SUMMARY

MACHMUD ACHMAD. An Analysis of Competitive Power and Development Strategy of Beef Cattle Breeding in South Sulawesi Province. Supervised by SRI HARTONO, BUSTANUL ARIFIN, and M.SAID DIDU.

The government has determined beef as one of the commodities hoped to be able to achieve self sufficiency to support national food resilience. However the present on home beef product can only fulfill about 33.90% of national need (BPS 2008). The deficiency of the need must be fulfilled by importing fresh meat and living cows. One of the reasons of cattle centers in regions in Indonesia. South Sulawesi province once gained notation as a source of cattle with the ability to supplying the procurement of cattle breeding farm or beef cattle for other regions/province. But nowadays, South Sulawesi province is not able any longer to fulfill the demand. Although the development of beef cattle breeding in South Sulawesi has good competitive power, however beef cattle breeding in South Sulawesi province tends to be shifted by other business activity that can provide greater profit.

Based on the above issue, the study aimed (1) to find out how extent is the competitive power (competitive and comparative superiority) of beef cattle breeding in South Sulawesi, (2) the impact of government policy on the competitive power of the development of cattle breeding in South Sulawesi province, (3) the impact of the application of import tariff of beef cattle, and (4) plan for the strategy of development policy of beef cattle breeding in South Sulawesi province. To achieve the objectives of this study used analysis of the Policy Analysis Matrix (PAM) and Matrix IE (Internal-External).

The condition of beef cattle breeding in South Sulawesi province at this time has not been developed accordingly. This is indicated by such as narrow breeding area, only few cattle owned, low education of breeder, low effort to make cattle breeding business as the main source of income due to most of them find sources of income from food crops and gardening. Social conditions such as experience in breeding, managerial ability, motivation and ability to communicate is still less maximal, so that the more intensive role of government is necessary in the form of programs to improve cattle and land ownership scales.

There are some conclusions that can be drawn from this study: (1) the development of beef cattle business in South Sulawesi is prospective and has a good competitive power, so that the provincial government does not need to import beef cattle. But based on the analysis, beef cattle breeding in South Sulawesi tends to be shifted by other business activity that can provide greater profits (food crops and gardening), (2) the government policy (input and output) on beef cattle business in South Sulawesi province can only provide relatively small incentive for the breeders due to the policy occurs at the input market through price liberalization which has an impact on price to be paid by breeders, namely higher than its social price, (3) based on PCR and DRC values, import protective tariff is not necessary, but what is needed is the competitive power of cattle business to be able to compete with other more profitable businesses, and
the strategy that can be applied is intensive policy which more concentration on the improvement of feed availability and cattle integration policy (beef cattle) and food crops (rice and corn).

Key words: beef cattle, competitive power, policy analysis matrix (PAM), IE matrix.