

# Analysis of the Influence of Rice Commodity Prices and Inflation on Mark Import Province Sumatra North

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> A B S T R A C T One measures of progress for a country is marked

A R T I C L E I N F O *Keywords:* Rice Commodity Prices, Inflation, Import Value

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©2022 Silaban, Indriani, Pasaribu : this is an open- access article distributed under the terms of the <u>Creative Commons Attribution 4.0</u> <u>International</u>. by increased economic growth, this is calculated from the increase in the amount of production of goods or services in the economy so that it increases the per capita income of the population in a country. economics growth can be achieved by specializing in the production of goods and services. Specialization can occur if there is a large market to accommodate production, a market exists if a country conducts international trade. The purpose of this study is to determine the effect of rice commodity prices and inflation on the import value of NorthSumatra Province. This study uses a quantitative approach. The data used is the number of exports, imports and commodity prices in North Sumatra Province. Methods of data analysis using data analysis techniques used are descriptive techniques and path analysis(path analysis) with the application of multiple linear regression models with the help of the SPSS program. the results of multiple linear regression tests in the term theregression coefficient is positive indicating that an increase in rice commodity prices will increase the value of imports. The regression coefficient is negative indicating that an increase in inflation will reduce the value of imports.

### INTRODUCTION

Mark import commodity is indicator consumption as well as expenditure Public onsomething area and period certain. Consumption Public specifically Public Indonesia itself still depends on agricultural staples, one of which is rice. Price commodity rice is price which Very vital compared to price commodity other. Matter this background by rice as ingredient tree consumption main Public Indonesia no except Public on every districts in Province Sumatra North.In addition, imports are also affected by inflation variables, such as the general theory, increases inflation resulted mark export down. Matter this occur consequence power buy Public which the more reduce because the value of the currency which decrease. Rice commodity prices over the last 3 years have been relatively stable, even though the economy is experiencing a contraction in 2020 due to the pandemic. Unlike the price commodity rice, level inflation in a manner national nor regional if be measured index priceconsumers through constant 2018 prices experienced significant fluctuations. Because stability as well as the fluctuation occur on intervariable Becomes background behind writerexamines the effect of commodity prices of rice and the inflation rate on the value of imports. By because that's data third variable this can described on the following table.

Month	Price Commodity	Inflation= CPI	Mark Import		
	Rice	General	(Thousand US\$)		
Jan-19	11,000	0.20	457,690		
Feb-19	11050	-0.32	296,903		
Mar-19	11100	0.30	383,510		
Apr-19	11,000	1.23	417,410		
May-19	11,000	1.19	410,980		
Jun-19	11050	1.63	256,320		
Jul-19	11100	0.88	437,210		
Aug-19	11100	0.18	343,021		
Sep-19	11100	-1.81	398,914		
Oct-19	11050	-0.28	336,963		
Nov-19	11050	-0.66	404,872		
Dec-19	11,000	-0.19	382,112		
Jan-20	11050	0.57	322,496		
Feb-20	11,000	0.13	317,885		
Mar-20	11,000	-0.16	336,014		
Apr-20	10,950	-0.29	351,588		
May-20	10,950	0.43	267,160		
Jun-20	10,950	-0.07	312,157		
Jul-20	11,000	-0.25	306,627		
Aug-20	11050	0.06	304,682		
Sep-20	11,000	-0.01	331,883		
Oct-20	11,000	0.47	362,171		

Table 1. Rice Commodity Prices, Inflation Rates, and Provincial Import Values Sumatra North January 2019 - September 2021

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Nov-20	11,000	0.33	310,027
Dec-20	11,000	0.75	388,355
Jan-21	10,950	0.45	322,496
Feb-21	10,950	-0.35	425,899
Mar-21	11,250	-0.08	434,959
Apr-21	11,250	0.08	398,010
May-21	11,250	0.22	423,430
Jun-21	11,200	0.03	480,227
Jul-21	11.150	0.29	420,407
Aug-21	11,200	-0.08	464,230
Sep-21	11,200	0.29	401,459

### THEORETICAL REVIEW

### Price Main Production

The cost of production according to Mulyadi (2007:10), is a treatment of sources economic events that are measured in units of money that have occurred or are likely to occur for obtain income. Wijaksono (2006:10), define price production principal is a number mark assets, however if year walk assets the used to help generate income. From various opinions experts can be concluded that the cost of production is all that sacrifice done company to manufacture a product.

### Price Commodity

Commodity prices in each country have a specialization of export commodities in the sectorprimarily dependent on natural resources. Next, the lack of funds investment could hinder prospect growth future economy. BesidesIn addition, fluctuating commodity price movements can also disrupt several sectors commodity-dependent economy. Uncertainty of macroeconomic conditions affect the movement of commodity prices, which this also has an impact on cycle business global which related with price commodity, eg market oil world, agriculture, and industry. Besides that's shock offer and Request Traditionally, macroeconomic uncertainty is a factor influencing prices commodity.

#### Inflation

Inflation is a process of increasing prices in general in a countryeconomy. Percentage of the speed of increase in prices in a certain period named level inflation (Sukirno, 1999). There is type inflation this usually occur onmoment economy in circumstances full employment accompanied with growth economy which fast. Inflation insistence cost is something phenomenon in where occur increase in prices caused by an increase in production costs. Cost increase production will encourage producers to increase prices, even if they face possible decline Request to product which they earn.

### Import

According to Fauziah (2018), Import is process income goods or service foreignfrom outside country for entered to in country. If a company importsell the product in the country, then company the get product with better quality and lower price than the product in country.

# METHODOLOGY

Data that used on study this use data secondary which is obtained through website (Body Center statistics) BPS as well as Center Information Price Food Strategic(PIHPS) National. The data processed is monthly time series data from January 2019- September 2021. The design of this study uses a quantitative method, selection the inflation variable is taken from the average consumer price index (CPI) of the population of SumatraNorth., Price commodity rice obtained from average price rice which for sale in ProvinceNorth Sumatra, while the value of imports is the accumulation of imports for each district in North Sumatra. Data collection methods used in research namely by means of non-participant observation. The data analysis technique used is technique descriptive and analysis track with test application assumption classic and model regression multiple linear with the help of the SPSS program. Descriptive statistics used for give object image study which becomes sample object.

# **RESULTS AND DISCUSSIONS**

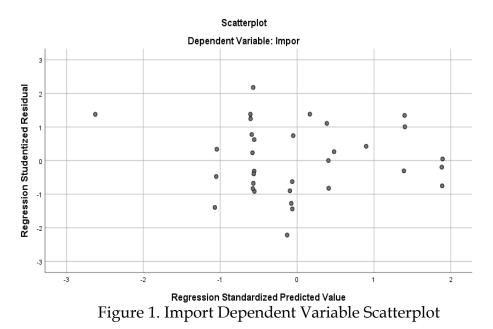
Test Classic Assumption

1. Test Normality

The regression model is said to be normally distributed if the data is plotted by dots follow the diagonal line. In data processing, researchers obtained that resultdots follow the diagonal line. So the data is distributed data normal.

- 2. Test Multicollinearity No occur multicollinearity if mark tolerance > 0.1 and mark VIF <10.
- 3. Test Heteroscedasticity Scatter plots

Heteroscedasticity does not occur if there is no clear pattern in the image scatterplot as well as point point spread above and under number 0 on Y axis



From picture on, could seen that dot, dot, dot spread and is at under number 0on the Y axis. Therefore, it can be concluded that no symptoms occur heteroscedasticity on variable data which researched.

4. Test Autocorrelation

No any symptoms autocorrelation if mark Durbin Watsons located Among du until 4-du.

	Model	R		Adjusted I Square	Rstd. Error of theEstimates	
ľ	1	.565 a	.319	.273	50093056	2,130

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From processing data, obtained durbin Watsons as big 2,130, whereas mark du based on K(2) and N(33) with 5% significance is 1.577 so the 4-du result is 2.423. So it can be concluded that (1.577 < 2.130 < 2.423) research data no have symptoms of autocorrelation.

## Analysis Regression Double

		Table 3. Co	efficients					
Unstandardized Coefficients		nts	standardiz ed Coefficient s			Collinearity Statistics		
Mod	l	В	std. Error	Betas	t	Sig.	toleranc	VIF
el							e	
1	(Constant)	-	1043636.59		-3,096	.004		
		3231345.31	1					
		6						
	Commodity Prices	325,688	94,364	.520	3,451	002	.998	1,002
	Rice							
	Inflation	-1157602	878,697	199	-1,317	.198	.998	1,002

On column B table coefficient on could is known constant as big - 3,231,345,316 andrice commodity price coefficient of 325.688 and the inflation rate of -1157.602. So the regression equation of this study is

*Y* = -3.231.345,316 + 325,688*X*1 - 1.157,602*X*2 + s.....(1)

Mean equality regression :

- 1. Constant constant equal to **3**. **231**. **345**, **316** That is, if the commodity price rice and level inflation in Sumatra North is 0, so mark import as big 3,231,345,316.
- 2. Coefficient regression variable price commodity rice as big 325,688. It means, everyan increase in the price of rice commodity by 1 unit will increase the value import sebessar 325,688
- 3. Coefficient regression worth positive show that enhancement price commodity rice will raise the indigo import
- 4. Coefficient regression variable inflation as big **1**. **157**, **602**. it means, every increase inflation by 1 unit will reduce the value of imports as big -1,157,602.
- 5. Coefficient regression worth negative show that enhancementinflation will lower value import

### Test Significance (Test Hypothesis Partial)

- **1.** Hypothesis 1: Influence price commodity rice to mark import withcontrol variable inflation could obtained with mark  $t_{hitung}$  as big 3,451 and  $t_{tabel (0.025;30)}$  as big 2,042 on  $\alpha = 0.025 (\alpha/2)$  so that obtained  $t_{hitung} > t_{tabel}$  or if use mark significance so obtained sig 0.002 < 0.05. It means, **H** o rejected
- **2.** Hypothesis 2: Influence level inflation to mark import with controlvariable price commodity rice could obtained with mark  $t_{h \ itung}$  as big -1.317 and  $t_{tabel}$  (0.025;30) as big 2,042 on  $\alpha$  = 0.025 ( $\alpha$ /2) so that obtained  $t_{h \ itung} < t_{tabel}$  or if use mark significance then obtained sig0.198 > 0.05. It means, **H** o accepted.

Model		Sum of Squares	df	Means Square	F	Sig.
1	Regressio n	35240287081.202	2	17620143540.6 0 1	7,022	.003 b
	residual	75279427458.859	30	2509314248.62 9		
	Total	110519714540.061	32			

The ANOVA table above explains that the significance test of the multiple linear regression coefficients or test simultaneous gain value  $F_{h \ itung}$  as big 7,002 and  $F_{tabel}$  as big 3.30 for  $\alpha = 0.05$  so that  $F_{h \ itung}$  (7.002) >  $F_{tabel}$  (3.30) or based on significance value, value the significance obtained is 0.003 <0.05, then **H**<sub>0</sub> rejected. That is, variables independent (X) in a manner simultaneous influential to variables dependent (Y).

#### CONCLUSIONS AND RECOMMENDATIONS

Based on results study, price commodity rice have influence positive significant to mark import. It means, enhancement price commodity rice lead to an increase in the value of imports. Meanwhile, the inflation rate has no effect significantly to the import value variable. However, the influence of the two variables independent good price commodity rice and level inflation in a manner simultaneous could give contribution by 31.9% to import value variable.

- 1. Hypothesis 1: The partial effect of X1 (rice commodity prices) on Y (Mark import). Mark  $t_{h itun}$  (3,451) >  $t_{tabel}$  (2.042), so **H** o rejected. It means, in a manner partially there is a positive and significant influence of commodity price variables rice to the value of imports in Sumatra North on  $\alpha$  = 0.025.
- 2. Hypothesis 2 influence Partial X2 to Y. Value  $t_{h itun}(-1.317) < t_{tabel}(2.042)$ , then *H* o accepted. That is, by partially there is no significant influence and variable inflation on mark import in Sumatra North on  $\alpha = 0.025$ .
- 3. Hypothesis 3 influence Simultaneous X1 and X2 to Y. Value  $F_{h itun}(7,002) > F_{tabel}(3.30)$ , so **H** <sup>0</sup> rejected. It means, in a manner simultaneous there is influence and significant rice commodity prices and level inflation against import value in Sumatra North on  $\alpha = 0.05$ .

#### FURTHER STUDY

Price commodity rice is price which Very vital compared to price commodityother. Matter this background by rice as ingredient tree consumption main PublicIndonesia no except Public on every districts in Province Sumatra North.In addition, imports are also affected by inflation variables, such as the general theory, increases inflation resulted mark export down. Matter this occur consequence power buy Public which the more reduce because the value of the currency which decrease.

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