

THE CONTRIBUTION OF RUBBER COMMODITY TOWARD INDONESIAN EXPORT AND INDONESIAN RUBBER EXPORT PROSPECT

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ABSTRACT

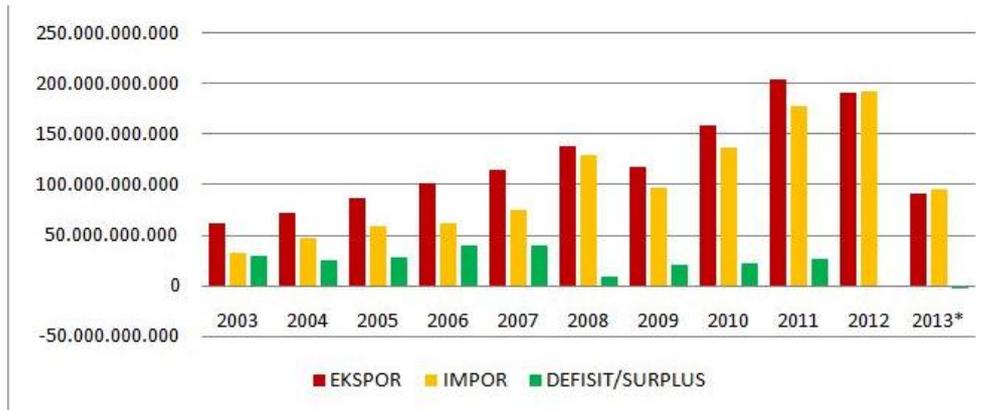
Rubber is one of the main commodities seeded Indonesian exports. Which Indonesia is a rubber-producing countries in the world after Thailand. Indonesian rubber plantation can produce throughout the year in almost all regions in Indonesia. Indonesia recorded in 2007 generating 2.55 million tons only disagree slightly with Thailand which produces 2.97 million tons. It shows that Indonesia is the world's second largest exporter in the non-oil sector, particularly natural rubber. Largest market share of Indonesia's natural rubber is America and China. Two of the country became the largest market share of Indonesia's natural rubber exports because of the country's industrial raw material rubber. Seeing the opportunity for export rubber is promising to increase foreign exchange. Recorded in 2005 rubber capable of generating foreign exchange up to U.S. \$ 2.5 billion then increased in 2006 to U.S. \$ 3.77 billion. Indonesia contribution of natural rubber in Indonesia's exports become so important because the rubber is one of the commodities that generate income continues to increase each year. In 2005-2007 foreign exchange earnings soared on rubber exports reached U.S. \$ 4.36 billion. From these data the prospect is able to contribute to repair rubber Indonesia's trade balance deficit in the last 2 years. In addition to contributing to Indonesia's exports, commodities also make a significant contribution as a source of foreign exchange and the driver of non-oil economic centers of rubber plantations in Indonesia. The increasing world demand for rubber, resulting in the increase in world rubber prices. While the world rubber production is not proportional to the consumption of the public will be rubber, as well as the problems that occur in rubber producing countries which inhibit the production of rubber in the country can provide opportunities for Indonesia to export rubber.

Keywords: Export, Rubber Plant, Trade Balance, Foreign Exchange

INTRODUCTION.

The main role of food crops subsector is the fulfillment of basic needs of the population of Indonesia. Based on data from the Central Bureau of Statistics, most of the food crop commodity consumption in indonesia must be imported, as a result of food products Indonesia's trade balance is always in deficit. The following graph shows the trade balance of Indonesia in 2003-2013.

Graphic 1
Indonesia Financial Account 2003-2013
 Source: Central Statistic of Bureau



Based on the chart 1 above, Indonesia's trade balance had a surplus from the year 2003 to 2011 where the number of exports is greater than the sum of imports even in 2011 exports of Indonesia experienced a significant increase compared to 2010. While in 2009 there was a decline in exports from 2008. Meanwhile, Indonesia's trade balance was deficit in 2012-2013 were caused by larger imports than in exports. This is could be happen due to the needs of a number of commodities are still high which is not supported in the domestic production capacity. To overcome the trade deficit can be done by increasing the export of Indonesia. Here are the main export commodities Indonesia: Textile and textile products, Electronics, Rubber and rubber products, palm and palm products, shrimp, cacao, Coffee, Tea, forest products and Automotive Products.

For plantation subsector, natural rubber is a strategic commodity in the past negara. Pada bring in foreign exchange Indonesia is known as a producer and exporter of natural rubber in the world this dunia. hal characterized by Indonesian rubber plantation area of 3.4 million hectares compared to Thailand which only has a land area of 2.6 million hectares. But current conditions, shows that Thailand is becoming the largest producer of natural rubber in the world even though the area of rubber plantation area of Thailand is still inferior to Indonesia. This situation is caused by the rubber production by farmers with very simple technology, the lack of effort - effort rejuvenation, on the other hand the public and the government stuck in efforts to increase the production of palm oil in which the profits are higher than

rubber. With rubber as the largest export commodities should be supported with better rubber production.

**Table 1 Plants extensive rubber plantations in Indonesia for 2006-2010
(In Thousand Ha)**

Tahun	Luas Lahan
2006	513,2
2007	514,0
2008	515,8
2009	482,7
2010	496,7

Sumber: Badan Pusat Statistik (BPS)

Table 1 shows that the vast plantations of rubber in Indonesia in 2006 to 2007 has increased. Where in 2006 the plant area of rubber plantations in Indonesia amounted to 513.2 ha increase in 2007 amounted to 514.0 Ha. This is an increase until 2008 of 1.8 ha. Whereas in 2009 the total area of rubber plantation crop in Indonesia decreased by 33.1 ha. The declining in rubber plantation area in Indonesia because of the land conversion is carried out by farmers, such as land conversion rubber plantations into oil palm plantations, settlements and other on. In addition of Indonesia's natural rubber production has decreased as a result of the crisis global finance.

Indonesian rubber plantation area that is wide enough to make the production of rubber Indonesia is abundant. Thus fulfilling domestic consumption even excess production will be exported to meet the world's demand for rubber. With the increasing world demand for rubber, while the production of world rubber consumption is not comparable with the public so that a shortage of supply or minus on the fulfillment of this requirement. Based on the above can be formulated problem of how to contribute to the Indonesian export commodities rubber and how the prospect of Indonesian rubber exports.

The Concept of Export

Export constitutes the entire demand for the goods that we produce is the demand of foreigners on domestic goods and services (Maurice D Levi, 1996). Export is the process of transport of goods or services from one country to another.

This process is often used by companies with small to medium-scale businesses as the main strategy to compete at the national level. The person conducting export activities referred exporters. Continue through the activities of a country's exports will earn foreign (overseas payment instrument) is indispensable to finance the development process of the nation. Export activity also plays an important role in the Indonesian economy.

Balance Of Trade

The trade balance is a record that contains the value of goods exported or imported by a national export negara. This ctivity was creating rights in the form of receipts, payments or receivables, while imports of goods from abroad pose a liability to pay the debt out of the country or abroad. the trade balance is made so that a country can determine the development of international trade that a country's trade balance dilakukan.Keadaan there are three possibilities that surplus, deficit and balance. The trade called surplus if exports is greater than the impor. Conversely, it will called deficit if export more smaller than in imports. The trade balance is called balanced if the export value equal to the value of imports.

RESEARCH METHODS

The method used in this research is descriptive analytic method. Data shown includes plantation area in the country, domestic rubber production, the export value of rubber, rubber land area of Indonesia comparison with other countries, Indonesia map pesebaran crops, development of rubber demand in export destination countries, the international price of natural rubber, natural rubber consumption locally.

According to Sugiono, (2009: 15) the method of qualitative research is a research method that is based on the philosophy post positivism, used to examine the condition of natural objects (as an opponent is an experiment) where the research as a key instrument, sampling and data sources is done by purposive and snowball , data collection techniques done with triangulation (combined) data analysis is inductive, or qualitative, and the results of qualitative research more emphasis on the significance of the generalization.

RESULT AND DISCUSSION

Rubber Commodities Contribution toward Indonesian Economics

Rubber is a main commodity that is able to increase Indonesia's foreign exchange. Rubber export in the last 20 years has increased from 1.0 million tonnes in 1985, to 1.3 million tons in 1995 and 2.0 million tons in 2005 (Kompas, 2006). A number of locations in Indonesia have state land suitable for rubber plantations, which are mostly located in the region of Sumatra and Kalimantan.

With the rubber-producing areas in Indonesia are quite extensive. It can support Indonesia's rubber production is constantly increasing. Here is a table Indonesian rubber production from year 2005 to 2011.

Table 2 Indonesian Rubber Production From 2005 to 2011

Year	Production
2005	1838,7
2006	2082,6
2007	2176,7
2008	2148,7
2009	1918,0
2010	2193,4
2011	2359,8

Source: Central Statistic Bureau

Based on the table 2 above can be seen rubber production in Indonesia from 2005 to 2011 were fluctuated. Where in 2006 an increase of 243.9 from the previous year. But in 2009, Indonesian rubber production decreased by 230.7. In 2010, Indonesian rubber production increased by 275.4. This increase was larger than the decline that occurred in the year 2009 amounted to 230.7.

Table 3 The export of Rubber Commodities in 2006-2010 (USD Thousands)

Year	Amount
2006	5.372.019
2007	6.057.157
2008	7.463.973
2009	4.681.744
2010	9.239.750

Source: Indonesian Federal Reserves

World rubber production is not comparable with public consumption and a shortage of supply or minus on the fulfillment of the needs of the world's rubber. Lack of rubber products world one of them due to disruption of production of rubber in some countries such as Australia, heavy rains caused if the wind la nina which caused flooding in the country so as to disrupt the process of tapping rubber. Then the Association of Natural Rubber Producing Countries in Thailand estimate on winter rubber products decrease the rubber products by up to 50%. Based on these assumptions in Indonesia has a great opportunity to make sure the rubber supplying the product of Indonesia abroad.

Based on data from FAO (2012) there are 20 countries in the world's biggest rubber producer. However not all the rubber producing countries become exporters because of the amount of each countries depends on the amount of rubber in domestic demand. Until now the largest manufacturer occupied by Thailand, Indonesia and Malaysia. The trio is also the country's largest rubber exporter in the world.

That condition give an advantages toward indonesia. Because Indonesia only compete with Thailand and MalaysiaAND it will predicting that Indonesia will compete with Thailand only, because the Malaysian rubber production is expected to continue to decline as the Malaysian government's policy to divert some rubber plantations into oil palm plantations.

According to the IRSG data in 2007, the world's natural rubber production is likely to increase by 11.7% in 2001-2007. On the other hand, the world's natural rubber consumption increased by 24.93% over the period 2001-2007. This is shows that the increases in the world's natural rubber consumption is greater than the world production of natural rubber. The offering towards natural rubber occurred in the country's main consumer of natural rubber among them is China. High consumption of natural rubber in China to provide opportunities for the expansion of the natural rubber. Indonesia, which is one of the major manufacturers and the world's natural rubber exporting countries able to export large amounts of rubber.

To increase the production of rubber in need of rejuvenation and intensification of efforts to plant maintenance. Thus rejuvenation program into the rubber agribusiness development priorities in the short term. Rubber replanting

carried out on a rubber plantation that conditions that are not productive or old or damaged plants. In the implementation of crop planting rejuvenation sidelines (intercropping) and simultaneously utilize rubber wood can use the results terbangun. Peremajaan rubber-clon clon excel, to develop the downstream industry to increase value added, and increasing the income of farmers. Strategies at the level of on-farm required are: the use of superior clon with high productivity (2-3 tonnes / ha / year), accelerating the rejuvenation of old rubber, rubber difesivikasi farming with food crops as crops and livestock sidelines.

US fiscal cliff policies will affect the Indonesian rubber exports to the United States. In the short term, the fiscal cliff would cause a contraction in the body of the United States economy (US). Impact on private consumption and investment will be reduced. Domestic US domestic economic slowdown will directly reduce the demand for Indonesian exports komoditi, one rubber which has the largest contribution. Where the rubber contributes most of the total exports to the US. To cope with the slowdown, Indonesia should be able to look for new alternative export destinations rubber. Alternative rubber export destinations are China and India.

CONCLUSION

Rubber is export commodity that is able to contribute in the effort to increase Indonesia's foreign exchange. With an area of land large enough to be able to produce the rubber meets the rubber consumption in the country and the world rubber demand. The increasing production of rubber Indonesia into Indonesia rubber export value increases Abroad that can directly increase Indonesia's trade balance over the past two years which have suffered deficit. Besarnya rubber consumption in developed countries are oriented in the industry sector, it opens an opportunity for Indonesia to increase exports of rubber to the outside negeri. Selain the factors that inhibit the production of rubber in Indonesia competitor countries, become profit-making for Indonesian rubber exports to increase the amount of exports.

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