

CHAPTER VI

CONCLUSION AND RECOMMENDATION

6.1 Conclusion

Based on empirical results research discussion from the previous chapter, the main objective of this research is to examine the impact of Export of Indonesia Cocoa Beans to United States 2005Q1 – 2014Q4. In this paper, the author used Ordinary Least Square (OLS) model to empirically test the impact of Export of Indonesia Cocoa Beans to United States. From the analysis of data the conclusions are as follows:

1. Production of cocoa beans has a positive and significant correlation on the volume exports of Indonesia's cocoa beans to US, because the increasing production, then the volume supply for export will be greater.
2. The export price of Indonesia cocoa beans has a negative and significant correlation on the volume exports of Indonesia's cocoa beans to US, because the higher the export price of Indonesia cocoa beans to US, then the number of Indonesian cocoa exports will be even decrease.
3. The price of Ivory Coast cocoa beans has a positive and significant correlation on the volume exports of Indonesia's cocoa beans, because the increasing price of Ivory Coast cocoa beans, then the volume supply for export will be greater.

4. GDP of United States has a negative and significant correlation on the export of Indonesia's cocoa beans, because the increase in GDP of United States it will cause decreasing on export of Indonesian cocoa beans to US (*ceteris paribus*).
5. Rupiah exchange rate on the dollar variable statistically positive effect but not significantly (*ceteris paribus*) on the export of Indonesia cocoa beans. It means that depreciation of the rupiah on the US dollar will result in an increase in the volume of demand for Indonesian cocoa exports by the United States.

6.2 Recommendation

Increased exports of cocoa beans not only be done by increasing the quantity but also needed to be done to improve the quality. It means that the producers do suffer losses due to cut prices for low quality of the cocoa in market policies.

Additionally, the quality of cocoa beans that needs to be considered, in order to avoid shipping the product back to Indonesia so that cocoa exports to be in vain. Quality control of cocoa beans is preferred for smallholders, since most of the production resulting from smallholders.

1. From the result of this study, production quantity has positive significant for export of Indonesia cocoa beans to United States,so the government should be more increase the quantity of Indonesia cocoa beans and shoul be implement policies for discipline in setting standards of quality cocoa beans that remain to be exported in

international market and also government give more socialization to farmers to do cocoa fermentation.

2. The farmers also must realize that fermentation is importance.

Quality improvement can be achieved by improve the technology so that the cocoa beans to be expected can have a quality standards good fermentation. In addition, the government should also implement policies for discipline in setting standards of quality cocoa beans that remain to be exported. So that Indonesia exports of cocoa beans will be increasingly in the international market.

The need for the development of cocoa plantation expansion (agro-climate regions) that correspond to the climate and weather conditions required by the cocoa plant. This is done by making use of unused land is still productive to increase production in the long run. If production is produced in accordance with the wishes of the international market cocoa beans commodity will be able to expand the market and compete with the Ivory Coast and Ghana.

