

Exploring Potencial Investment In Pangkalpinang

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Abstract: Pangkalpinang city has abundant natural resource potential and has promising investment potential for investors. The Pangkalpinang city government supports investment through policies that are pro-business and ease of doing business. With the potential for abundant natural resources such as tin, as well as the marine, fisheries and tourism industries, it is hoped that they will be able to support the sustainable economic growth of Pangkalpinang city. This research aims to determine the leading sectors that have investment potential in Pangkalpinang city. This research was conducted in the city of Pangkalpinang. The data source in this research uses secondary data in the form of a time series from the Gross Regional Domestic Product (GRDP) of Pangkalpinang city for 2018-2022. The analytical tools used in this research are: 1). Location Quotient (LQ) analysis is used to determine the base and non-base sectors in the economy of Pangkalpinang city 2). Shift Share analysis is used to determine changes and shifts in the economic structure of Pangkalpinang city. The results of this research show that there are 4 non-based sectors and 13 basic sectors based on LQ analysis and based on shift share analysis, there are 11 industries that have excellent location advantages or grow faster than the same industry elsewhere. This makes the city of Pangkalpinang a city worthy of being an investment destination.

Keywords: Pangkalpinang city, investment, economic growth.

JEL: A1, E2, O4

1. INTRODUCTION

Investment is a fundamental activity in the economic field (Mas Rahmah & MH, 2020). Investment is the investment of assets or funds both by companies and individuals within a certain period of time in order to get higher returns in the future (Nuzula and Nurlailly, 2020). Investment plays an important role in driving a country's economic growth. Investment puts capital into various sectors of the economy, such as industry, agriculture, infrastructure, and services (Reniati et al., 2023). It creates jobs, increases production, and encourages innovation, thus strengthening the foundations of long-term economic growth (Patta Rapanna and Zulfikry Sukarno, 2017).

Investment has a positive relationship to national income (Kholis et al., 2016). Investment activities play an important role and provide various benefits and positive impacts on local and national economic development (Rosmayanti and Apriani, 2023).

Pangkalpinang city is the capital and center of government of Bangka Belitung Islands Province, Indonesia. Administratively, the city of Pangkalpinang was designated as the provincial capital of Bangka Belitung Islands on February 9, 2001. Pangkalpinang city has 7 sub-districts and 42 sub-districts (Fitriansyah, 2021). In running the wheels of regional development, the development process in Pangkalpinang city has been running and can be said to have been very good with the creation of a good business climate. Therefore, Pangkal Pinang city is one of the attractive cities for investors because it has various investment potentials and opportunities from various leading sectors such as the trade, processing and construction sectors which are illustrated through the diagram below: