

# ANALYSIS OF TRADE LIBERALIZATION BETWEEN INDONESIA AND TURKEY

### **THESIS**

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FACULTY OF ECONOMICS
MASTER OF PLANNING AND PUBLIC POLICY
JAKARTA
JULY 2010



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### **THESIS**

Submitted in partial fulfilment of the requirement for the Degree of Master of Economics

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Jakarta, July 2010

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#### ABSTRACT

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This study is aimed to investigate the impact of bilateral trade liberalization between Indonesia and Turkey. This study is using the General Trade Analysis Project model and simulating the tariff reduction scheme which was considered as barriers to trade. In addition, to formulate "a product that has a good indicator" that involved in the trade liberalization, this study uses index calculations as an indication that the product has the potential to be enhance. Some findings as followings: the trade liberalization between Indonesia and Turkey has a significant and positive impact for Indonesia especially of the trade balance, increasing of welfare, and employment changes. It seem that the bilateral trade liberalization between Indonesia and Turkey will give higher benefit to Indonesian economy compared to Turkey.

Keyword: Bilateral Trade, Indonesia and Turkey, Liberalization, GTAP

#### **ABSTRAK**

Name : Tri Kurnia Septiawan

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Title : Analisa Liberalisasi Perdagangan antara Indonesia and Turkey

Studi ini bertujuan untuk mengetahui dampak dari liberalisasi perdagangan antara Indonesia dan Turkey.Studi ini menggunakan Model General Trade Analysis Project (GTAP) dan melakukan simulasi skema penurunan tariff yang dinilai sebagai hambatannya. Selain itu, untuk memformulasikan "produk yang memiliki indikator yang baik" yang terkait dalam liberalisasi perdagangan tersebut, studi ini menggunakan perhitungan index sebagai indikasi bahwa produk tersebut mempunyai potensi untuk ditingkatkan. Beberapa tujuan menunjukan bahwa liberalisasi perdagangan Indonesia dan Turki memiliki dampak positif dan signifikan buat Indonesia. Khususnya neraca perdagangan Indonesia, peningkatkan kesejahteraan, peningkatan tenaga kerja. Nampaknya liberalisasi perdagangan bilateral antara Indonesia dan Turkey akan memberikan keuntungan yang lebih besar kepada indonesia dibandingkan dengan Turkey.

Kata Kunci: Bilateral Trade, Indonesia and Turkey, Liberalization, GTAP

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