

ABSTRACT

Shrimp is the main commodity for Indonesian fisheries exports. This commodity accounts for 20% of total volume and 40% of total value of Indonesian fishery exports. However, according to data released by the Ministry of Maritime Affairs and Fisheries (KKP) and UN Comtrade, the ratio of export volume to production and Indonesian shrimp exports' contribution to the global trade market remains relatively low. This shows that Indonesian shrimp production have not been optimally absorbed and indicates the existence of trade barriers in the flow of Indonesian shrimp export trade.

This study aims to estimate how factors such as GDP, economic distance, population size, and exchange rates can affect the trade flows of Indonesian shrimp exports trade to major export destination countries using the Gravity Model approach. The analytical method used is panel data regression with the Random Effect Model (REM) approach.

The research results show that importer GDP has a positive and significant effect on bilateral trade flows of Indonesian shrimp exports, whereas Indonesia's GDP and importer population have a negative significant effect. Apart from that, population growth in Indonesia is positively related to the flow of Indonesian shrimp export, but the exchange rates and economic distance factors have the opposite effect and do not indicate a significant relationship. The data used are the eight largest destination countries for shrimp exports, namely the United States, Japan, China, England, the Netherlands, Malaysia and South Korea with the year 2010-2021 research period.

Keywords: Export, Gravity Model, International Economics, Trade Flow

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