

CHAPTER VI

CLOSING

6.1 Conclusion

Based on the empirical results of study and discussion from the previous chapter. In this study, the writer used Error Correction Model (ECM) model empirically test has impact of Coffee Production Indonesian, Coffee Consumption of Domestic, International Coffee price and Gross Domestic Bruto of Japan toward Volume Coffee Export Indonesia to Japan. From the analysis of data that has been conducted, it is obtained the following conclusions and recommendations.

The result of hypothesis testing can explain as follow:

1. Coffee Production of Indonesian (CPI) has a significant impact negative relationship on Volume Coffee Export Indonesia to Japan (VECIJ) in short run and long run. It shows the increase of CPI will decrease the total of VECIJ.
2. Coffee Consumption of Domestic (CCD) has not significant influence on Volume Coffee Export Indonesia to Japan (VECIJ) in short run. But, in the long run CCD has a negative relationship and significant impact to VECIJ. It shows that increase in CCD will decrease the total of VECIJ.
3. International Coffee Price (ICP) has a not significant impact on Volume Coffee Export Indonesia to Japan (VECIJ) in the long run and short run. It shows that increase in ICP will decrease the total of VECIJ.

4. Gross Domestic Bruto of Japan (GDPJ) has a not insignificant impact on Volume Coffee Export Indonesia to Japan (VECIJ) in short run. But, in the long run GDP has a positive and significant impact on total volume export coffee. It shows that increase in GDPJ will increase the total of VECIJ.

6.2 Recommendations

Based on the research, it can be given Recommendations as follows:

1. To improve and increase coffee production, the government need an effort to form of the movement national. In addition, it is expect the existence of local coffee agribusiness for development strategy in Indonesia that can be done include increased production of local coffee, either to the quality as well as quantity so that Indonesia could excell coffee commodities on the market International.
2. The need to improve coffee processing industry with a wide range of Industries such as product diversification instant coffee, ground coffee Industry, the industry coffee mix & herbal is an effort to promote domestic and international coffee consumption.
3. Exporters should take advantage of the existence of a positive relationship with GDP of Japan. When is an increase, the exporters should be responsive and improve the quality of export increases to coffee global competition.

