

ABSTRACT

The focus of this research is the effect of changes in Indonesia's CPO exports on employment opportunities in Indonesia. The research objective is answered by using the ECM which shocks the Indonesian Input-Output 2010 table.

Indonesia's oil palm plantations are the largest in the world. This places Indonesia as a CPO exporting country. Indonesia's CPO exports take advantage of world market prices and world income growth. Indonesia's position as the largest supplier of CPO in the world does not play a big role in determining prices on the world market. The global CPO market still refers to the Rotterdam physical market, the Malaisian Derivative Exchange (MDEX) market in Kuala Lumpur as the international CPO market price and market price speculation. World income growth has also played a role in changing Indonesia's CPO exports. Furthermore, the demand for labor is a derivative of the demand for goods / services.

The results showed that the CPO price variable in the market had a negative effect and growth had a positive effect on CPO exports, both in the long and short term. Change in employment opportunities increase in CPO price increase by 0.3% is -12,340 people. The change in job opportunities due to changes in world income growth of 2.2% is 19,523 people.

Keywords: CPO, price, world income, employment opportunities, Input-Output Table