



The Effect Of Developing Leading Agribusiness In Poverty Reduction Efforts In Pidie District

¹Rauzatul Jannah, ²Al-Asri Abubakar, ³Hamdani
^{1,2,3}Agribusiness Study Program, Faculty of Agriculture, Jabal Ghafur University
Email: rauzaajja00@gmail.com

*Corresponding Author : rauzaajja00@gmail.com

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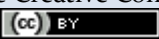
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ABSTRACT

This study aims to determine how the influence of leading agribusiness development in poverty reduction efforts in the Pidie Regency area. This research was carried out in March 2021. The research sample was 74 from a population of 3,717 leading commodity farmers in Pidie Regency. Collecting data using observations, questionnaires, interviews, and documentation. The method used is qualitative and quantitative analysis. Simple linear regression method was used to see the effect of variable X and variable Y. The results showed that agribusiness development had an effect on poverty alleviation in the Pidie Regency area. This is because developing superior agribusiness is very helpful in the family economy, because the land cultivated is its own land, so that income is higher, especially the land cultivated is wider than small land. Main commodities are also still in great demand by the agricultural market, and this is also a great opportunity for the development of superior commodities.

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INTRODUCTION

Background

In general, poverty is defined as the inability of people to meet their economic, social needs, standard of living and improve the welfare of a group of people (Herbert, 2016). Poverty is a condition of people's lives that are very deprived experienced by a person so that he is unable to meet his basic needs or primary needs. Such as the needs of clothing, shelter, and food.

Table 1. Poverty Lines and Poor Population in Pidie District 2014-2018

Year	Line of poverty (person)	Poor Resident	
		Amount Total (000)	Percentage
2014	363,791	83.73	20.29
2015	374,031	88.22	21.18
2016	393,370	90.16	21.25
2017	408,150	92.35	21.43
2018	435,873	89.53	20.47

Source: BPS Pidie in 2019 figures

Based on table 1, the poverty rate in Pidie Regency is increasing, in 2014 it was 20.29%, in 2018 it was 20.47%. Poverty in the Agricultural Sector in Pidie District is significantly and positively related to living in rural areas and working in the Agricultural Sector.

Relevant factors related to poverty are low level of education, lazy to work, family burden, and limited capital.

A top priority for the Pidie Government in reducing poverty should be to focus on sustainable economic growth and development in rural areas. To escape poverty, the poor in Pidie District must improve their ability to increase productivity, particularly agriculture and engage in more productive activities. Any poverty alleviation strategy should focus on increasing the productivity of the agricultural sector.

The agricultural sector is closely related to agribusiness, where the success of the agricultural sector is strongly influenced by the success of the agribusiness chain from upstream to downstream. Agribusiness deals with the handling of agricultural commodities. So agribusiness is an agricultural business that includes all activities ranging from procurement, distribution of production facilities, farming production cultivation activities, processing activities and marketing activities. The upstream agribusiness subsystem is an economic activity that produces and distributes production facilities. While the downstream agribusiness subsystem is an economic activity that processes primary agricultural products into processed products that are ready for consumption (Soekartawi, 2010).

Based on the results of field observations, current superior commodities have the potential to be developed in various areas in Pidie Regency. Development of superior commodities to help people's livelihoods and to provide employment opportunities, especially in rural areas. In accordance with the ecological and geographical conditions in several areas of Pidie Regency, it is very possible to develop it. But what is happening now is that many natural potentials are not being utilized, and the poverty rate continues to increase. Therefore, it requires the role of the government and the community to manage and develop the superior commodities they have.

Based on the above background, the authors are interested in conducting research on the influence of leading agribusiness development in poverty alleviation efforts in Pidie Regency.

Problem Identification

In connection with the things mentioned above, the formulation of the problem that can be raised in this research is how is the influence of leading agribusiness development in efforts to reduce poverty in the Pidie Regency area?

Research purposes

The purpose of this study was to determine how the influence of leading agribusiness development in poverty reduction efforts in the Pidie Regency area?

Hypothesis

The influence of leading agribusiness development in Pidie Regency is thought to be very influential in efforts to reduce poverty in the Pidie Regency area.

METHOD

Analysis Method

This research uses qualitative methods and quantitative methods. Quantitative method is data in the form of numbers or numeric which is usually processed using a simple calculation method which includes data on the area of the research area, number of poor people, number of dependents, land use area, and amount of agricultural production as well as farming experience. The qualitative method is to describe and provide an overview of the object under study through sample or population data as well as the location and time of the study.

The problem to be discussed is to determine the effect of leading agribusiness development (X) on poverty alleviation (Y). The analysis model in this study uses a simple linear regression equation. According to Sugiyono (2010).

In this analysis, a simple regression formula is used as follows:

$$Y = a + bX$$

Information :

Y = Poverty alleviation

X = Leading agribusiness development.

a = constant

b = Regression coefficient of dependent variable.

The basis for decision making in a simple regression test can refer to comparing the significant value with a probability value of 0.05 with the following conditions:

1. If the significant value is not more than the probability value of 0.05, it means that the independent variable or independent variable (X) has a significant effect on the dependent variable or dependent variable (Y).

If the significant value is more than the probability value of 0.05, it means that the independent variable or independent variable (X) has no significant effect on the dependent variable or dependent variable (Y).

RESULT AND DISCUSSION

Pidie Regency Area Overview

Geographically, Pidie Regency is located between the coordinates of 04.30° 04.60° North Latitude (North Latitude) and 95.75 – 96.20 East Longitude, which is one of the districts in the province of Nanggroe Aceh Darussalam (NAD). Pidie Regency has a tropical climate with two seasons, namely dry and rainy. The average air temperature is around 24 – 30 °C. Tropical climate in the lowlands or the coast and cool climate in the highlands, valleys and mountains. Pidie Regency has regional boundaries as follows: In the east it borders with Pidie Jaya Regency, in the west it borders the Aceh Besar Regency, in the north it borders the Malacca Strait, in the south it borders West Aceh and Aceh Jaya Regencies. The total area of Pidie Regency is 3,562.14 Km². The distance from Pidie Regency to the Province is 80 km and consists of 23 sub-districts, 94 settlements, 732 villages.

Population in Pidie Regency is one of the important indicators of the development and development of a region, so that the growth rate needs to be considered carefully, because it can affect regional development and economy. According to BPS Pidie data in 2020 figures, the population in 2019 was 443,718 people. It consists of 220,917 males (49.78%) + 222,801 females (50.22%).

Coefficient of Determination

The coefficient of determination in a simple linear test is used to determine the percentage of the simultaneous influence of the independent variables on the dependent variable. How to determine the coefficient of determination by looking at the simple linear regression analysis in the R Square column from the results of the SPSS analysis.

Table 2 . _ Coefficient of Determination Test (R Square)

Model Summary ^b						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					F Change	Sig. F Change
1	.520 ^a	.271	.261	3.7604	26,738	.000
Source: Primary Data, Processed 2021						
a. Predictors: (Constant), Leading Agribusiness Development						
b. Dependent Variable: Poverty alleviation						

Table 2 Shows *R Square* of 0.271 or 27.1%. These results indicate that the relationship between leading agribusiness development variables (X) and poverty alleviation (Y) has a contribution of 27.1%. in the low category and the remaining 72.9% is explained by other factors outside the study.

F Uji test

The F test in this study used the ANOVA test. This test can be used to determine the simultaneous (*simultaneous*) effect of the independent variable on leading agribusiness development (X) on poverty alleviation (Y) as the dependent variable . The basis for decision making can be seen in table 3.

Table 3 . F Test Results (Anova)

ANOVA ^a						
Model		Sum of Squares	df	mean Square	F	Sig.
1	Regression	378087	1	378087	26,738	.000 ^b
	Residual	1018.129	72	14,141		
	Total	1396,216	73			
Source: Primary data, processed in 2021						
a. Dependent Variable: Poverty alleviation						
b. Predictors: (Constant), Leading Agribusiness Development						

Based on the results of the simultaneous test from table 3 , it is shown that the calculated F value is 26,738 with a significance value of 0.000 more less than 0.05, then Regression models can be used to predict the effect of leading agribusiness development or it can be said that the independent variable (X), together (simultaneous) effect on poverty reduction (Y).

T Test (Hypothesis Test)

To analyze what influences the development of superior agribusiness in poverty reduction efforts in Pidie Regency, this is done using the SPSS program. The results can be seen in table 4 .

Table 4 . T Test Results (Hypothesis)

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	16,661	5.435		.003
	Development Featured Agribusiness	.629	.122	.520	.000
Source: Primary Data processed 2021					

Based on the data in table 4 , an estimation model equation is obtained as follows:

$$Y = 16.661 + 0.629X$$

From the results of the regression equation, it is explained that the positive constant value shows a positive influence on the independent variable in the form of leading agribusiness development (X), if the leading agribusiness development variable increases or has an effect of 1 unit, then the Y variable increases or is fulfilled. The regression coefficient value of the leading agribusiness development variable (X) to the poverty alleviation variable is 0.629 which means that if the leading agribusiness development (X) increases by 1 unit, then poverty alleviation (Y) will increase by 0.629 or 62.9%.

From the results of the regression equation, it is explained that the constant of 16,661 states that the development of superior agribusiness towards poverty reduction is 16,661. From table 4 it is known that the value of T count the leading agribusiness development variable (X) is 5,171, with a significant value of $0.000 < 0.05$. So this shows that the leading agribusiness development variable (X) has an effect on poverty alleviation (Y) in the Pidie Regency area. This is because developing superior agribusiness is very helpful in the family economy, because the

land cultivated is its own land, so that income is higher, especially the land cultivated is wider than small land. Main commodities are also still in great demand by the agricultural market, and this is also a great opportunity for the development of superior commodities.

Pidie Regency is an area that has superior commodities that are highly prioritized to be developed and superior commodities are not only able to produce to meet the needs of their own region, but are also able to supply the needs of other regions. Even though farmers are constrained in capital, facilities and infrastructure in carrying out their farming business. But this superior commodity is a resource to encourage the economy of Pidie Regency. Because it has good prospects in the future. Therefore, it is necessary for the role of the government and the community to manage and develop optimally the superior commodities available in the Pidie Regency area.

CONCLUSION

The effect of agribusiness development in Pidie Regency is shown by the equation of the estimation model: $Y = 16,661 + 0,629 X$. Together (simultaneously) the leading agribusiness development variable has an effect on the poverty alleviation variable, this is indicated by the T_{count} of 5,171, with a significance value of $0.000 < 0.05$. This is because developing superior agribusiness is very helpful in the family economy, because the land cultivated is its own land, so that income is higher, especially the land cultivated is wider than the narrow land. Main commodities are also still in great demand by the agricultural market, and this is also a great opportunity for the development of superior commodities.

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