



An Analysis of The Opportunities and Challenges of Exporting Indonesian Acacia Wood Furniture to Japan Based on The Heckscher–Ohlin Theory

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Abstract

International trade remains an important mechanism for enhancing economic growth and expanding industrial competitiveness in resource rich economies. This study analyzes the opportunities and challenges associated with exporting Indonesian acacia wood furniture to Japan through the theoretical lens of the Heckscher Ohlin framework. The research adopts a non empirical qualitative design based on conceptual analysis and qualitative content interpretation. Secondary data were obtained from official trade statistics, government publications, and scholarly literature concerning comparative advantage, furniture exports, forest based industries, and international trade competitiveness. The findings indicate that Indonesia possesses favorable export prospects because its abundance of forest resources and labor availability support the production of acacia wood furniture with competitive cost structures. At the same time, export performance is constrained by intense international competition, stringent quality requirements, timber legality obligations, sustainability expectations, technological limitations, and logistics related challenges. The analysis further demonstrates that factor abundance alone is insufficient for sustaining long term competitiveness in the Japanese market. Future export performance increasingly depends on value added manufacturing, innovation, industrial upgrading, integration into global value chains, and stronger competitive capabilities. The study confirms the continued relevance of the Heckscher Ohlin theory while highlighting the necessity of complementing comparative advantage with strategic industrial transformation.

Keywords : *Acacia Wood Furniture, Comparative Advantage, Export Competitiveness, Heckscher Ohlin Theory, Japan Market.*



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INTRODUCTION

The contemporary landscape of international trade is increasingly characterized by the reconfiguration of global value chains, the intensification of resource based competition, and the growing strategic importance of export diversification as countries seek to strengthen economic resilience amid shifting geopolitical and market dynamics. Within this context, the furniture industry has emerged as one of the most dynamic manufacturing sectors due to its strong linkages with natural resource endowments, labor intensive production structures, and expanding consumer demand in advanced economies. Recent developments indicate that countries possessing abundant production factors are increasingly leveraging their comparative advantages to penetrate premium international markets through differentiated wood based products. The growing significance of export competitiveness has stimulated renewed scholarly interest in the relationship between factor endowments and trade performance, particularly in emerging economies that rely heavily on natural resource based industries. Evidence from international trade studies demonstrates that the ability of countries to transform resource abundance into export growth remains a critical determinant of long term economic development and international market integration (Ramnath et al., 2026). In the Indonesian context, the pursuit of export expansion has become increasingly relevant as policymakers seek to capitalize on favorable trade relationships and strengthen the country's position in strategic markets, including Japan, which continues to represent one of the most important destinations for Indonesian manufactured and resource based products (Saputra & Dewi, 2025). Such developments place Indonesia's wood furniture industry, particularly furniture manufactured from acacia wood, at the intersection of global demand expansion and national export competitiveness.

Existing studies have generated important insights into the determinants of export performance and comparative advantage across various sectors and international markets, yet their conclusions collectively reveal a more complex reality than commonly assumed. Research examining Indonesia's trade potential has emphasized the importance of market accessibility, economic size, and bilateral trade relationships in shaping export opportunities, suggesting that favorable trade conditions alone are insufficient to guarantee sustainable export growth without corresponding production competitiveness (Ristanto, 2024). Studies on comparative and competitive advantages have further demonstrated that resource abundance must be accompanied by efficiency, productivity, and value creation capabilities in order to generate meaningful export outcomes, indicating that factor endowment advantages are neither automatic nor permanent sources of international competitiveness (Saptana et al., 2022). Within the furniture industry specifically, evidence suggests that export success is influenced not only by production capacity but also by product positioning, quality differentiation, and price competitiveness, highlighting the multidimensional nature of comparative advantage in global furniture markets (Topcu, 2023). Contemporary analyses focusing on international furniture trade have similarly identified substantial opportunities arising from expanding global demand while simultaneously revealing persistent structural challenges associated with market competition, technological capability, and regulatory compliance (Syazeedah & Daspar, 2025). These findings collectively suggest that the explanatory power of traditional trade theories requires continuous reassessment within evolving international market environments.

Despite these advances, the existing literature exhibits several notable limitations that constrain a comprehensive understanding of Indonesia's export prospects in the wood furniture sector. Much of the empirical research on international trade has focused on aggregate export performance or broad manufacturing sectors, leaving product specific analyses relatively underdeveloped, particularly with respect to acacia wood furniture as a distinct export commodity. Studies examining comparative advantage frequently emphasize macroeconomic indicators while paying insufficient attention to the interaction between resource endowments, product characteristics, and destination market requirements. At the same time, investigations of furniture trade often prioritize competitive dynamics among exporting countries without systematically linking these dynamics to the theoretical mechanisms proposed by factor endowment frameworks. The literature addressing international furniture commerce also tends to concentrate on general opportunities and operational challenges while offering limited theoretical integration capable of explaining why certain countries sustain export advantages in specific product categories over time (Syazeedah & Daspar, 2025). Similar limitations are evident in studies of handicraft and creative product exports, where opportunities and barriers are identified descriptively but remain insufficiently connected to broader international trade theories that could clarify the structural origins of competitiveness and market vulnerability (Sidiq & Daspar, 2025).

These gaps become particularly significant when viewed against the strategic importance of the Japanese market and the evolving structure of global furniture trade. Japan represents a high value destination characterized by sophisticated consumer preferences, stringent quality requirements, and increasing demand for environmentally responsible wood products. For Indonesia, understanding the determinants of successful furniture exports to Japan extends beyond commercial relevance because it directly relates to broader objectives concerning export upgrading, industrial development, and sustainable utilization of forest resources. The absence of theoretically grounded analyses examining how Indonesia's factor endowment advantages translate into export opportunities within such a demanding market creates uncertainty regarding the sustainability of existing competitive positions. Simultaneously, intensifying competition from major furniture exporting countries and the emergence of new production hubs raise critical questions concerning the extent to which traditional sources of comparative advantage remain sufficient under contemporary market conditions. The urgency of addressing these issues is reinforced by evidence that export performance increasingly depends on the capacity of firms and industries to adapt resource based strengths to evolving international standards and competitive pressures (Topcu, 2023). Such circumstances underscore the need for a more focused investigation capable of connecting theoretical expectations with the practical realities faced by Indonesian furniture exporters.

Against this backdrop, the present study positions itself at the intersection of international trade theory, export competitiveness research, and furniture industry studies by specifically examining the opportunities and challenges associated with exporting Indonesian acacia wood furniture to Japan

through the analytical lens of the Heckscher–Ohlin theory. Rather than treating export performance solely as an outcome of market demand or bilateral trade relations, this study conceptualizes export competitiveness as the result of interactions between factor endowment advantages and destination market conditions. Such a perspective enables a more nuanced evaluation of whether Indonesia's abundant natural resources and labor availability continue to constitute effective sources of comparative advantage in a market increasingly shaped by quality differentiation, regulatory requirements, and competitive pressures. By focusing on a specific product category and a strategically important export destination, this research seeks to bridge the divide between macro level trade theory and industry specific export realities, thereby offering a more contextually grounded understanding of contemporary comparative advantage.

This study aims to analyze the opportunities and challenges of exporting Indonesian acacia wood furniture to Japan based on the Heckscher–Ohlin theory. The research contributes theoretically by extending the application of factor endowment theory to a contemporary export context in which competitiveness is influenced not only by resource availability but also by market specific requirements and industrial capabilities. The study contributes methodologically through the integration of qualitative trade analysis with industry focused examination of export opportunities and constraints, allowing a more comprehensive assessment of comparative advantage beyond conventional aggregate trade indicators. Through this approach, the research seeks to provide a richer explanation of the mechanisms shaping Indonesia's export potential in the Japanese furniture market while generating insights relevant to both academic scholarship and strategic decision making within the furniture industry.

RESEARCH METHODS

This study adopts a non empirical qualitative approach grounded in international trade theory to examine the opportunities and challenges associated with exporting Indonesian acacia wood furniture to Japan through the analytical perspective of the Heckscher–Ohlin framework. The research is conceptual in nature and relies exclusively on secondary data and scholarly sources to construct a theoretically informed interpretation of Indonesia's export potential. The literature selection process followed a purposive strategy that prioritized academic publications, government reports, and official trade statistics directly relevant to international trade, comparative advantage, furniture exports, and Indonesia Japan economic relations. Key sources included export statistics published by the Badan Pusat Statistik (2025) and the Ministry of Trade of the Republic of Indonesia (2025), complemented by theoretical and sectoral studies discussing export competitiveness, furniture industry development, and trade based economic growth (Sukirno, 2016; Arifin & SE, 2024). The selected materials were screened according to their relevance, analytical rigor, and contribution to understanding how factor endowment conditions shape export performance in resource based manufacturing industries.

The analytical framework is based on the central proposition of the Heckscher–Ohlin theory, which posits that countries tend to export products that intensively utilize their relatively abundant factors of production. Guided by this framework, the study employs qualitative content analysis to interpret the relationship between Indonesia's abundance of forest resources and labor availability, the characteristics of acacia wood furniture production, and the demand structure of the Japanese market. The analysis proceeds through thematic categorization of opportunities and challenges identified within the selected literature and trade statistics, followed by an interpretative assessment of how these factors reinforce or constrain Indonesia's comparative advantage. Rather than testing causal relationships statistically, the study develops analytical explanations by integrating theoretical propositions with empirical trade evidence, enabling a systematic evaluation of the extent to which Indonesia's factor endowment structure supports sustainable export competitiveness in the Japanese furniture market. The interpretative process emphasizes coherence between theoretical expectations and observed trade patterns to generate contextually grounded conclusions regarding export prospects and strategic constraints.

RESULTS AND DISCUSSION

Indonesia's Factor Endowment Advantage and the Strategic Potential of Acacia Wood Furniture Exports to Japan

The Heckscher Ohlin theory posits that countries tend to export products that intensively utilize relatively abundant production factors. Within this theoretical perspective, Indonesia occupies a

favorable position because of its extensive forest resources and substantial labor availability. The furniture industry represents one of the sectors where these factor endowments can be transformed into internationally tradable products with significant value addition. Similar arguments regarding the relationship between resource abundance and export specialization have been emphasized in comparative advantage studies across developing economies (Saptana et al., 2022).

The analytical review of trade literature indicates that the competitive position of wood based industries depends not only on the availability of raw materials but also on the capacity to convert natural resources into higher value manufactured products. Acacia wood has become increasingly important because of its commercial adaptability and its suitability for furniture production. Studies concerning global acacia utilization suggest that the species possesses strong economic potential due to its durability, aesthetic characteristics, and industrial versatility (Griffin et al., 2023). These characteristics strengthen the relevance of acacia furniture as a strategic export commodity in international markets.

The development of acacia plantations across several Asian countries has contributed to a more stable supply of industrial timber resources. Indonesia benefits from this regional trend because plantation based forestry creates opportunities for long term resource sustainability. Research examining partnerships between forestry industries and smallholders demonstrates that acacia cultivation can generate both economic efficiency and supply chain stability (Arnold et al., 2022). Stable resource availability reduces production uncertainty and enhances export readiness.

From a trade perspective, export expansion is closely associated with a country's ability to exploit comparative advantages while responding to external demand conditions. Japan remains an attractive market because of its purchasing power and preference for high quality furniture products. Analyses of Indonesia's international trade performance indicate that Japan consistently occupies an important position among the country's strategic export destinations (Saputra & Dewi, 2025). Market accessibility and long standing economic relations create favorable conditions for furniture export growth.

Trade statistics further reveal the significance of furniture exports within Indonesia's broader export structure. Export activities contribute not only to foreign exchange earnings but also to employment generation and industrial upgrading. The relationship between export expansion and economic performance has been documented across multiple developing economies where non resource exports stimulate broader economic development (Ayo Joledo, 2025). Such observations reinforce the importance of strengthening value added furniture exports rather than relying solely on raw material trade.

Table 1. Strategic Factors Supporting Indonesian Acacia Wood Furniture Exports to Japan

Strategic Factor	Analytical Significance
Acacia wood availability	Ensures continuity of production inputs
Labor abundance	Supports labor intensive manufacturing activities
Established trade relations with Japan	Facilitates market access and business networks
Competitive production costs	Enhances export price competitiveness
Growing Japanese furniture demand	Expands market opportunities for exporters

Source: Compiled from Badan Pusat Statistik (2025), Kementerian Perdagangan Republik Indonesia (2025), and Arifin and SE (2024).

The factors presented in Table 1 illustrate how resource availability and market conditions interact to strengthen export potential. Resource abundance alone does not guarantee successful international market penetration because market demand and competitiveness also shape export outcomes. Studies examining trade prospects in various international contexts have shown that favorable trade opportunities emerge when domestic production capabilities align with foreign market needs (Jain & Ismail, 2025). The Indonesian acacia furniture industry appears to satisfy several of these conditions simultaneously.

An important dimension of comparative advantage concerns the physical characteristics of the exported product. Research on acacia wood materials indicates favorable mechanical properties that support furniture durability and structural performance. The strength characteristics of acacia enhance

its suitability for premium furniture applications that require reliability and longevity (Ismaili et al., 2025). Such attributes align with consumer expectations in quality conscious markets such as Japan.

Industrial competitiveness is also strengthened when resource based sectors are integrated into broader manufacturing value chains. Evidence from Indonesian manufacturing industries indicates that participation in production networks contributes to labor demand expansion and industrial upgrading (Ramana & Damayanti, 2024). Furniture production creates linkages between forestry, processing, design, logistics, and export services. These linkages increase the economic significance of the sector beyond direct export revenues.

Comparative studies of forest based industries in Asia reveal that countries with efficient processing capabilities generally achieve stronger export performance than countries relying primarily on raw material exports. Similar patterns have been observed in the Philippines and other forestry dependent economies where industrial transformation plays a central role in export competitiveness (Limbaro et al., 2025). Indonesia possesses the resource base necessary to pursue a similar development trajectory. Acacia furniture exports therefore represent an opportunity to capture greater value within international trade networks.

The conceptual evidence synthesized in this analysis indicates that Indonesia's abundance of timber resources and labor remains highly consistent with the expectations of the Heckscher Ohlin framework. Export opportunities arise from the interaction between factor endowments, product characteristics, and favorable market demand conditions. Existing literature suggests that countries capable of converting comparative advantages into specialized manufactured exports tend to achieve stronger international competitiveness over time (Topcu, 2023). The Japanese market presents a context in which these structural advantages can potentially be translated into sustained export growth.

Structural Constraints and Competitive Challenges in the Japanese Furniture Market

The literature review indicates that export opportunities in the furniture industry are accompanied by substantial structural constraints that influence long term competitiveness. International furniture markets are increasingly characterized by intense rivalry among exporting countries with strong manufacturing capabilities and efficient supply chains. Competitive pressure is particularly visible in Asian markets where producers continuously compete through pricing strategies, production efficiency, and product differentiation (Syazeedah & Daspar, 2025). Such conditions create a demanding environment for Indonesian acacia wood furniture exporters seeking to maintain market presence in Japan.

Competition from major exporting countries constitutes one of the most significant challenges affecting Indonesian furniture exports. Countries such as Vietnam and China have developed highly integrated production systems supported by technological upgrading and extensive export networks. Comparative analyses of international furniture industries demonstrate that competitive advantage increasingly depends on productivity enhancement rather than solely on resource availability (Topcu, 2023). This trend reduces the relative importance of traditional factor endowment advantages when competing firms operate with superior industrial efficiency.

Market uncertainty further complicates export performance because external conditions frequently alter purchasing patterns and trade dynamics. Research on wooden furniture trade suggests that country related risks influence export flows by affecting transaction costs, buyer confidence, and market accessibility (Cai et al., 2022). Even when demand remains stable, uncertainty associated with economic fluctuations and policy changes can affect business decisions across supply chains. Exporters must therefore operate within a commercial environment characterized by persistent unpredictability.

Quality requirements represent another critical challenge because Japanese consumers and importers are recognized for maintaining strict expectations regarding product standards. Product quality extends beyond aesthetic appearance and includes durability, consistency, precision, and finishing excellence. Existing studies on international furniture trade indicate that compliance with stringent quality benchmarks often determines market acceptance and long term business relationships (Arifin & SE, 2024). Firms unable to maintain these standards face difficulties in sustaining export growth despite possessing competitive production costs.

The challenge of quality compliance is closely related to legal sourcing requirements that increasingly shape international timber trade. Global markets have become more attentive to issues concerning traceability, legality, and responsible forest management. Evidence from forest product

industries suggests that legal verification systems have become an essential component of export competitiveness rather than a supplementary requirement (Lee & Liu, 2025). Compliance obligations impose additional administrative and operational demands on exporting firms.

Table 2 Major Challenges Affecting Indonesian Acacia Wood Furniture Exports to Japan

Challenge Dimension	Strategic Implication
International competition	Intensifies pressure on prices and market share
Quality standards	Requires continuous product upgrading
Timber legality requirements	Increases compliance obligations
Logistics costs	Reduces cost competitiveness
Technology limitations	Restricts productivity improvement
Sustainability compliance	Expands certification requirements
Market access barriers	Complicates export penetration

Source: Compiled from Cai et al. (2022), Syazeedah and Daspar (2025), Sidiq and Daspar (2025), Dangi (2026), Lee and Liu (2025), Fauziyyah et al. (2026), Malau et al. (2022), and Arifin and SE (2024).

The challenges summarized in Table 2 reveal that export constraints emerge from interconnected economic, technological, and regulatory dimensions. Market access difficulties are rarely generated by a single factor because firms often encounter multiple barriers simultaneously. Studies examining handicraft and creative product trade have similarly identified the coexistence of competitive, regulatory, and operational constraints within export activities (Sidiq & Daspar, 2025). This multidimensional character increases the complexity of international business decision making.

Technological limitations remain particularly relevant because production efficiency increasingly determines competitiveness within global furniture markets. Some segments of the Indonesian furniture industry continue to rely on production processes that limit productivity and consistency. Research on Indonesian forest product exports indicates that technological capability significantly influences export competitiveness and market performance (Malau et al., 2022). Firms operating with outdated production systems may experience difficulties meeting evolving international expectations.

Logistics and transportation costs constitute an additional structural constraint because furniture products require extensive handling, packaging, and shipping arrangements. Distance related costs become increasingly significant when exporters compete against countries possessing highly efficient logistics infrastructures. Studies of wood sector trade performance demonstrate that transportation efficiency frequently influences export competitiveness as strongly as production capability itself (Dangi, 2026). Elevated logistics expenditures can erode profit margins and weaken price competitiveness.

Environmental sustainability has emerged as a decisive consideration within international furniture markets. Buyers increasingly evaluate products according to environmental impact, resource efficiency, and responsible production practices. Research concerning wood based materials emphasizes that sustainability performance is becoming an important criterion in market evaluation and procurement decisions (Fauziyyah et al., 2026). This shift requires exporters to demonstrate environmental credibility alongside traditional indicators of quality and cost efficiency.

The cumulative effect of these constraints suggests that factor abundance alone cannot guarantee sustained export success within highly competitive international markets. Global trade experiences indicate that export expansion frequently redistributes competitive pressures across industries and countries, creating new challenges even for resource rich economies (Ramnath et al., 2026). Structural barriers become particularly influential when competitors possess stronger institutional support and industrial capabilities. The analytical evidence reviewed in this section indicates that Indonesia's furniture industry faces a complex set of challenges that extend beyond conventional resource based considerations and directly influence its ability to compete effectively in the Japanese market.

Reassessing Heckscher Ohlin Theory in Explaining the Future Competitiveness of Indonesian Acacia Furniture Exports

The conceptual analysis indicates that the Heckscher Ohlin framework remains relevant for explaining the foundational basis of Indonesian acacia wood furniture exports. The theory emphasizes that countries tend to specialize in products utilizing relatively abundant production factors, creating a logical explanation for Indonesia's participation in forest based manufacturing activities (Sukirno, 2016). Existing trade patterns suggest that resource availability continues to influence export orientation in many developing economies. Contemporary export competitiveness, however, increasingly depends on factors extending beyond resource abundance alone.

The literature demonstrates that comparative advantage continues to provide an important entry point into international markets, yet it no longer guarantees long term export success. Studies on export competitiveness reveal that countries possessing similar resource endowments often experience different export outcomes because of variations in industrial capability and productivity performance (Topcu, 2023). This observation suggests that factor abundance functions as a necessary condition rather than a sufficient condition in highly competitive furniture markets. The Japanese market illustrates this dynamic through its emphasis on product quality, consistency, and supplier reliability.

A critical reassessment of Heckscher Ohlin theory indicates that structural transformation has altered the determinants of competitiveness in manufacturing industries. Comparative advantage derived from natural resources remains influential, yet value creation increasingly originates from processing activities, technological sophistication, and market responsiveness (Saptana et al., 2022). Similar patterns have been observed across various export oriented sectors where competitive outcomes depend on the ability to generate higher value products. This interpretation broadens the explanatory scope of traditional trade theory without dismissing its core assumptions.

The relationship between export performance and economic development further supports the need for a more dynamic interpretation of comparative advantage. Evidence from international trade literature suggests that non oil exports contribute more substantially to growth when they are associated with industrial upgrading and productive diversification (Ayo Joleto, 2025). Export expansion therefore reflects not only the availability of production factors but also the capacity to transform those factors into commercially valuable outputs. The furniture industry represents an appropriate context for examining this transition.

The analytical synthesis developed from the selected literature is summarized in Table 3. The table interprets the principal propositions of Heckscher Ohlin theory in relation to the contemporary realities of Indonesian acacia furniture exports. Several theoretical dimensions remain valid, although their practical implications have evolved under changing global production structures. The interpretation highlights the interaction between traditional comparative advantage and emerging competitiveness requirements.

Table 3. Interpretation of Heckscher Ohlin Theory in the Context of Indonesian Acacia Furniture Exports

Analytical Dimension	Interpretation in Export Context	Implications for Competitiveness
Factor abundance	Availability of forest resources and production inputs	Provides initial comparative advantage
Comparative advantage	Cost efficiency in resource based manufacturing	Supports export market participation
Market challenges	Increasing quality and performance expectations	Reduces reliance on resource abundance alone
Industrial upgrading needs	Greater emphasis on productivity and innovation	Enhances long term competitiveness
Expected export outcomes	Stronger market position through value creation	Improves export sustainability
Strategic implications	Integration of resources and industrial capability	Strengthens international competitiveness

Source: Conceptual synthesis developed from Sukirno (2016), Topcu (2023), Saptana et al. (2022), Parsons et al. (2026), Ramana and Damayanti (2024), Ristanto (2024), Jain and Ismail (2025), Saputra and Dewi (2025), Malau et al. (2022), and Ayo Joledo (2025).

The interpretation presented in Table 3 suggests that comparative advantage and competitive advantage should not be treated as identical concepts. Comparative advantage originates from relative factor endowments, whereas competitive advantage reflects the ability to create superior market value under evolving industry conditions (Topcu, 2023). This distinction is particularly important in sectors where product differentiation influences purchasing decisions. Furniture exports increasingly operate within such an environment.

Another important consideration concerns the role of global value chain integration in shaping export competitiveness. Participation in international production networks creates opportunities for knowledge acquisition, capability development, and market expansion beyond the benefits generated by resource availability alone (Ramana & Damayanti, 2024). The literature indicates that firms embedded within global value chains frequently experience stronger upgrading trajectories than firms operating in isolation. This perspective expands the explanatory framework traditionally associated with factor endowment theory.

The discussion also highlights the growing relevance of foreign direct investment in strengthening industrial competitiveness. Recent evidence suggests that comparative advantage and investment attraction often reinforce one another through technology transfer, managerial learning, and production modernization (Parsons et al., 2026). Investment inflows can amplify existing resource advantages by improving the efficiency with which those resources are utilized. Such interactions are not explicitly addressed within the classical Heckscher Ohlin formulation.

Trade studies examining market expansion opportunities emphasize that export success increasingly depends on institutional readiness and strategic positioning. Research on international trade flows demonstrates that market access outcomes are influenced by broader economic relationships and competitiveness factors beyond production costs alone (Ristanto, 2024; Jain & Ismail, 2025). Similar observations emerge from analyses of Indonesia's export performance within major international markets (Saputra & Dewi, 2025). These findings support a more multidimensional interpretation of export competitiveness.

The conceptual evidence ultimately suggests that Heckscher Ohlin theory continues to provide a valuable theoretical foundation for understanding Indonesian acacia furniture exports. Its central proposition remains useful for explaining why Indonesia possesses an initial export orientation in resource based manufacturing activities (Sukirno, 2016). Current export dynamics indicate that sustainable competitiveness increasingly depends on the interaction between comparative advantage, industrial upgrading, and value creation capabilities (Malau et al., 2022). Future competitiveness in the Japanese furniture market is therefore more accurately interpreted through an integrated perspective that combines classical trade theory with contemporary industrial competitiveness frameworks.

CONCLUSION

This study demonstrates that Indonesian acacia wood furniture exports to Japan can be interpreted effectively through the Heckscher Ohlin perspective because Indonesia possesses abundant productive resources that support furniture manufacturing and export activities. The analysis identifies significant market opportunities arising from the compatibility between Indonesia's factor endowment structure and the characteristics of furniture production, while also revealing substantial constraints related to international competition, quality compliance, sustainability requirements, technological capability, and market access conditions. The findings indicate that comparative advantage derived from resource abundance remains an important foundation for export participation, yet its explanatory power becomes increasingly limited when confronted with contemporary demands for innovation, product differentiation, and global value chain integration. Long term competitiveness in the Japanese market depends not only on the availability of production factors but also on the capacity of firms and institutions to generate higher value added activities, strengthen industrial capabilities, and adapt to evolving international market standards. The study therefore suggests that sustainable export performance emerges from the interaction between traditional comparative advantage and dynamic

competitive advantage, reinforcing the need to reinterpret the Heckscher Ohlin framework within the context of modern manufacturing and international trade development.

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