

**COMPARATIVE ADVANTAGES OF INDONESIAN AGRICULTURAL
EXPORT COMMODITIES IN ASEAN MARKET 2007-2016**

UNDERGRADUATE THESIS

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DEDICATION PAGE

Alhamdulillahirobbil' alamin,

My highest gratitude to Allah SWT who has given me the blessings and grace hence I reach this stage, the final stage of my university life. Sholawat and salam are always bestowed to the Prophet Muhammad SAW.

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ABSTRACT

Improving Indonesian agricultural commodities comparativeness means deliberately choosing a superior agricultural product from Indonesia in the competitive global market. The objective of this study is to analyze comparative advantages of Indonesian agricultural export commodities in ASEAN market 2007-2016 using Revealed Comparative Advantage (RCA) which was measured with revealed comparative advantage of Balassa's index. The results showed that palm oil was revealed in Class D of RCA index with highest comparative advantage. In class B of RCA index which have weak comparative advantage there were coconut oil and crude rubber. In class A of RCA index which does not have a revealed comparative advantage there were rice, banana, pineapple, mangoes, sugar and honey, soybeans, tobacco, cake of coconuts, and coffee. In order to sustain the competitive position in ASEAN market, Indonesia must optimize and adopt strategic approach in superior agricultural commodities.

Keywords: *Agricultural Export Commodities, ASEAN Market, Comparativeness, Revealed Comparative Advantage*

PREFACE

Alhamdulillahirobbil ‘Alamin hamdan katsiron thoyyiban mubarokan fi, kama yuhibbuna wayardo. All praise belongs to Allah, to whom belongs whatever is in the heavens and whatever is in the earth, and to him belongs praise in hereafter. And he is the wise, the acquainted. Praise belongs to Allah, who has guided us to this. Never could we have found guidance, had it not been for the guidance of Allah. Peace and Blessing be upon Muhammad shallallahu ‘alaihiwasallam.

I do hope that this paper will serve as a useful source and provide valuable reference material for researchers and policymakers associated with and interested in agricultural export commodities strategy in Indonesia.

Finally, I would like to thank everyone who involved in finishing this undergraduate thesis. This undergraduate thesis is far from perfection, but it is expected to be useful not only for the researcher but also the reader. For this reason, constructive thoughtful suggestion and critics are welcomed.

Yogyakarta, July 24th, 2019

Researcher

LIST OF CONTENTS

COVER	iii
APPROVAL PAGE	Error! Bookmark not defined.
STATEMENT OF AUTHORSHIP	iv
DEDICATION PAGE.....	v
ABSTRACT.....	vii
PREFACE	viii
LIST OF CONTENTS	ix
LIST OF TABLES	xi
LIST OF FIGURES	xii
I. INTRODUCTION	Error! Bookmark not defined.
A. Background	Error! Bookmark not defined.
B. Objectives.....	Error! Bookmark not defined.
C. Contribution	Error! Bookmark not defined.
II. LITERATURE REVIEW	Error! Bookmark not defined.
A. Agricultural Sector Policy in Indonesia	Error! Bookmark not defined.
B. State-owned Enterprises in Indonesia	Error! Bookmark not defined.
C. Agricultural Commodities in Indonesia	Error! Bookmark not defined.
D. Comparative Advantage Theories.....	Error! Bookmark not defined.
E. Results of the Previous Research	Error! Bookmark not defined.
F. Framework	Error! Bookmark not defined.
III. METHODOLOGY	Error! Bookmark not defined.
A. Sampling Technique	Error! Bookmark not defined.
B. Types and Source of Data	Error! Bookmark not defined.
C. Assumption	Error! Bookmark not defined.
D. Operational Definition and Variable Measurement	Error! Bookmark not defined.
E. Analysis.....	Error! Bookmark not defined.
IV. INDONESIA ECONOMY AND TRADE DEVELOPMENT	Error! Bookmark not defined.
A. Indonesia's Policies Against ASEAN Free Trade	Error! Bookmark not defined.

B. Agricultural Commodities Policy in Terms of International Trade...	Error!
Bookmark not defined.	
V. FINDINGS AND DISCUSSION.....	Error! Bookmark not defined.
A. Findings.....	Error! Bookmark not defined.
B. Discussion	Error! Bookmark not defined.
VI. CONCLUSION AND RECOMMENDATION.....	Error! Bookmark not defined.
defined.	
REFERENCES.....	Error! Bookmark not defined.
APPENDIX.....	Error! Bookmark not defined.

LIST OF TABLES

1. Agriculture Land and Land Use of ASEAN Countries in 2014..... **Error! Bookmark not defined.**
2. GDP ASEAN Countries at Current Price, 2016 (in Millions of USD)..... **Error! Bookmark not defined.**
3. Export Share and Import Share of Agricultural Sector in ASEAN **Error! Bookmark not defined.**
4. Plantation State-owned Enterprise of Indonesia **Error! Bookmark not defined.**
5. Indonesian Exports and Import to ASEAN in 2016 (in million US) **Error! Bookmark not defined.**
6. The ASEAN Selected Agricultural Commodities and the HS Code **Error! Bookmark not defined.**
7. The Classification of RCA Index Values.....**Error! Bookmark not defined.**
8. Indonesian Agricultural Export Commodities to ASEAN 2007-2016 **Error! Bookmark not defined.**

LIST OF FIGURES

1. RCA Value of Rice **Error! Bookmark not defined.**
2. RCA Value of Fresh Banana..... **Error! Bookmark not defined.**
3. RCA Value of Pineapple Production Excluding Fresh ...**Error! Bookmark not defined.**
4. RCA of Mangoes, Guava, and Mangosteen..... **Error! Bookmark not defined.**
5. RCA Value of Palm Oil **Error! Bookmark not defined.**
6. RCA Value of Coconut Oil **Error! Bookmark not defined.**
7. RCA Value of Cake of Coconuts **Error! Bookmark not defined.**
8. RCA Value of Soybeans **Error! Bookmark not defined.**
9. RCA Value of Sugar and Honey **Error! Bookmark not defined.**
10. RCA Value of Coffee..... **Error! Bookmark not defined.**
11. RCA Value of Tobacco **Error! Bookmark not defined.**
12. RCA Value of Crude Rubber **Error! Bookmark not defined.**