because these sectors are leading and strategic in stimulating regional economic development (Nofa Martina Ariani et al., 2021).

Table 5. Result of Location Quotient Analysis

No.	Business Sector	M	WL	EL	CL	NL	B	S	WS	BR	D
1	A. Agriculture, Forestry, and Fisheries	non base	non base	Base	Base	Base	non base	Base	non base	Base	Base
2	B. Mining and Quarrying	non base	non base	non base	non base	non base	non base	non base	Base	non base	non base
3	C. Manufacturing Industry	Base	Base	Base	Base	non base	non base	non base	non base	non base	non base
4	D. Electricity and Gas Supply	Base	Base	Base	non base	Base	Base	Base	non base	non base	non base
5	E. Water Supply, Waste Management, Wastewater, and Recycling	Base	Base	non base	Base	Base	non base	non base	non base	non base	non base
6	F. Construction	non base	Base	Base	Base	Base	non base	Base	non base	non base	non base

GOLDEN RATIO
ISSN [Online]: 2776-6411

7	G. Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Base	non base	Base	non base	Base	Base	Base	non base	Base	Base
8	H. Transportation and Warehousing	non base	Base	non base	Base	non base	Base	non base	non base	Base	non base
9	I. Accommodation and Food Service Activities	non base	Base	non base	non base	Base	Base	non base	non base	non base	non base
10	J. Information and Communication	Base	Base	non base	non base	non base	non base	non base	non base	non base	non base
11	K. Financial and Insurance Activities	Base	Base	non base	non base	non base	non base	Base	non base	Base	Base
12	L. Real Estate Activities	Base	Base	Base	Base	Base	Base	non base	non base	non base	Base
13	M–N. Business Activities	Base	non base	non base	non base	Base	Base	Base	non base	non base	Base
14	O. Public Administration, Defence, and Compulsory Social Security	Base	Base	Base	Base	Base	Base	Base	non base	Base	Base
15	P. Education	Base	Base	Base	non base	Base	Base	Base	non base	non base	Base
16	Q. Human Health and Social Work Activities	Base	Base	Base	Base	non base	Base	non base	non base	non base	non base
17	R, S, T, U. Other Service Activities	Base	Base	non base	Base	Base	Base	non base	non base	non base	non base

Based on the results of the Location Quotient (LQ) analysis, there is a difference in the characteristics of the base sector between Lombok Island and Sumbawa Island. Lombok Island, especially Mataram City and West Lombok, is controlled by modern service sectors such as trade, accommodation, information and communication, finance, real estate, and company services. Apart from that, education, health, and government administrative services also play an important role, strengthening Lombok's position as a center of public services and modern services. However, in more rural regencies such as East, Central, and North Lombok, the agricultural sector remains the main base, reflecting a combination of agriculture and modern services on the island. On the other hand, Sumbawa Island is grounded more on the basic sector and basic services. Sumbawa cities/regencies are also mainly grounded on agriculture, trade, construction, and transport, along with education and health. This economic base is indicative of that Sumbawa's economic structure is still grounded on natural resources and basic economic activities, while high-level modern services such as finance, information, and communication have not yet materialized as the major s. This reflects a disparity with Lombok Island, which is economically more developed and modernized in the tertiary sector. In comparison, Lombok Island is a center for contemporary services, tourism, and creative industries with higher diversification of core sectors (8–10 base sectors per region). Sumbawa Island, on the other hand, has a relatively narrower base (around 5–7 sectors) led by agriculture, fisheries, and mining. Such a condition makes Lombok less vulnerable to external shocks, while Sumbawa is more vulnerable to international commodity price fluctuations as well as stagnant agricultural growth. While in development thrust, Lombok emphasizes the development of the modern service sector (finance, telecommunication, education, health),

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tourism, and linkage with agro-industry as support to exports and tourism requirements. Sumbawa has to emphasize agriculture, fisheries, agro-industrialization, upgrading construction infrastructure and connectivity, and diversification into nature- and culture-based tourism. This approach will introduce a balance between modern service cities and food-energy production centers at the provincial level. If this trajectory of growth is pursued consistently, the economic divide between Sumbawa and Lombok can be lessened. Lombok will remain the engine of modern service and tourism growth, while Sumbawa will increasingly establish itself as a food security and sustainable extractive industries hub. The complementarity between Sumbawa and Lombok will create a more inclusive, equitable, and sustainable NTB-wide economy.

V. Conclusion

This study analyzes regional economic disparities in West Nusa Tenggara (NTB) Province during the 2020–2024 period using a descriptive quantitative approach. The analysis is based on Gross Regional Domestic Product (GRDP) data at constant 2010 prices obtained from official statistical sources. To identify patterns of regional growth, sectoral structure, and comparative advantages across districts/cities, three complementary analytical tools were employed: (1) Klassen Typology to classify regions according to their relative growth rates and economic contributions, (2) Location Quotient (LQ) analysis to determine base and non-base sectors, and (3) sectoral GRDP analysis to examine the structural composition of the regional economy. The results show that NTB's economy remains predominantly driven by the primary sector, particularly agriculture, forestry, fisheries, and mining, which together account for nearly 40% of provincial GRDP. However, the tertiary sector has expanded steadily, especially in trade, construction, transportation, accommodation, education, and health services. This indicates an ongoing, although uneven, process of structural transformation toward a more diversified economy. The Klassen Typology analysis reveals significant interregional disparities between Lombok Island and Sumbawa Island. Districts and cities on Lombok Island—most notably Mataram City and West Lombok Regency—are categorized as regions with high growth and high contribution, supported by modern service sectors, tourism, and urban-based economic activities. In contrast, most regions on Sumbawa Island remain dependent on agriculture and mining, resulting in more volatile growth patterns due to sensitivity to commodity price fluctuations and extractive-sector cycles. These findings are further reinforced by the Location Quotient analysis, which shows that Lombok Island has a comparative advantage in tertiary and service-oriented sectors, including trade, transportation, accommodation, finance, education, and health. Meanwhile, Sumbawa Island's economic base is concentrated in primary and extractive sectors such as agriculture, fisheries, and mining.

This dual economic structure positions Lombok as the provincial growth center and Sumbawa as a supporting region for resource-based production, thereby sustaining regional development inequality. From a policy perspective, these results imply the need for differentiated regional development strategies. In Lombok Island, policy efforts should focus on strengthening service-sector productivity, promoting sustainable and diversified tourism, and encouraging higher value-added activities in trade and creative industries. In Sumbawa Island, development policies should prioritize economic diversification through agro-industry development, downstream processing of agricultural and marine products, and reducing dependence on extractive sectors by expanding manufacturing and service linkages. Improving infrastructure, access to education, and digital connectivity in Sumbawa is also crucial to narrow the development gap. Despite providing valuable insights, this study has several limitations that open avenues for future research. Future studies could incorporate longer time-series data to capture structural changes more comprehensively, apply spatial econometric or panel data methods to quantify the determinants of regional disparities, and integrate social indicators such as poverty, employment, and human capital to complement the economic analysis. In addition, examining interregional linkages and value-chain integration between Lombok and Sumbawa could offer deeper insights into how complementary economic synergies may be strengthened to achieve more balanced regional development in NTB.

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