

The Potential Of Organic Rice Commodities In North Buton Regency

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Abstract: The results of the study showed that the organic rice farming in North Buton Regency had an enormous potential to be developed and it was a commodity base region. The productivity of the organic rice farming in this region has increased with an average growth of 2.6% within 5 years. This study was conducted in 6 (six) districts that have organic rice potential. These areas include: Bonegunu, Kambowa, Wakorumba, Kulisusu, West Kulisusu, and North Kulisusu Districts. Data analysis methods used are descriptive analysis and location quotient analysis (L / Q).

Keywords: Potential, Development, Organic Rice

1. INTRODUCTION

Background

As an effort to strengthen the economic structure of North Buton Regency in order to be in accordance with the implementation of regional autonomy, the local government needs to carry out development planning that is designed based on the needs of the community and its natural resources. This condition shows the importance of identifying the potential of agricultural commodities, problems and the possibility of bussiness that can be made to develop the potential of agricultural resources, so the economy of the district community can be better. As a result of the rapid development of an area, it is difficult to avoid a pressure on the land that causes land conversion, in this case, productive agricultural land becomes non-agricultural land. On the other hand, meeting food needs is an absolute thing to do. A decrease in rice production can result in a decrease in national rice supply. To support rice self-sufficiency, the expansion of rice planting areas in the areas that have the potential for the development of irrigated fields needs to be done, but the obstacles that generally occur are low quality land and inadequate infrastructure (Sri Diningsi, et al., 1994). The development of the agricultural sector in a broad sense in North Buton Regency aims to increase the production, income and welfare of the community, especially farmers in rural areas as well as to expand the employment (BPS, 2017.a). To meet the food needs, people grow a variety of food crops. In addition, the State Logistics Agency (BULOG) of Southeast Sulawesi Province is always trying to provide several types of staple foods, including: rice, granulated sugar and flour. North Buton Regency has a potential area for the development of organic rice. It is supported by the existence of several relatively large rivers that can be used as a source of irrigation water. However, the lack of knowledge and attention of the local community to cultivate the land caused the land abandoned. To anticipate this issue, the local government conducts an economic and financial study of the development of organic rice in order to obtain information in terms of economic and financial feasibility in developing an organic rice cultivation business

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1.1. Aims and Practicality

This study aims to provide an overview of the economic and financial feasibility of organic rice development in North Buton Regency, especially regarding the potential and prospects. Meanwhile, the target to be achieved from the Analysis of Economic and Financial Feasibility of Organic Rice Development in North Buton Regency is:

1. Identification of potential organic rice commodities in North Buton Regency;
2. Identification of development area for organic rice in North Buton Regency;

1.2. Scope of the Study

a. Regional Scope

The study area in the Economic and Financial Feasibility Analysis of Organic Rice Development covers all administrative areas of the District in North Buton Regency which have the potential for organic rice.

b. Activities Scope

Analysis of Economic and Financial Feasibility of Organic Rice Development in North Buton Regency includes the following activities:

- (1) Identification of potential organic rice commodities in North Buton Regency;
- (2) Identification of organic rice commodity development areas in North Buton Regency;

RESEARCH METHODS

Location and Time of the Activity

The Economic and Financial Feasibility Analysis of Organic Rice Development in North Buton Regency is carried out in 6 (six) districts which have the potential of organic rice. These areas include: Bonegunu, Kambowa, Wakorumba, Kulisusu, West Kulisusu, and North Kulisusu Districts.

Method of Collecting Data

In order to collect empirical facts related to and in accordance with the needs of the Economic and Financial Feasibility Analysis of Organic Rice Development in North Buton District, data collection was carried out, which consisted of secondary data collection and primary data collection.

a. Secondary Data Collection

Secondary data and information collected included general overview data on the area of North Buton Regency; Policies and regulations related to the activities of the Economic and Financial Feasibility Analysis of

Organic Rice Development in North Buton Regency, data of development potential of land area, production and productivity of organic rice in North Buton Regency; and other literature related to the activities of Economic and Financial Feasibility Analysis of Organic Rice Development in North Buton Regency.

b. Primary Data Collection

The details of primary data collection used in the analysis of this study are as follows:

- Characteristics of farmers on the organic rice farming commodity;
- Farm area of organic rice commodity;
- Production and productivity of organic rice farming commodity;
- Economic and financial feasibility of organic rice commodity;
- Strategies for developing organic rice

Data Analysis Method

Data analysis methods used in the preparation of the Analysis of Economic and Financial Feasibility of Organic Rice Development consist of:

- Descriptive Analysis,
- Location Quotient (L/Q) Analysis,

a. Descriptive Analysis

Descriptive analysis is used to describe conventional field findings in order to provide a systematic, factual and accurate description of the target being investigated in the intended activity. The intended targets are: (1) general description of North Buton Regency, (2) review of policies or legislation related to the development of organic rice, (3) the development of land area, production, and productivity of organic rice in North Buton Regency,

b. Location Quotient Analysis (L/Q)

In this study, LQ analysis is proxied based on the level of production (Kuncoro, 2005) with the following model:

$$LQ_k = \frac{Y_{sk} / Y_{tk}}{Y_{sp} / Y_{tp}}$$

Explanation:

LQ_k : Location quotient index

Y_{sk} : Organic rice production in North Buton Regency

Y_{tk} : Total organic rice production in Southeast Sulawesi

Y_{sp} : Total production of food crop commodities in North Buton

Y_{tp} : Total production of food crops in Southeast Sulawesi

Decision criteria:

- If the LQ index > 1, organic rice in North Buton Regency has potential as a basis sector or a superior sector.
- If the LQ index =1, organic rice in North Buton Regency is able to meet its own needs.
- If the LQ index <1, Organic rice in North Buton Regency is not a superior / non-basis sector.

Potential Commodities and Organic Rice Development

Areas

Development of Farming Harvested Area of Field Rice

The commodity of field rice is one of the favorite food plants in North Buton Regency. It is because this type of commodity is a plant managed from generation to generation and has a comparative advantage in accordance with the potential for natural conditions. An overview of the potential harvested area of field rice in North Buton Regency can be seen in Table 6.

Table 6. Lowland Rice and Field Rice Harvest Area in North Buton Regency 2013-2017

Year	Lowland Rice (Ha)	Field Rice (Ha)	Total (Ha)	Lowland Rice Growth (%)	Field Rice Growth (%)
2013	1,127	1,135	2,262	-	-
2014	2,057	899	2,956	82.52	(20.79)
2015	1,433	827	2,260	(30.34)	(8.01)
2016	1,259	421	1,680	(12.14)	(49.09)
2017	1,192	421	1,613	(5.32)	-
Rata-Rata	1,414	741	2,154	8.68	(19.47)

Source: BPS, 2018.j (processed)

Table 6 shows that the total harvested area of lowland rice and field rice fluctuates and tends to decrease from year to year. In 2013, the harvested area of lowland rice in Boton Utara Regency was 1,127 Ha and the area of field rice was 1,135 Ha, while in 2017 the harvested area of both types of food crops experienced a decline. In 2017 the harvested area of lowland rice in North Buton Regency decreased to reach 1,192 Ha and the harvested area of field rice was 421 Ha. Meanwhile, from the aspect of the development of harvested area, it shows that the lowland rice farming land experienced positive growth while the field rice farming experienced negative growth. Table 6 provides an information that over a period of five years (2013-2017), the average harvested area of field rice has decreased to reach 9.47%, while the lowland rice harvested area has a positive growth of 8.6%. Furthermore, the contribution of lowland rice and field rice farming to the total harvested area is presented in Figure 5. The results showed that from the total rice harvested area, an average of 65.62% was lowland rice farming land, while there was only 34.38% of the total harvested rice area that was the organic rice farming.

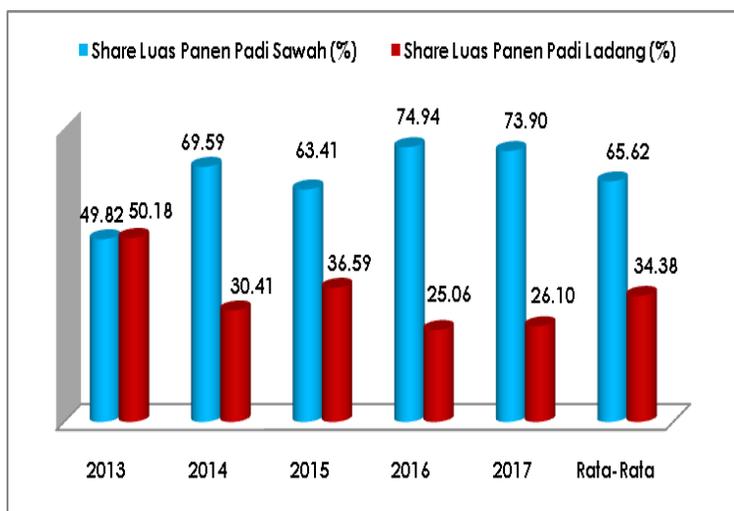


Figure 5. The Contribution of Harvested Area Farming of Lowland Rice and Field Rice to the Total Harvested Area

Figure 5 shows that in 2013 the contribution of the harvested area of field rice farming to the total harvested area of rice was higher than the lowland rice, which was 50.18%. It shows that at that time, the farming community in North Buton Regency intensively cultivated the field rice. However, along with the times, the contribution of field rice farming has continuously decreased to reach 26.10% in 2017. This phenomenon shows that from the aspect of harvested area, the potential for developing field rice or organic rice in North Buton Regency is not yet optimal. In addition, from the aspect of productivity development, it shows that over the past five years the productivity of the field rice farming has experienced positive growth while the lowland rice farming has experienced negative growth. From Table 8, it is known that over the past five years (2013-2017), the average field rice productivity experienced an increase of growth reaching 2.16% while the lowland rice production had negative growth of 0.01%. This phenomenon shows that from the aspect of productivity, the efforts to develop field rice or organic rice in North Buton Regency have sufficient potential.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the analysis and discussion in this study, the following conclusions are made:

1. The organic rice farming in North Buton Regency has enormous potential to be developed and is a commodity base region.
2. Within a period of 5 years, the productivity of organic rice farming in the North Buton District has increased with an average growth of 2.6%.

Recommendation

There are some recommendations to support the success of the organic rice development program in North Buton Regency which are:

- 1) It is necessary to increase the capacity of human resources of farmers and agricultural extension workers in the form of training and field schools.

- 2) A socialization and education program is needed for the community to develop organic rice which is recently also a strategic major program of the local government.

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