

## PREFACE

*Alhamdulillahirobbil'alamien..* All praises be to Allah, by all of his mercy, the undergraduate thesis under the title of “The Prospects of Indonesian Small and Medium Enterprises in Facing the Implementation of ASEAN Economic Community 2015 as Regional Economic Integration” is completed. This undergraduate thesis is an expression of intellectual which was conducted by the writer as the result of the four years of learning in University of Muhammadiyah Yogyakarta, majoring International Relations. This thesis may still reach far away from the expectation, however the writer wish that the existence of this thesis will contribute more or less to the development of International Relation’s science generally and the issue of ASEAN particularly. May Allah gives the benefit for all human being with the presence of this thesis

## ABSTRACT

The research is aim at analyzing the prospects of Indonesian Small and Medium Enterprises (SMEs), especially the Small and Medium Enterprises of Yogyakarta Special Territory, in facing the implementation of ASEAN Economic Community (AEC) 2015. The prospects of Small and Medium Enterprises of Yogyakarta Special Territory are analyzed by SWOT analysis. By SWOT analysis, the writer determines the tentative condition of SMEs of Yogyakarta Special Territory and predicts the future condition of SMEs of Yogyakarta Special Territory in 2015. The theory of integration and SWOT analysis are theoretical framework to affirm the idea of this research. By learning the integration process of European Economic Community, ASEAN members expect that ASEAN Economic Community will be realized. The methodology of this research is descriptive analysis. The secondary data is taken from the report of interview, library research and internet. The result of this analysis explains that the SMEs of Yogyakarta Special Territory is optimistic in facing the implementation of AEC 2015 and the successful of AEC 2015 will realize if the governments display strong political will to drive the integration process forward.

**Keywords:** ASEAN Economic Community, Small and Medium Enterprises and