

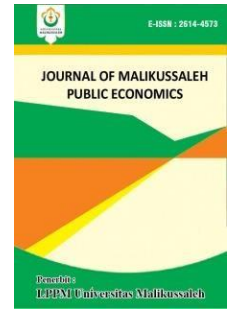
EFFECT OF RASKIN RICE INCOME AND PRICE ON RASKIN RICE CONSUMPTION LEVEL IN SIMPANG KIRI SUB-DISTRICT SUBULUSSALAM CITY

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ARTICLE INFORMATION

ABSTRACT

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Income, Price Of Raskin Rice, And Level Of Consumption

The purpose of this study is to see the influence of the income and the price of raskin rice to the level of consumption of the community of the Subulussalam. The data is obtained from 100 respondents. The method of analysis used in research is quantitative research. The result shows that the price of raskin rice affects the level of public consumption in Simpang Kiri district.

1. INTRODUCTION

Human life is not free from needs with food. The food business becomes an important need for humans. Food is something derived from biological and water sources, both processed and unprocessed, which is intended as food or drink for human consumption, including food additives, food raw materials, and other materials used in the process of preparing, processing and making food or drinks (Septian, 2013). Food is the most important daily necessity, so food is very important for the community, it must be guaranteed.

In general, people who have a good economy and want a good price of rice, consume good quality rice, and people who have mediocre income only can consume rice with poor quality, such as rice which the price is quite cheap, so that people with mediocre income prefer to consume Raskin rice, rather than rice with good quality, their income is low and rice prices soar, they can only buy Raskin rice, and every year they receive Raskin rice.

The government strives to provide raskin rice and lower the price of it so that the price of rice can be bought by the whole community, it means that the price policy is very important.

2. LITERATURE REVIEW

The price of rice has a very important influence on economic life if the price of rice is too low, the income of farmers is also low and they become victims, whereas if the price is too high, then consumers are victims (Anas, 2009).

If the price is paid lower than the optimal, consumers get this profit, usually called consumer surplus. Consumer surplus is the difference between the total value given by consumers to all units consumed from the amount he must pay to the commodity (Rasyid, 2012). In comparison, rice has advantages over other carbohydrate food sources. Rice has a very good taste, and is easier to process and the nutritional composition is better than other carbohydrate foods.

There is a perception that rice has a higher prestige than other types of carbohydrate food sources (Rachmasuciana et al., 2015). According to (Rasyid, 2012), components of basic needs consist of health, food ingredients and nutrition. In this connection, UNSRID (United Nations Research Institute for Social Development) in (Rachmasuciana et al., 2015), divides the basic needs component into three, namely: (i) primary physical needs which include nutrition, housing, and health needs; (ii) cultural needs which include education, recreation, and peace of life and (iii) the need for excess income. Meanwhile, (Anas, 2009) suggests the components of basic needs consist of nutrition, housing, medical care, education, and clothing.

Since the food crisis in 1998, the government has consistently given attention to the fulfillment of the right to community food which is implemented through Special Market Operations (SMO). SMO provides rice subsidies to poor households and food. However, in 2002 the name SMO was changed to a poor household rice program (Raskin program) with the aim of further sharpening the target of beneficiaries (Septian et al., 2013).

3. RESEARCH METHODS

The population in the study is all community in Simpang Kiri of Subulussalam district, it is amount of 30,133.

Multiple Linear Regression Analysis

The definition of multiple linear analysis according to (Rachmasuciana et al., 2015) is as follows :

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e_i$$

Y = consumption

α = constant

β_1 = coefficient

X1 = income

X2 = Raskin riceprice.

e_i = Error term

4. RESEARCH RESULTS AND DISCUSSION RESEARCH RESULT

Overview of the location of the study

Simpang kiri as one of the sub-districts in the city of Subulussalam where it is located in the middle of subulussalam city and is the capital city of Subulussalam having an area of 1,391 km² sub-district of Simpang Kiri. The ratio of 15.3 percent of the total population in subulussalam city live in boundary limitations area (Public, 2016).

The left intersection consists of 14 villages in 2 settlements if viewed based on its topographic location, most of the left-hand intersection is in the mainland (12 villages) and 2 villages are in the highlands, where the Simpang Kiri.

To find out the results of this study can be seen from the multiple linear regression output.

$$Y = 1.075413 - 3.145420 X_1 + 0.254360 X_2$$

From the above formation, we can know the constant of 1.075413, which means that if the consumption variable is considered constant, then the level of the poor consumes raskin rice 1.075413.

From the income regression coefficient (X1) of -3.145420 shows that if income increases by 1%, the poor people to consume Raskin rice has decreased by 3.145420. the coefficient results also negatively affect the level of consumption of raskin rice.

The value of the raskin rice price coefficient of 0.254360 indicates that if the Raskin rice price increases by 1%, the poor people consume Raskin rice will increase by 0.254360.

Hypothesis Testing Result

Based on the results of the table above testing as shown in table 2, it can be seen that income has a calculated T value of 9.136360 with a significant value of 0.0000 while T table with $(df) = nk (100-3 = 97)$ at $\alpha 0.05$ is obtained the value is 1.661 then T count is greater than T table. It partially income of people effect consumption. And we can also see the price of Raskin rice has a t count of $1.79E + 15$ with a significance value of 0.0000 while Ttable with $(df) = nk (100-3 = 97)$ at $\alpha 0.05$ is obtained a value of 1.661 then T count is lower than T table namely it means that the price is no significant affect on consumption.

F test result

It can be seen f count 17.4653 at the confidence level of 95% is greater than which F value of F table.

Heterokedastisitas Test Result

Heterokedastistas aims to find out in the regression model wheater there is an inequality of variance from the residual from one observation to another. To detect heterokedasticiity problem in a regression model is by using Breusch-Pagan-Godfrey.

The heterokedasticity test shows the heterokedasticity test show is not detected because Prob.Chi-Square 0.1884 is greater than 0.05, we can conclude there is no heterokedasticity problem.

Normality Test Result

The normality test aims to test whether the regression model of the residual variables has a normal distribution. As it is known that the t test and F test assume that the residual value follows a

normal distribution. If there are several violations in this assumption, the statistical test becomes invalid for the number of small samples (Rasyid, 2012).

5. CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of research conducted, several conclusions can be drawn, as follows.

1. From the results of the partial test it can be concluded that income and price of rice, effect the level of rice consumption.
2. From both independen variables it is only income effects the level of consumption.

Suggestion

From the results of this study the recommendation are as follows. The government should pay more attention to the level of 17 consumption of Raskin and non-Raskin rice and the quality of the rice.

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