ABSTRACT

Dynamics of manufacturing industries is a form of growth of manufacturing industry which followed by the factors causing the occurrence and movement patterns of growth dynamics industry that lasted for a long time. In the world of industry, manufacturing sector is the most high-level growth movement based on the percentage of Gross Domestic Product. This is cause lead for further research for the processing industry on the dynamics of growth that occurred during the last 11 years from 1999 until 2009. This research is important because by knowing the dynamics of growth that occurs, we can determine which areas are the base / center of the growth of manufacturing industry and what are the factors that influence the dynamics growth.

The use of Location Quotient method is to determine the centers of manufacturing growth, which will be very helpful because this method is considered much faster and easier but with a very precise results. Because of its simplicity, Location Quotient measurement can be calculated many times by using different reference variables and time periods. Data used to determine the dynamics of growth of this industry is Gross Domestic Product data districts in West Java and GDP manufactur districts in West Java.

From the calculation methods of GDP Location Quotient against GDP manufactur districts and processing industries, the result are LQ index showing that became centers of growth of manufacturing industry in West Java. The area which became the center of manufacturing growth are Area of Bekasi, Cimahi, Bandung area, Bogor, Bekasi, Purwakarta area, and Karawang area. While the rest is an area that has a LQ of less than 1 commodity production, which means that the area has not been sufficient self commodity for sustain consumption in the regions. Location Quotient method should also used as a reference for the government or the private sector that will invest in manufactur, especially in West Java province because it can be seen which areas are suitable to start the processing industry.

Keywords: Manufacturing industry, GDP, Location Quotient.