

## THE INFLUENCE OF EXPORT AND IMPORT ACTIVITIES ON ECONOMIC SUPPORT IN THE ACEH REGION



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### ABSTRACT

The progress of a country, based on increased economic growth, was calculated from added total production to the service and commodity for economic activity. It increased the income per capita in the population of the region. The financial system would report with specificity goods production also services. Then, it occurred wherein a more extensive market production accommodation exists market conducts the trade international system. The research aimed to determine the activity exports are also importing to support the Aceh area's economy. A study used the method of quantitative. Furthermore, results showed an increase in foreign trade to the trade balance, indicating the commodity for foreign economics. Based on the analysis using the Eviews-12 method, exports, and imports affected the economic growth in Aceh. The total volume of imports increased from 20,489,210 kg to 20,281,743 kg from January to December 2016, but there was an increase in the CIF value from 2,184,788 US\$ to 9,034,788 US\$, that the volume of imports of economic goods in 2019 from January was 14,244,916 kg, with an export value of 2,438,041 US\$. Furthermore, it was positively controlled for export. The total imports of Aceh Province were found the fluctuations that occurred in 2016, 2019, and 2022. The highest amount of substances in 2016 was 7,612,298, and the lowest in 2022 was 8,192,390. The trade balance of Aceh Province showed a positive value, then the foreign trade of the economic commodity was dominated for export activities. Although in three long-term decades, exports have been reported to have a positive growing financial effect, whereas the activity of import and role to lowest roles growing economy. Then, in a short time, other export has less impact on economic growth than imports. Furthermore, the economic growth would be finished to increase the imports and commodities or materials exports to industrial needs.

**Keywords:** Aceh; economic; export; import; three decades.

### INTRODUCTION

The economic development of a country's system is part of the global financial situation. Economic activity among nations was necessary to develop of influence other countries. The problem was not contended to determine factors of country competition among the benefits to increasing the economy in the world. An advantage of opening the economy world state was balanced payment values (Arifah et al., 2022). The other case for sold and bought systems were described as transactions in the exporting. The export-import transactions were products among entrepreneurs that remain in many countries. Then, better sell manufacture from the country outside the currency at Republic from Indonesia, it was sold to the reported from General Directorate Excise Customs, Finance of Ministry. At the same time, importing or buying to foreign in circulation purchase Republic Indonesia would be written from the Directorate General of Customs and Excise Finance (Nugroho et al., 2021).

The commodity and services were used to meet people's needs, and raw materials for production were imported from other countries. Recently, economic activity attends increased economic growth. International trade is one of the main factors for increasing GDP. A government to conducts international business for two reasons. The first reason is that the countries traded because



every country was different. The Nations, as well as individuals, it was benefited from their differences through arrangements in which each side to relatively. Then the second reason was to achieve the economic scale in production. Wherein each country produces a certain number of goods, they could make most goods on a larger scale, and these countries try to have entire kinds of goods. A country's balance of payments was reported as a surplus to investment trade matter funds obligation of the compare. Furthermore, a state was slowly imported the higher in exported and advanced state payments balance when a deficit surplus in the country can affect economic growth (Rahman, 2011).

The advantage of exports to the marketplace was that the country increased foreign and employment to exchange. The exports were interpreted as sales and shipments of commodities from within a country to abroad. Then, the economy grew for practices variable to factors in production many years to better than in previous years (Sugiyarto et al., 2003). The most significant number of exports through ports outside Aceh Province, such as North Sumatra Province, amounted to 43.57% of the total exports in 2020. However, the remaining 1.49% is through the Provinces of DKI Jakarta, East Java, Bali, and Riau. Based on the information and data, the benefit of this result was the economic describe situation of exporting. A development states that in the long term, the amount of activity imported does not significantly grow the economy, while the amount of rupiah from exporting exchange is positive significant economic activity. Although, the exchange rate was insignificant (Djalo et al., 2022). On the other hand, there was a considerable influence for exchange value export also import to variables for a growing economy. However, economic growth is influenced by the variable import of capital goods in the short term.

The trade increased a country's consumption capacity and assisted various business development issues. That was advanced sectors affect comparative because of factors efficiency to production. It was reported that the number of activities to imports of the Province of Aceh in 2015 increased compared to 2014. Another study stated that in 2020, reported exports were 300,412,290 US\$, wherein exports were 25,676,341 US\$; in 2018, exports value was 350,735,059 among imports reported of 29,790,002. There was a difference between theory and reality in the field. Therefore researchers attempt to research the roles of exports or imports in the growth of economic Aceh value (Klitzsc et al., 2014). The research aims to qualify the effect of export value imports to grow the economic Aceh region in three decades. The results from my article were beneficial as input for a government in making policies related to import activity and import economic Aceh area in three decades. Then, this research was used as reference material for subsequent researchers who conducted similar research.

## **MATERIALS AND METHODS**

This research used a quantitative theory approach (Quick and Hall, 2015). The data collection was analyzed to obtain scientific information and determine the effect of activity exports and imports on the economic Aceh region's growth. Then, the data sources used primary and secondary data. The secondary data to annual quantitative numbers from three decades, 2016; 2019; 2022, published by the Central Bureau of Statistics (CBS). However, the secondary data was obtained based on reports issued by government agencies after being presented in various forms of research reports, journals, and publications from data institutions, including archive data in export and import. The study method follows the positivist philosophy, aimed mainly at the population. The sampling technique was generally randomized to data collected using research instruments. The data analysis was a quantitative test of predetermined hypotheses. The philosophy of positivism determines that facts or events are folded, relatively fixed, concrete, observable, and measurable, and the relationship between symptoms to causal. The secondary data was not directly provided to collect and was obtained from BPS 2022, Aceh Province. Data analysis techniques were used as quantitative methods. The quantitative approach was carried out using the analysis model data with the formula ( $PE_t = a + \beta_1 EXPORT + \beta_2 IMPORT + et$ ), Eviews 12 application with the ADF (Augmented Dickey-Fuller) method model analyzed.

## **RESULTS AND DISCUSSION**

### **a. The export-import processed**

Economic activity was a proposition for many decades, in this case, similar to the human quantitative resources, natural resources for turning the results into income for the population. The economic activity was continuous. For the additional production of the goods or services infrastructure development, it was increased output from the economic activities. The export-import is an international standard business activity that significantly improves the economic growth of a country or

region, whereas Indonesia country. In this case, the economic conditions of a country significantly affect international business activities, meaning the possibility of import and export. A better financial condition positively impacted the global scale of business activities (Elfira et al., 2022). The export was the activity of selling or sending the commodity from the customs area to outside the practices area due to a request for sure by buyers in the country. That provided the exporter and importer have agreed on the sale terms. Then, import is completing foreign goods or services from a country to be imported. These commodities were imported the goods, if they arrived at the Indonesian customs area, both legally and illegally.

b. The commodity development in three decades

The economy's growth was an indicator to progress in a region or area. That was interpreted as an effort to change the state of the economy continuously to produce additional amounts of production from the economic activities. Wherein that later became income for the community. Economic activity is a country's increased rate of providing economic goods or services for its population. The establishment of export and imports in the Aceh region was described as export and import developments that fluctuated in the three years of 2016-2019-2020. Although, the economic commodity mainly contributed to the economy of Province Aceh better. Wherein development export from the system goods consisted of the capital goods, the raw or auxiliary materials, and consumer goods exported to the province of Aceh. These commodities were quite crucial to people's needs. Table 1 describes that the export volume of economic interests in 2016, from January, was 62,907,871 kg with an export value of 5,211,075 US\$, compared to the export volume in December of 59,592,404 kg with an export value of 9,294,487 US\$. Thus, from January to December, there was a decrease in total export volume from 62,907,871 kg to 59,592,404 kg, with an increase in the FOB value from 5,211,075 US\$ to 9,294,487 US\$.

Table 1. The development of export and import value in 2016

Year	Export		Import	
	Volume (Kg)	Volume (Kg)	Value of CIF (USD)	Value of FOB (USD)
2016	315,445,062	121,872,735	28,994,572	56,069,045
January	62,907,871	20,489,210	2,184,788	5,211,075
February	36,331,700	1,159,203	603,189	18,187,466
March	1,225,698	20,387,318	1,566,001	2,366,928
April	8,278,405	2,910,139	1,779,627	3,106,963
May	696,959	9,774,505	7,612,298	1,009,867
June	1,014,146	10,821,857	876,038	772,665
July	4,467,067	8,307,331	389,495	2,306,150
August	5,101,794	12,036,309	1,777,507	1,939,016
September	3,240,246	11,010,463	1,327,451	1,005,490
October	15,439,719	3,539,451	970,909	3,266,866
November	117,149,054	1,155,206	872,481	7,602,071
December	59,592,404	20,281,743	9,034,788	9,294,487

The import activity was defined as a system activity commodity and service to a country (overseas) for a custom territory of another country. Then, the people from Aceh Province needed the export activities to the economic goods, but the imports from other countries were carried out (Elfira et al., 2022). Results showed that the import volume of financial interests in 2016 in January was 20,489,210 kg with an export value of 2,184,788 US\$, compared to the import volume in December of 20,281,743 kg with an import value of 9,034,788 US\$. Although there was a decrease in the total volume of imports from 20,489,210 kg to 20,281,743 kg from January to December, it was an increase in the CIF value from 2,184,788 US\$ to 9,034,788 US\$. Moreover, the export volume in 2016 showed fluctuated. Thus the export volume increased in January. Then, it decreased in December. However, the increase in FOB value caused the world economic conditions, the condition of the rupiah exchange rate, and the government policies related to the export of economic goods.

On the other hand, Table 2 describes how the volume of imports in 2016 experienced fluctuations in the importance of implications, increasing in January but decreasing in December. However, it was an increase in FOB value. The world economic conditions describe the condition of the rupiah exchange rate to the government policies related to imports of economic goods. It was shown that the volume of exports to economic interests for Aceh Province in 2019 was 522,871,050

kg, with an export value of 20,366,380 US\$ in January. It was especially compared to the export volume in December of 636,354,705 kg with an export value of 28,037,807 US\$. Thus, from January to December, there was an increase in export volume from 522,871,050 kg to 636,354,705 kg. Then, the FOB value also increased from US\$ 20,366,380 to US\$ 28,037,807.

Table 2. The export and import value in 2019.

Year	Export		Import	
	Volume (Kg)	Volume (Kg)	Value of CIF (USD)	Value of FOB (USD)
2019	7,637,452,691	102,752,888	131,223,716	317,684,911
January	522,871,050	14,244,916	2,438,041	20,366,380
February	693,431,327	722,532	884,922	23,121,958
March	772,709,021	8,804,444	248,170	31,699,185
April	453,022,334	3,202,111	2,016,175	23,603,434
May	767,020,502	12,798,294	2,451,826	41,772,482
June	526,820,884	5,378,409	38,405,959	22,387,640
July	624,839,962	12,593,348	74,842,388	26,699,941
August	507,207,648	6,932,696	841,274	25,851,741
September	834,820,096	13,238,054	769,690	25,911,403
October	637,976,789	5,269,364	1,972,714	23,777,989
November	660,378,373	14,571,170	3,140,375	24,454,951
December	636,354,705	4,997,550	3,212,182	28,037,807

The volume of imports of the economic goods in 2019. The case in January was 14,244,916 kg, with an export value of 2,438,041 US\$. Then, compared to the volume of imports in December of 4,997,550 kg, the import value was 3,212,182 US\$. Furthermore, imports decreased from 14,244,916 kg from January to December to 4,997,550 kg. Moreover, it was an increase in the FOB value from 2,438,041 US\$ to 3,212,182 US\$. The export volume in 2019 fluctuated, for the export volume in January to increase, then in December it decreased. However, it was expanded to FOB value. That is due to the world economic conditions, the condition of the rupiah exchange rate, and government policies related to exporting economic goods. In other cases, the volume of imports in 2019 fluctuated. The importance of imports in January was increased, for December was decreased. However, it was expanded to CIF value.

The export-import trade balance showed the difference between export and import volume and export and import value (Frietsch et al., 2014). It was a positive to the mainly export value from the import percent, otherwise a negatively greater to imports than exports. Wherein to country or region was dominated by exports or imports (Khairina and Syahputra, 2021). Recently, other cases reported the export-import trade balance for the economic goods group of North Sumatra province from 2016 to 2019 tended to increase (Ginting et al., 2021). The export-import trade balance of the Aceh province economic goods group was the highest in 2018, to amount of 221,045,057, then the export-import trade balance of the Aceh province economic goods group was the lowest in 2016, which was 27,074,473.

The trade balance of the export-import group for the economic goods in the province of Aceh from 2016 to 2022 increased yearly. Other research revealed that overall the export and import development of the Aceh provincial economic goods group increased and improved. These cases were several indicators, such as an increase in export volume and value and a decrease in import volume and value (Bezpartochnyi et al., 2021). However, it was an increase in the number of economic goods exported to a positive trade balance. It occurred because of the international trade. Export activities dominate the monetary goods in the province of Aceh, and the ratio and proportion of business continue to increase, indicating that foreign exchange to improve in the export-import group of economic goods in Aceh. The total imports of the Aceh region were found the fluctuations that occurred in 2016, 2019, and 2022. The highest amount of substances in 2016 was 7,612,298, and the lowest in 2022 was 8,192,390 (Table 3). Another research stated that the value of exports from 2004 to 2008 experienced insignificant fluctuations, which was economic growth to debilitate. The importance of economic growth from 2004, Indonesia experienced a monetary crisis, the value of Indonesia's economic growth reached 4.78% (Yahya et al., 2015). International economics is a branch of economic activities study between one country and another or everything related to the economic relations between nations. International economics studies microeconomic relations and macroeconomic relations as a branch of economics.

Table 3. The export and value in 2022.

Year	Export		Import	
	Volume	Volume	Value of FOB	Value of FOB
	(Kg)	(Kg)	(USD)	(USD)
2022	5,121,043,757	97,582,007	29,690,002	250,735,059
January	235,107,023	437,200	383,370	11,689,634
February	410,383,422	14,577,341	3,717,719	16,377,685
March	339,241,042	1,020,837	364,653	14,469,207
April	418,079,193	10,557,278	1,909,873	16,548,324
May	401,568,559	8,000,090	219,511	27,633,472
June	368,679,348	499,462	691,976	22,440,746
July	390,706,575	10,836,742	1,376,355	22,665,711
August	494,933,966	8,385,100	6,860,132	23,738,183
September	496,134,720	15,809,295	8,192,390	20,056,181
October	621,463,205	9,007,252	556,404	26,533,529
November	489,031,326	5,521,405	3,190,078	25,747,433

Results show that only the export-import variable was rationalization degree value and economic growth activity of exporting stationary effect. The test method was p-value (0.001), then it can be concluded that the variable was cointegrated. That showed mostly a relationship between export and variable importing on economic growth. Export activity has a better significant role in growing the economy. Furthermore, exports increase from one unit to increase the economic growth by number to the variable value. There were be describe exports increase for 1 dollar then increase the economic growth until Rp. 254,620.7. Meanwhile, the import was a negative value and significantly valued the economy's growth.

Furthermore, increasing imports by one unit would reduce the economic growth from the distinct variable of the coefficient method. That was explained to implications increase by 1 Dollar to reduce the economic growth by Rp. 6,034,885.-. Based on export results, the essential and positive undermine the system growth for financial activity. If exports increase by a percentage, the export value means the economic value is growing; otherwise, if exports overbalance percent, Indonesia's importance to economic growth decreases activity. This research supports Hanifah et al. (2022) study but is not similar to Putra et al. (2022) research, the finding that systems have no export influence on growing the economy.

c. ADF analyzed from export-import in Aceh

Based on the data, they concluded exporting activity led to significant positive economic growth in Aceh (Table 4). A section in value import was an essential negative effect on the gain from the economy. Furthermore, a negative impact if the minimum wage decreases percentage, then the value of growth in the economy decreases although the value of imports decreases percent. Recently, the economy increased in value. That matter is similar to research from Hayuningtyas (2022) and not identical to Prianto et al. (2021) research and other cases that reported the value of imports has a negative value on economic growth.

Table 4. ADF method analysis in export-import three times (2016; 2019; 2022).

Variable	Different		
	t-statistic test	Critical value 0.05	P-value
The economic growth	-0.242533	-2,857790	0.001
Export	-1.287110	-2,857790	0.000
Import	-2.014643	-2,857790	0.001

On the other hand, the continuous decade or term for the system was significant and positive for economic roles based on a theory of trade from international. If the number of commodity services from export increases, the country will produce most services and commodities. Finally, the international trade was residents from the country also another map basis the mutual agreement. A case for increasing long-term economic growth, it was built that government data boost exports, that with an increase in the value of exports of goods, added value will increase. The governments were increasing economic growth by increasing the imports of raw materials or semi-finished goods for industrial use because these imported goods were unavailable in Aceh province. Likewise, the

infrastructure for export needed to be enlarged so that production in Aceh Province could be exported through ports in Aceh.

## CONCLUSIONS AND SUGGESTION

The export-import activities in Aceh Province economic commodity to improve and increase the volume and value of exports. It was a decrease in the importance and value of commodity imports from the economy and the ratio of foreign trade which tended. Furthermore, the trade balance of Aceh Province showed a positive value, whereas export activities dominated the foreign exchange of economic commodities. The total imports of Aceh Province were found the fluctuations that occurred in 2016, 2019, and 2022. The highest amount of substances in 2016 was 7,612,298, and the lowest in 2022 was 8,192,390. The export value was affected by the economic growth at Aceh. That was due to the increase in imported commodities, which would increase the production from abroad to domestic productivity and further reduce domestic economic growth. Then, the suggestions in the research were import or export roles to change in the economy. It was assisted by the government sector, with the conjunction of exports or imports to support economic growth. It was reduced and used of foreign products and love for the domestic products. Moreover, the commodity with services was sent to foreign highly, which would be thrust to domestic economic activity, production, consumption, and distribution. For future researchers, this study's results serve as a reference for studying more deeply the effects of imports and exporting on economic growth at Aceh.

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