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