ABSTRACT

This research aims to analyze the condition of traditional batik industry in Tegal city. Structure – Conduct – Performance approach is used to analyze the phenomenon on traditional batik industry. Effect of structure industry to enterpriser conduct and to analyze relation of structure, conduct and performance on traditional batik industry in Tegal city with 35 enterpriser as sampel.

Using primery data from interview and quesioner on enterpriser traditional batik in Tegal city, research is analyzed by regression.. The independent variables that include on this research are : Market Share (MS) as the measurement of structure, Capital Labour Ratio (CLR) as the measurement of conduct, and x-efficiency as the measurement of performance. The dependent variable is Price-Cost Margin (PCM) as the proxy of profitability.

The result of this research shows that Market Share (MS) and Capital Labour Ratio (CLR) variables are positive and not significant to price-cost margin variablle. X-effeciency variable are positive and significant to price-cost margin. traditional batik industry is labour intensive industry. From the analysis its concluded that market structure is on the monopolistic competition. It is because there are many producers on the industry, low entry to barrier, there are heterogeneity on the product, and low market share.

Keywords : Strukture-Conduct-Performance paradigm, Market Share (MS), Capital to Labour Ratio (CLR), Price Cost Margin (PCM), x – efficiency, monopolistic competition.