

Impact of the Covid-19 Pandemic on Rice Price Fluctuations and Economic Factors on Sumatra Island

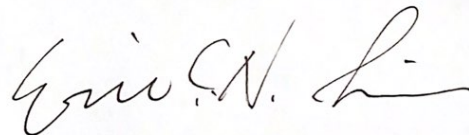
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Abstract

The COVID-19 pandemic has had an impact on the agricultural sector. This review is deliberately conducted on the island of Sumatra, which consists of 10 provinces as research samples. This review aims to analyze the level of rice price fluctuations on the island of Sumatra during the Covid-19 pandemic. The island of Sumatra with ten provinces, only the Riau Islands, where there was an increase in rice prices of Rp. 150. In three provinces, the price of rice fell by more than 50 percent, namely Riau, Bengkulu, and Lampung. Meanwhile, Aceh, North Sumatra, West Sumatra, Jambi, South Sumatra, and Bangka Islands experienced price declines. For the next five years, rice food prices will continue to increase. Two factors predominantly affect the rice price on Sumatra's island, namely the first 60% production, because the higher the rice production, the rice price will decrease. The lower the production, the rice price will increase, and the second factor is inflation of 38% because if the price of rice continues to increase, there will be inflation. Still, it is different from the fact that the price of rice fluctuates due to the stability of the rice price. In the short term, significant factors affecting rice prices in North Sumatra are inflation. There are five significant long-term factors: production, harvested area, income, consumption, and inflation.

Key Words: Fluctuations, Pandemic, Price, Rice, Sumatra



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