

The Factors of Performance Effectiveness of The Government's Paddy and Rice Purchase Price Policy in Sawit Boyolali

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Abstract: *Research on the factors of performance effectiveness of the government's paddy dan rice purchase price policy in Sawit Boyolali is qualitative research that discusses about the policy of measured success based on performance use 3 variables i.e. encouragement and coercion at the federal level, the capacity of the central/state, and encouragement and coercion at the level of the centre and the regions. The model used to measure the effectiveness of the performance of paddy and rice HPP in Sawit Boyolali is Goggin et al Model. This policy according to researcher has clear goals and objectives. Implementors have the concept that is formulated in the form of the policy drawn up in detail. But the success of these policies need to be well understood by farmers. Researchers assessed the policy for the moment not too relevant to the conditions in the market. Paddy or rice HPP are below the market price. However, the increase in paddy or rice HPP will cause price increase paddy and rice on the market. So we are need to study more in depth. This research become more interesting with the discussion about the government's paddy dan rice purchase price policy in Sawit Boyolali uses central dan vertical model with weaknesses and advantages.*

Keywords: *the government's paddy dan rice purchase price policy, farmer, the effectiveness*

INTRODUCTION

One of the goals of development in agriculture is increasing the welfare of farmers. The government seeks to increase agricultural production by maintaining the stability of food supplies and improve the welfare of farmers through a variety of policies and programs of agricultural development (Rusono, et al; 2013).

According to Salim and Kahono (2013), one indicator of the level of well-being of farmers is a cultivated land area farmers. In addition to this work ethic, the pressure of price, income, and living patterns affect the level of well-being of farmers. Easy rice farmers found enough with the state their income without any desire to reach a State of economic families. This effect on State revenue farmers ' fields, where rice farmers are having a hard time to change his family's economic circumstances. Pressure on prices was one factor causes the occurrence of poverty because of concerns the level of income a person in meeting all the needs of her family. This condition often used agents of the seller or wholesaler or those who have the interests of these conditions to benefit more. The dramatic results of the sales price of rice (paddy) accompanied by expensive means of production would further add to the burden of farmers. Rice farmers earning a low result in farmers having difficulties meeting the needs of clothing, food, Board, medical care, and education.

According to Widadie and Chinese Indonesian surname (2012), Governments need to undertake strategic regulation in national policy paddy and rice does one of them with the rice price stability at the policy level of the producers (farmers) will be conducted with the implementation the government purchase price policies (HPP). While consumer price stability in addition to applying the highest retail price regulation (HET), the Government of the need to optimize the supply side (increasing the production of rice) with the expansion of land policy, increased technology/productivity of rice, increased subsidies to fertilizer inputs, and need the monetary stability policy-exchange rate/exchange rate of rupiah.

The Government purchase price policies (HPP) is a policy in order to realize the stability of

rice, by setting the base price and price policy maximum. The Government periodically raise the paddy-rice HPP to offset the input price increases and inflation. HPP policy is supported by device policies, institutions and financing. The development policy of Indonesia HPP 2000-2015 period are presented in table 1.1.

The essence (of the application) in rice paddy purchase price policy was given government incentives to rice farmers by giving the price above the equilibrium price (market clearing price) especially during harvest. Through this Government expects HPP policy: (a) production of rice can be improved to meet the needs of domestic supply; (b) the rice price stability; and (c) the rice farming farmer income and increasing. Assignment policies HPP paddy made during this based on moisture content and vacuum levels, while the HPP rice is a moisture and broken paddys of rice. The application of HPP paddy based on moisture content and the level of vacuum is maintained to this day by the consideration that most of the farmers producing paddy on the quality, so it is expected to improve the well-being of the majority of the rice farmers.

Rice paddy HPP policy implemented in Indonesia, including Palm and Boyolali district Subdistrict are vertical and centered. This certainly raises the impact of positive and negative. Rice is a staple food in Indonesia population needs to be controlled by the Government to maintain the purchasing power of the public and keep inflation does not occur. The population in the majority of Boyolali Regency Palm-edged livelihood as farmers, will feel the direct impact of this policy. When this policy once implemented can not solve the problems faced by farmers, then it can be said that the policy has failed. However, there is a policy that the results are not directly effective in the short term, that is managed through specific process. From the description that is presented, the author would like to analyze the deeper about the factors that influence the effectiveness of the performance of Government Paddy purchase price Policy-rice Plantations in Boyolali Regency.

Table 1.1. The government's paddy dan rice purchase price policy 2004 to 2015

Description	The government's paddy dan rice purchase price policy								
	2004	2005	2006	2007	2008	2009	2010	2012	2015
Inpres No. 9/2002	Inpres No. 2/2005	Inpres No. 13/2005	Inpres No. 3/2007	Inpres No. 1/2008	Inpres No. 8/2008	Inpres No. 7/2009	Inpres No. 3/2012	Inpres No. 5/2015	
Period	Jan 2003 - Feb 2005	Mar-Des 2005	Jan 2006 - Mar 2007	Apr 2007 - Mar 2008	Apr-Des 2008	Jan-Des 2009	Jan 2010 - Feb 2012	March 2012 - March 2015	March 2015 - now
GKP Tk. Petani	1.230	1.330	1.730	2.000	2.200	2.400	2.640	3.300	3.700
HPP Percentage changes (%)		8	30	16	10	9	10	25	
Dry milled paddy in milling	1.700	1.765	2.250	2.575	2.800	3.000	3.300	4.150	4.650
HPP Percentage changes (%)		4	27	14	9	7	10	26	
Rice	2.790	3.550	3.550	4.000	4.200	4.600	5.060	6.600	7.300

HPP							
Percentage changes (%)	27	-	13	5	10	10	30

Source: BPS data processed

RESEARCH METHOD

The research, entitled the effectiveness of the performance of Government Paddy purchase price Policy-rice Plantations in Boyolali Regency using qualitative research approach. Qualitative research is a research procedure that generates descriptive data in the form of the written word or spoken of people and behavior observed (Bodgan and Taylor in Basrowi and Suwandi, 2010), whereas the purpose of the research According to qualitative Sulistyio Basuki (2010)-is aimed to obtain the description of the whole of a thing according to the view of the human being researched. Qualitative research-related ideas, perceptions, opinions, or beliefs of the people who researched all of which cannot be measured by numbers. According to Prastowo (2011) qualitative research emphasis on inductive analysis, rather than deductive analysis. The data collected is not intended to support or reject a hypothesis which was compiled before the study began, but developed as a specificity of abstraction has been collected and grouped together through the process of collecting the data implemented carefully. In this study, researchers developed the concept and gather facts, but does not perform hypothesis testing through the calculation of the figures.

This research uses the test validity of triangulation. There are two kinds, triangulation triangulation triangulation techniques and sources. Triangulation techniques means researchers using different data collection techniques to get data from the same source. And triangulation source means for obtaining data from different sources with the same technique (Sugiyono, 2012). This research uses the technique of triangulation of sources by collecting a variety of data with the same technique. In this study, triangulation was done by way of comparing the results between key informant interviews and compare the results of observations, interviews and document analysis. The technique of triangulation directs researchers so that the collected data using a variety of data sources and methods. The same or similar data will be more valid and tested his righteousness when excavated from multiple data sources and different methods (Sugiyono, 2009).

RESULT AND DISCUSSION

In order to improve the welfare of farmers, protect farmers ‘ income level, the stability of the price of rice, the Government’s rice reserve security, distribution of rice, and increase the stability of the national economy, the Government set price policy Government purchases (HPP) which is one of the content of the instruction of the President (presidential instruction) number 5 year 2015 about policy Procurement of rice and Paddy Channeling of rice by the Government (BPS,2014). This policy describes the dry paddy harvest price, dry milled paddy, and rice served on table 3.1 with the following conditions,

- a. The purchase price of the dry Paddy Harvest (GKP) in a country with the quality the maximum moisture content of 25% (twenty-five perseratus) and vacuum levels/ maximum 10% muck (ten perseratus) is \$3,700,-(three thousand seven hundred rupiah) per kilogram on the farmers, or 3750 USD,-(three thousand seven hundred fifty rupiah) per kilogram in the mill;

- b. The purchase price of Paddy, ground Dried (GKG) in a country with the quality the maximum moisture content of 14% (fourteen perseratus) and vacuum levels/maximum 3% impurities (three perseratus) was Rp 4,600 (four thousand and six hundred rupiah) per kilogram in the mill, or RP 4650 (four thousand six hundred fifty rupiah) per kilogram in the Perum BULOG; and
- c. Purchase price of rice in the country with the quality the maximum moisture content of 14% (fourteen perseratus), maximum 20% broken paddys (twenty-perseratus), the levels of maximum 2% groats (two perseratus) and minimum 95 degrees of sosoh% (ninety-five perseratus) is RP 7,300 (seven thousand three hundred rupiah) per kilogram in the Perum Bulog.

Table 3.1. The Government purchase price of Rice Paddy/Pso (Medium) based on presidential instruction RI No. 5 Year 2015

Commodity	Price (Rp/ Kg)	Quality				
		Water Content (Max)	HK (Max)	Broken (Max)	Menir (Max)	DS (Min)
Dried paddy crops at the farm level	3,700	25%	10%	-	-	-
Dried paddy crops at the milling level	3,750	25%	10%	-	-	-
Dry paddy milled at the milling level	4,600	14%	3%	-	-	-
Dry paddy milled at the Bulog level	4,650	14%	3%	-	-	-
Rice in Bulog	7,300	14%	-	20%	2%	95%

According to the Goggin etal (1990), the implementation of policies in an effort to transfer information or messages from higher institutions to a lesser institution can be measured the success of its performance based on the variable:

1. Encouragement and coercion at the federal level,
2. The capacity of the central/State, and
3. Encouragement and coercion at the level of the Centre and the regions.

Variable encouragement and coercion at the central level is determined by the legitimacy and credibility, that is, the more valid the policies issued by the Central Government in the eyes of the region then the more his credibility, neither the opposite.

Therefore, to gauge the strength of the contents or the substance of the policy messages and the Government purchase price of Rice Paddy can be seen through:

1. The magnitude of the funds allocated, with the assumption that the bigger the funds allocated, the more serious the policy was implemented, and
2. Form a policy containing amongst others, clarity of policy, consistency of implementation, the frequency of execution and receipt of the messages correctly.

In the meantime, to find out the variable capacity or the organizational capacity of the Center can be seen through the implementing organization is how far the policy able to utilize the authority owned, how the relationship between the implementing structure the existing bureaucracy, and how to coordinate the various resources available in the Organization and in the community.

This research using Model Goggin et al with the consideration of the Government’s paddy purchase price policy of rice are relevant to this model. According to the Goggin, etal (1990) the successful implementation of policies determined by the clarity of the message conveyed by the policy makers to the executor. With the outcome of policies as a message then the ease of implementation of policies determined by the contents of the message, the message form and reputation komunikatornya. As for the factors that influence the effectiveness of the performance of rice paddy HPP in district of Boyolali Regency Palm is,

a. Keselerasan between objects with policy outcomes

HPP paddy rice based on research undertaken researchers already have an alignment between policy object, namely the price of paddy and rice with outcomes, namely in the form of paddy/rice price stability and the welfare of farmers but not optimal. Based on the regulation of the Minister of trade of the Republic of Indonesia No. 57/DAG/PER/8/2017, the highest retail prices for rice medium is Rp 9,450 and premium Rp. 12800. Price Developments table of rice in Boyolali Regency July 2017 until April 2018 presented in table 3.2, can be described that, 1. Rice quality under II in July and November 2017 in district of Boyolali Regency Palm are above and below the HPP HET rice medium, but starting in December 2017 until April 2018 medium quality rice price down II is above the HPP and HET Rice medium. 2. Rice quality under I, medium quality, medium quality I and II in July 2017 until April 2018 are at the top of the HPP and HET rice medium. 3. quality of the super Rice II and the quality of super II in July 2017 April 2018 unless until February 2018 are above and below the HPP HET premium rice.

From table 3.2 presented can note that the lowest price for all the quality of rice occurred in July and August of 2017. This is due to the harvesting took place in the Kingdom. As for February 2018 prices around the quality of rice in the highest position because in the dry season. Rice at a time when drought has better quality, low water levels, fewer pests, and get full sunlight.

Bulog as implementor of policies made a purchase in accordance with HPP HPP with not seeing the type of varieties, colors, flavors, and size. In this case the medium rice with the terms above and below the HPP HET only on rice quality under II and it happened in July with November 2017. The presence of a high range between HPP with prices that occurred in the market, and the marketing chain is not short, this less than optimal policies perceived by farmers. The existence of a tebasan system that involves the middleman, will also increasingly adding to the burden of farmers. This is due to the middleman purchased the crops the farmers with the use of prediction, which is certainly a profitable party middleman.

Table 3.2 development of rice price in Boyolali Regency July 2017 until April 2018

Month/ Year	Super Quality I			Super Quality II			Medium Quality I		
	All Prov	Central Java	Byl	All Prov	Central Java	Byl	All Prov	Central Java	Byl
07/2017	12750	11550	11250	12200	10950	10750	11300	9950	10750
08/2017	12700	11700	11250	12200	10850	10750	11250	10000	10750
09/2017	12800	11700	11400	12200	10900	10800	11300	10150	10800
10/2017	12850	11900	11600	12300	11200	10950	11400	10450	10950
11/2017	12850	11900	11700	12300	11400	11000	11500	10500	11150
12/2017	12950	12400	11950	12450	12100	11400	11650	10650	11300
01/2018	13300	12800	12700	12800	12300	12250	12100	11550	12000

02/2018	13400	13500	12900	12950	13150	12900	12250	12400	12250
03/2018	13200	13250	12750	12850	12800	12650	12050	11750	11900
04/2018	13150	12700	12000	12700	12250	12000	11900	11300	11650
Average	12995	12340	11950	12495	11790	11545	11670	10870	11350

Month/ Year	Medium Quality II			Kualitas Bawah I			Kualitas Bawah II		
	All Prov	Central Java	Byl	All Prov	Central Java	Byl	All Prov	Central Java	Byl
07/2017	11100	9750	9900	10050	9300	9650	9650	8850	9000
08/2017	11050	9750	9900	10050	9250	9650	9650	8800	9000
09/2017	11100	9800	9950	10100	9300	9750	9750	8800	9050
10/2017	11200	10150	10250	10200	9450	9950	9850	9000	9250
11/2017	11300	10300	10250	10300	9550	10300	9950	9250	9500
12/2017	11450	10150	10650	10450	9400	10500	10050	9100	9900
01/2018	11950	11250	11150	10850	10300	11200	10500	9950	10650
02/2018	12100	11950	11650	10950	10950	11700	10600	10500	10900
03/2018	11900	11350	11400	10850	10550	11400	10550	10100	10900
04/2018	11750	10750	10900	10700	10052	10750	10450	9450	10500
Average	11490	10520	10600	10450	9810,2	10485	10100	9380	9865

Source: Food Price Developments, 2018

- b. Policies HPP vertical and it can be seen from the HPP formulations made by high State institutions (top level institution). Implementation and evaluation of policies implemented by the executing institution, that the Food Security Agency, the Department of agriculture, Department of Commerce and the public corporation Bulog. HPP Policy patterns determined by the Government for the people, so that more participation, mobilization and implementation of shape is the process of delivery mechanism. HPP policy is the provision of a Centre also set everything from the Centre. At a time when rice prices soared then Bulog and the associated Service will be conducting market operations so that the price of rice in the market decline. At a time when the price of rice in the market soared and the Government can't afford rice reserves to stabilize prices, then Bulog proposes the existence of import policy.

Top down model used in Paddy Rice will HPP Policy effective if goals and objectives formulated in a clear and well understood. One of the factors influencing the implementation of institutional factors is the "goodness of fit" i.e. consistency between the policy level the top with a regulation under it administrative efficiency.

HPP paddy rice Oil in Boyolali Regency according to researcher has clear goals and objectives. Implementor has the concept that is formulated in the form of the policy drawn up in detail. But the success of these policies need to be well understood by farmers. HPP policy of paddy rice Oil in Boyolali Regency rated researcher for the moment not too relevant to the conditions in the market. HPP good paddy or rice are below the market price. However, the increase in HPP will also cause price increase paddy of rice on the market. So the need to study more in depth.

HPP policy paddy/rice bersifah the Top Down has the disadvantage that is,

1. Focus on rice paddy HPP taker and framers of policy, farmers as an actor less benefit from the policy. b. Not there any sanctions for violators of the policy. This has led to farmers are at the party are harmed. The factors of inflation and the increase in the price of fuel can as a consideration in determining policies HPP paddy rice.

2. Social reality is very complex HPP paddy rice is a complex policy, since the policy went into effect across Indonesia with little regard for resources that belong to one region with other regions, minus area with a surplus area. According to the researchers, need a more in-depth study was held about HPP are regional areas with the potential to adjust each.

CONCLUSION

This research concluded that the policy of the Government's Paddy purchase price of rice appropriate government-issued Presidential Instruction No. 5 Year 2015 have the effectiveness of the performance of the positive and negative impacts. This policy has already been prepared in detail and clear, but need a more in-depth study so that one of the policy objectives, namely improving well-being can be enjoyed by farmers.

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