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

UNDERGRADUATE THESIS

Submitted as a Partial Fulfillment of the Requirement for the Attainment of the Bachelor’s Degree in Department of Agribusiness Faculty of Agriculture Universitas Muhammadiyah Yogyakarta

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DEDICATION PAGE

Alhamdulillahi robbil’alamin,

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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

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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
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