



Increase in Prices of Basic Ingredients on Food Availability After the 2024 Election

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ABSTRACT

The focus of this writing is to discuss the complexity of post-election increases in staple food prices which have a significant impact on food availability and social stability in Indonesia. In this context, research analyzes the impact of increases in staple food prices on post-election food availability and the measures that can be taken. Done to overcome it. Qualitative methods with a literature study approach were used. In this research, by collecting secondary data from various sources including journals, books and official government websites. Phenomenon analysis is carried out by interpreting data which describes the role of the researcher as a key instrument. The author identifies that post-election increases in staple food prices could have a significant negative impact. Especially for lower middle economic groups. The impacts include social instability, increased poverty levels, and negative influences on other economic sectors. Therefore, appropriate action from the government and relevant stakeholders is needed to maintain price stability and food availability. With the right steps, it is hoped that the negative impact of the post-election increase in food prices will be avoided can be minimized, so that people still have adequate and affordable access Towards food. This research provides important insights for stakeholders in facing the challenges of post-election food price increases and maintaining food stability in Indonesia.

INTRODUCTION

General elections are a crucial period for a country in determining future leaders and policies. Often, elections cause significant changes in various sectors, including the economy and food availability. The Indonesian government, under the leadership of President Joko Widodo, has announced a social assistance program in the form of direct cash assistance (BLT) ahead of the 2024 elections as an effort to anticipate potential crop failure. However, some parties believe that this step could also be seen as an attempt to win public sympathy amidst the political turmoil ahead of the election. Apart from that, the increase in prices of basic necessities such as rice, onions, chilies, meat, eggs, sugar, cooking oil and wheat flour is an economic challenge faced by society after the election.

Based on food price data from the National Food Agency (Bapanas) as quoted from tempo.co, the price of premium rice has increased compared to the previous week's price. Generally, the increase in rice prices was caused by the El-Nino phenomenon which resulted in a long dry season, as well as India's decision as a rice producing country to stop exporting rice to Indonesia (Harini and Susilo, 2017). Apart from that, factors such as market psychology and political dynamics also play a role (Sundiman and Septiani, 2017). So, with these factors, the supply of rice is running low and the price of rice is soaring.

The impact of the increase in staple food prices after the election was felt by various groups of society, especially the lower middle economic groups. People with limited incomes will face difficulties in meeting their daily food needs, which in turn can create social instability and increase poverty levels. Increases in staple food prices can also have a negative impact on other sectors in the economy. For example, the food and beverage industry sector will face pressure to increase the selling prices of their products, which could ultimately lead to a decrease in consumer purchasing power and lower demand.

LITERATURE REVIEW

In this case, the increase in staple food prices after the election could become a serious challenge faced by society. Appropriate action is needed from the government and relevant stakeholders to maintain price stability and food availability. With the right steps, it is hoped that the negative consequences of post-election food price increases can be minimized, so that people can continue to have access to sufficient and affordable food.

METHODOLOGY

The method used in this research is a qualitative method with a literature study approach. This qualitative method refers to collecting data in a natural environment with the aim of interpreting the phenomena that occur, where the researcher acts as a key instrument. Data collection in this research was carried out through journals, books and official government websites. The type of data used is secondary data, taken from references such as scientific journals, the National Food Agency, and the National Strategic Food Price Information Centre via the internet. The reason for using qualitative methods is because data collection does not involve researchers directly in the field, but rather

through literature study by reading written literature such as journals, articles, books and research results which are then compiled properly.

RESULT AND DISCUSSION

Factors Affecting Food Availability after the 2024 Election

1. Low Rice Production

Indonesia is the largest rice producing country in ASEAN and ranks third in Asia and the world after China and India (Food and Agriculture Organization). However, rice production in Indonesia has decreased in recent periods, as recorded in various sources, including the Central Statistics Agency (BPS) noting that rice production in January was still relatively low compared to the same period last year. Throughout 2023, Indonesia will produce 34 million metric tons of milled rice, down 1.2% compared to the previous year. Even though production has fallen, rice consumption in Indonesia has actually increased. Realized national rice production in January-April 2023 showed a decline of 4.3% compared to the same period in the previous year. This occurs amidst the potential for El Nino which could affect world rice production. Projections for Indonesia's rice production in early 2024 show the expected increase. BPS projects an increase in rice production from February to March 2024, with significant production estimates in March. Low rice production in Indonesia after the 2024 election is a threat to national food security. The government is advised to anticipate a decline in production with rice import policies and efforts to increase domestic production. To ensure the availability of rice, since March 2023 the government has also provided 10 kilograms of rice for 22 million families every month, until June 2024.

2. Backward Simultaneous Planting Season

In dealing with climate change, one of the adaptation technologies is adjusting the planting schedule. The Agricultural Research and Development Agency has issued an integrated planting calendar which contains information on planting schedules, planting patterns, predictions of planting area, fertilizer doses, recommendations for fertilizer needs, recommendations for seeds and varieties of rice and secondary crops and potential OPTs for rice and secondary crops (Farmanta, 2013:4). Rice (*Oryza sativa* L.) is still the most important crop in Indonesia, the demand for which increases every year (Wibowo, 2000:4). Meanwhile. Existing agricultural areas continue to decrease, so the opening of new land areas needs to be increased (Handayani, 2001:4). Non-simultaneous planting schedules can occur because rice fields have varied topography, some of which have sloping land and uneven contours. Sloping land causes the water and fertilizer given to plants to drop quickly, so that the provision of water and especially fertilizer becomes ineffective. This condition causes farmers to have to spend money. Some of the rice fields owned by residents are flat, some are sloping or even both if the rice fields they own are not located side by side. The influence of uneven land contours is very large, because the ability of farmers is different in providing tools and labour to cultivate the land, which means farmers' planting times cannot be made simultaneously. Farmers who are able to pay more labour for tilling the land will be able to plant earlier, while

farmers whose ability to pay for labour is limited will plant later than farmers who have more labour.

3. Potential Increase in Food Prices

The scarcity of food supplies and the spike in rice prices are a serious concern after the 2024 elections. The price of premium price rose 0.32% to IDR 15,800 per kilogram, while the price of medium quality rice also increased 0.43% to IDR 13,890 per kilogram. These prices exceed the Highest Retail Price (HET) that has been set, such as the HET for premium rice of IDR 14,400 per kilogram and medium rice IDR 11,500 per kilogram. Factors that contributed significantly to the increase in rice prices include: 1) a decrease in the national rice production surplus in March 2024 compared to the previous year. The potential harvest in March 2024 is estimated to only reach 3.51 million tons, down from 5.13 million tons in March 2023. 2) The extreme El Nino weather conditions because a prolonged dry season, which reduces rice supplies because agricultural production is disrupted. 3) Increased demand, especially during the 2024 election campaign. The cheap redemption program for basic food packages which includes rice as the main component will also increase overall demand for rice. 4) The high cost of rice production, one of which is caused by the high price of fertilizer. Indonesia still depends on other countries for fertilizer, and conflicts in fertilizer-supplying countries such as Ukraine and Russia have disrupted fertilizer distribution to Indonesia. 5) Restrictions on rice exports by dozens of countries, which caused a spike in rice prices in countries experiencing deficits. This makes Indonesia face obstacles in importing rice to maintain domestic rice price stability. The increase in rice prices was caused by several factors, including stock availability and transportation not operating normally as usual on Election Day. The stock of goods in the field is affected by the high enthusiasm of the public in participating in the election, so that the stock of chilies is limited.

Apart from that, transportation not operating normally on Election Day is also a determining factor in price increases, even though the increase is very slight.

The Impact of the Increase in Basic Prices on Food Availability After the 2024 Election

1. Food Scarcity

Food shortages after the 2024 election in Indonesia occurred due to reduced rice supplies, caused by extreme weather factors, such as the El Nino phenomenon, and shortages of land and fertilizer. This causes grain production to decrease, and the population to increase. This crisis causes a mismatch between demand and availability of rice, which is known as the supply-demand factor. This problem needs to be addressed immediately by reducing shortages in the market, such as importing rice before it is too late and expanding trading partners. Apart from that, it is necessary to expand rice barns in certain areas such as Kalimantan and Papua for the long term. The government also needs to pay attention to food sovereignty and food security as a long-term priority. The World Meteorological Organization (WMO) released the latest research results regarding predictions of the El Nino

phenomenon which will last until April 2024. This prediction is longer than previously estimated. WMO researchers suspect that increasing temperatures at the bottom of the Pacific Ocean are the cause. As a result, all countries on earth inevitably have to adapt and innovate to minimize the negative impact of El Nino. Adaptation and innovation in food production and consumption are crucial. El Nino has so far reduced the amount of world staple food production. Global productivity of rice, wheat and corn fell by 1.33%, 1.32% and 0.37% respectively. This makes world exporters of rice, wheat and corn issue food protection policies. Indonesia also experienced the implementation of this policy. In early September, the Indonesian Ministry of Trade failed to import rice from India. Importing rice from India is one of the government's decisions in the third quarter of 2023 after President Joko Widodo took the rice import option. The rice import option is an anticipatory step so that Indonesia's fate is not similar to Argentina, Turkey and England which experienced high food inflation due to El Nino respectively at (133%), (72.8%), and (13.6%) at the end of the year. in 2023. The low level of per capita income makes developing countries like Indonesia vulnerable to food price inflation. This vulnerability occurs because food has the highest portion of Indonesian people's household expenditure. Food price inflation will reduce household purchasing power, suppress consumption of secondary and tertiary goods and trigger the government to issue monetary policies such as increasing interest rates. Importing rice is a rational policy taken by the government when the global food price index moves up. Even though it is bitter for rice farmers, rice imports are expected to be able to maintain rice price inflation in the next semester. So that rice price inflation does not create a scarcity of people's staple food. Because the scarcity of staple foods could disrupt the succession to the 2024 General Election (Pemilu). However, in order to minimize the pitfalls and negative impacts of rice imports, next year the government should stop imports and return to relying on domestic rice stocks by empowering rice farmers.

2. Increase in Food Prices

The decline in rice production reduces farmers' income and livelihoods. This is because farmers' livelihoods depend heavily on rice production. These methods contribute to food fortification programs. Food security, especially rice, has always been a priority for the government. Even the current sustainability status of rice is still "unconventional" and full of controversy. In fact, Indonesia is still the third largest rice producer in the world. However, rice production fell sharply to 34.6 million tons. According to FAO, the local economy can currently meet 90% of national needs, although the promise of self-sufficiency remains during the election period. Despite rising rice prices, rice consumption will increase to 30.2 million tons in 2022, up 0.5% compared to the previous year. Rice consumption decreased in 2019, but increased in 2020-2022. Food experienced shortages in 2019 and will remain so next year. Rice production in Indonesia varies. In 2022 it will increase 0.59 percent to 31.54 million tons (Faiz, 2023:40). Rice prices affect people's purchasing power and farmers' income. The introduction of imported rice can cause problems for local farmers because it is cheaper and more attractive to consumers. In Indonesia,

rice is a staple food so it is consumed in large quantities, and as the population increases, the need for rice also increases. Therefore, rice is brought so that the rice can be sent home safely without getting sick (Naira, 2024:111-112).

3. Sociopolitical Impact

The increase in food group prices was clearly visible to consumers and almost all consumers cried. Responding to complaints about price increases, Bulog implemented market operations to remove goods from its inventory. However, due to crop failures and floods that hampered the distribution system for several commodities, market operations were unable to generate sustainable profits and market prices remained stable. According to the government report: Food prices fell last March, but according to the website report, the price situation has not changed much. Markets and the need to improve farmers' living standards and commodity exchange rates. Current agricultural sector policies, especially financial support, show the government's determination not to leave our farmers in poverty. However, marketing efforts to reduce costs may fail (Ibnu, 2024). The method described above has very difficult results and can cause long-term problems. First, the food industry loses incentives to retain workers and owners in the industry. A strong recovery in industry forced workers to leave the agricultural sector. If the wage reduction law is implemented, it is seen that workers will move from the agricultural sector to new sectors where the added value per worker is higher. However, the current industrial situation in India does not allow for smooth movement of labor. Therefore, this method of job transfer cannot avoid problems in non-agricultural work. Second, the lack of incentives in the agricultural sector hinders innovation and adaptation of food production technology. Therefore, marginal profits do not increase in proportion to the inputs used. This will certainly cause a downward trend in the food sector. Third, the consequences of bad agricultural policies result in a continuous decline in farmers' living standards and crop turnover (Wjayanti, 1996:50-51)

Government Strategy in Maintaining Food Availability Post-2024 Election

1. Food Estate Program

Food estate is one of the strategies promoted by the Indonesian government to overcome the problem of food security and the food crisis in Indonesia. Since the 1950s, the Indonesian government has implemented extensive food procurement policies and programs aimed at producing food for local communities. However, the complex food program promoted by the government was not implemented. Therefore, the aim of this research is to understand the complex development of food culture and analysed the factors behind this development by comparing the culture of all restaurants in Indonesia. Agricultural land is agricultural land that has been developed on a large scale to produce food for local residents. It is hoped that the development of food packaging will contribute to the food crisis in Indonesia, which is expected to face a food crisis in the future. The Indonesian government continues to strive to achieve Goal 2 of the 13 Sustainable Development Goals (SDGs). The goal is to end hunger and achieve food security and good nutrition,

as well as encourage sustainable agriculture. It's time to fight climate change (Alsafana, 2023:33-34).

2. Government Anticipatory Steps

Indonesia has prepared a food self-sufficiency plan for 2015-2019. As outlined in the 2015-2019 RPJMN, the government plans to achieve the rice target within three years and the sustainability targets for wheat, soybeans, sugar, beef, fish and salt within five years. To achieve this goal, the Ministry of Agriculture launched the Upsus Pajale program (Special Activities for Rice, Corn and Soybeans) to increase rice, corn and soybean production, as well as the Upsus Siwab (Special Farmers Employment) program to advance animal husbandry. Upsus Pajale offers fertilizer packages, seed packages, tractors and other agricultural equipment to farmers to increase production. Thanks to these funds, the level of producer subsidies has increased significantly, from 17% of agricultural income in 2009-2010 to 29% in 2017. Currently the Ministry of Agriculture and Forestry is promoting the use of artificial animals, expanding the development of livestock areas and strengthening livestock capacity, providing livestock seeds to breeders, and increasing production related to Upsus Sewap. Livestock and health standards. Indonesia has invested heavily in expanding agricultural land and developing agricultural infrastructure. According to the Ministry of Development's strategic plan, Indonesia plans to build one million hectares of new rice fields, build 65 dams and increase the irrigation network to 115,000 hectares by the end of 2019. By the end of 2018, 43 dams had been built, but the agricultural land development program was not very successful. Only a fifth of planned new rice plantings (or 212,000 ha) were successfully established in 2018. The government reported that around 900,000 hectares of unused land, mostly wetlands, had been converted into new agricultural land, mostly for rice fields. The government is also reviving the Merauke Integrated Food and Energy Farm in West Papua, which was first advertised in 2010 but stalled due to opposition from local residents and difficulties accessing land. Apart from Papua, large commercial rice fields have also been opened in Kalimantan involving the private sector (Arif, 2020:23).

3. Food Import Policy

One important component in regulating food trade in Indonesia is the food import policy. Due to geography where it is difficult to achieve food self-sufficiency, the implementation of rice import restriction policies will increase community poverty because local rice prices will increase as a result of rice production which cannot keep up with consumption. If domestic food production is insufficient or cannot be produced, then imports can be made. Staple food imports can also be carried out if national food production and reserves are insufficient. Food imported for domestic consumption must meet safety, quality and nutritional standards, and not conflict with the people's religion, beliefs or culture. Health is everyone's human right. According to Article 48 of Law Number 36 of 2009 concerning Health, protecting food and drink is one way to achieve the highest level of health (Fauzin, 2021:3). Unlike in 1970, the world rice market is still reliable; at that time, there was no technology that could guarantee global rice production, so there was no need to

worry about world rice prices plummeting due to lack of supply. Apart from that, it is considered that rice exporting countries will not create cartels in the rice market because each exporting country has different interests. If Thailand wants to increase global rice prices by reducing its exports, Vietnam may see this as an opportunity to increase its exports. During Jokowi's administration, debate about the pros and cons of rice imports continued. Actors are trying to gain benefits from the rice import policy. Conflicting interests are definitely involved in government policy making (Kusumah, 2019:137-139). By using this policy, the state can regulate national food availability and security, as well as change consumption patterns and people's perspectives on food quality. Analysis of Indonesia's rice import policy shows that this policy is based on internal factors, such as decreasing national rice production and increasing national rice consumption. Even though Indonesia has sufficient rice stocks, imports are made to reserve each province. The food import policy aims to improve farmers' welfare. National food security is also linked to food import policies. Regulations that support these policies are always linked to food availability and security. The World Trade Organization (WTO) is the international trade institution responsible for international trade, and this organization drives the long process of spreading agricultural trade norms. The rules regarding agriculture contained in the Agreement on Agriculture (AoA) are legally binding, and therefore the WTO has the ability to supervise food imports from surpluses and harvests from 2018 to 2022 (Lukman and Kusumawardhana, 2023: 377). Long-term and short-term policies are needed to ensure sustainable food security by increasing national food availability, especially rice, and improving farmer welfare (Prabowo, 2010:72).

CONCLUSIONS AND RECOMMENDATIONS

General elections are a crucial period for a country in determining future leaders and policies. Often, elections cause significant changes in various sectors, including the economy and food availability. The impact of the increase in staple food prices after the election was felt by various groups of society, especially the lower middle economic groups. People with limited incomes will face difficulties in meeting their daily food needs, which in turn can create social instability and increase poverty levels. Increases in staple food prices can also have a negative impact on other sectors in the economy. There are various factors and impacts that caused the increase in staple food prices after this election. In response to this, the government has not just remained silent, but has tried various strategies to stabilize staple food prices again.

Considering that there are still many shortcomings in this article. We are very open to accepting criticism and suggestions from various parties in order to create an understanding of the integrity of our written explanation. The criticism and suggestions given are certainly very useful for the development of our writing. We would like to thank all parties who have participated and supported our writing.

Based on the topic of this writing, the researcher provides several suggestions, namely the amount of rice production is still a very dominant factor influencing the amount of availability (supply) therefore various efforts

to increase rice productivity or food security need to be implemented through regional government policies contained in the form of programs/ activities and supported by budget allocation to finance them. Efforts that can be taken include:

1. Increasing production and productivity through accelerating the dissemination and adoption of technological innovations resulting from research that are adaptive to climate change;
2. Consistent enforcement of agricultural land protection regulations to reduce the rate of land conversion;
3. Facilitate access to capital and business financing to encourage accelerated production increases (optimizing the use of abandoned land and expanding potential land for agricultural businesses).

From the results analysed, it is known that the price of rice still influences the quantity demanded. This shows that price stabilization efforts must continue to be made to facilitate affordability of food consumption. Thus, efforts need to be made to increase production accompanied by the availability of supply for each commodity, such as increasing the welfare of farmers and controlling the prices of basic commodities.

FURTHER RESEARCH

This research still has limitations so further research needs to be done on this topic "Increase in Prices of Basic Ingredients on Food Availability After the 2024 Election".

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