

## ABSTRACT

Caruban city, which has already been prepared by Madiun regency's government to become new capital regency. It is obviously pioneered by making detail urban plan (*Rencana Umum Tata Ruang Kota*) and master urban plan (*Rencana Detil Tata Ruang Kota*) of Caruban city. Recently, have already been established new governmental buildings such as, council building, some institutional buildings and other city facilities including central bus station, regional water company, and central city market. By analyzing the supporting factors of Caruban city development, and by analyzing physical aspects, social, and economy in the process of determination Caruban city becoming capital regency, so the goal of this thesis is to observe the ability of Caruban city become the capital regency from the physical, social, and economic aspects point of view.

This research was conducted by qualitative method with explorative descriptive study approach, used secondary data gained from instantional and references study, also the primary data by doing interview in the field. This research gave description about the development of Caruban city in this few recent years from regional physical aspects, social civil activities and societies economics productivity of Caruban city.

This research found that Caruban city's residents' number development in these recent years, which lead to city forming. In 1998 Caruban city residents was 38,652 people. According to statistics bureau in 1971, the category of small city was only populated by 20,000-50,000 people, had at least ten facilities, they are market, theatre, auction house, hospital, junior high school, electricity, telephone, government offices, recreational park, and sport facilities in social aspect point of view. From physical aspect, the land function of Caruban city has shifted from primary function to secondary and tertiary function such as for trade and service. In central city also can be seen land function has been shifted to housing for urban people who starts to stay in ex- primary activity land. In economics aspect, Caruban city economic activity was not only primary economic activity, but also become secondary even tertiary. This kind of regional characteristic exchange was city economic characteristic. By observing social aspect, physical aspect, and economics aspect, can be concluded that Caruban city is decent to be a candidate of capital regency because it has fulfill 18 indicators from total 23 indicators.