



CREDIT RATIONING OF FARM HOUSEHOLDS AND AGRICULTURAL PRODUCTION: EMPIRICAL EVIDENCE IN THE RURAL AREAS OF CENTRAL SULAWESI, INDONESIA

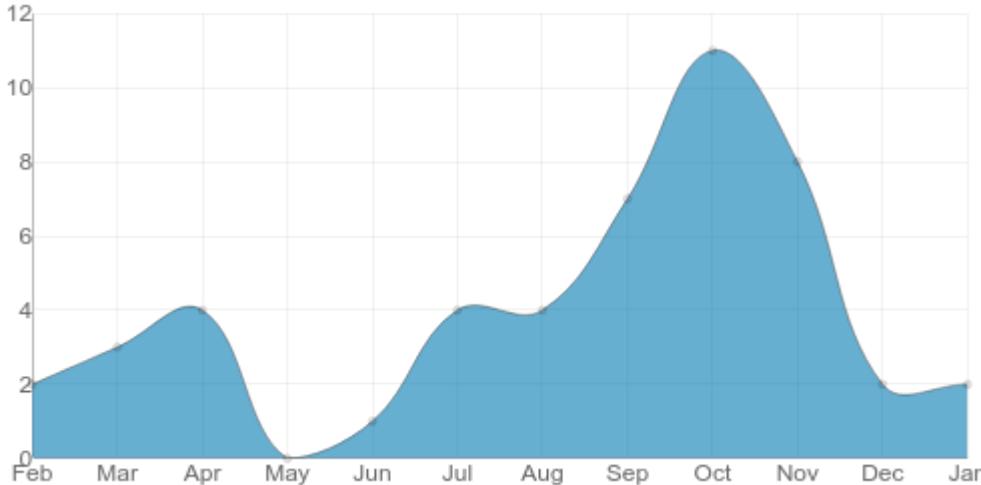
Nunung Nuryartono

DOI: <https://doi.org/10.17358/jma.4.1.15-21>

Abstract

The agricultural sector provides the highest contribution to economic development in the Central Sulawesi Province, Indonesia. On average, the share of agriculture in the Product Domestic Regional Bruto (GRDP) is more than 40% (2003). However, poverty is a widespread problem found in this area, as indicated by almost 46% of the total household are categorized as poor and most of them are farmers. Smallholders and poor farmers may perpetually be trapped in poverty due to lack of finance needed to undertake productive investment. This is indicated by lower rate of advance agricultural technology adoption, which results the productivity of some agricultural products in this area is lower compared to the national average. This paper addresses the question of whether greater access of financial services increase agricultural production. Specific research question addressed are as follow: (1) How many household have access to formal credit markets? (2) How many households are credit constrained? (3) What factors influence that households are credit constrained? (4) How does credit rationing influences agricultural production? As many studies have shown, many rural households lack access to either formal or informal credit institutions. In the rural areas of Central Sulawesi Province, particularly in the vicinity of the Lore Lindu National Park only 21.5% of the household have access to formal credits. The results also show that under certain conditions, only 18.1% of the households are not credit constrained. Most households are credit constrained due to lack collateral and because of the self-selection problem. The econometric analysis consists of two parts. The first part explores the determinants for a household to be credit constrained, focusing on the formal credit market by using Probit model. In the second part of the analysis, we investigate the influence of being credit constrained on the rice production by applying a switching regression model. The results of the probit model show that human capital (i.e. education and age of the head of households) as well as wealth and risk-bearing indicators are significant in determining whether household is credit constrained.

Downloads



Author Biography

Nunung Nuryartono

Lecturer in Department of Economics, Faculty of Economics and Management; Senior researcher in International Center for Applied Finance and Economics (InterCAFE), Bogor Agricultural Institute

 [PDF Full Text](#)

Issue

[Vol. 4 No. 1 \(2007\): Vol. 4 No. 1 Maret 2007](#)

Section

Articles

License

Authors who publish with this journal agree to the following terms:

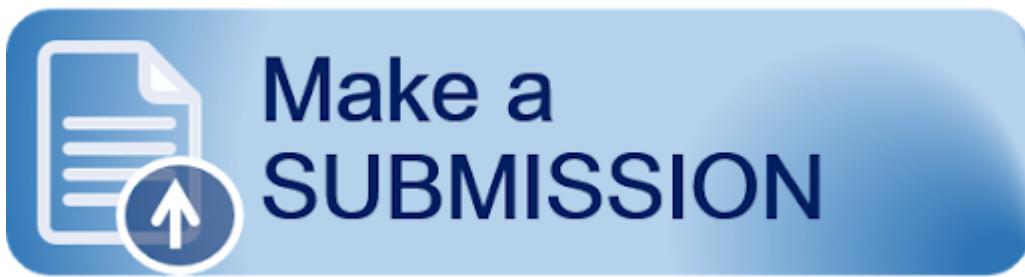
- a. Authors retain copyright and grant the journal right of first publication with the work simultaneously licensed under a [Creative Commons Attribution License](#) that allows others to share the work with an acknowledgement of the work's authorship and initial publication in this journal.
- a. Authors are able to enter into separate, additional contractual arrangements for the non-exclusive distribution of the journal's published version of the work (e.g., post it to an institutional repository or publish it in a book), with an acknowledgement of its initial publication in this journal.
- a. Authors are permitted and encouraged to post their work online (e.g., in institutional repositories or on their website) prior to and during the submission process, as it can lead to productive exchanges, as well as earlier and greater citation of published work (See [The Effect of Open Access](#)).

How to Cite

Nuryartono, N. (2011). CREDIT RATIONING OF FARM HOUSEHOLDS AND AGRICULTURAL PRODUCTION: EMPIRICAL EVIDENCE IN THE RURAL AREAS OF CENTRAL SULAWESI, INDONESIA. *Jurnal Manajemen Dan Agribisnis*, 4(1), 15-

Most read articles by the same author(s)

- M. Efendi Arianto, Arief Daryanto, Bustanul Arifin, Nunung Nuryartono, [ANALISIS HARGA MINYAK SAWIT, TINJAUAN Kointegrasi Harga Minyak Nabati dan Minyak Bumi](#), [Jurnal Manajemen dan Agribisnis: Vol. 7 No. 1 \(2010\): Vol. 7 No. 1 Maret 2010](#)
- Aprilia Sukmawati, Hermanto Siregar, Nunung Nuryartono, [IMPLEMENTASI PENYUSUNAN RENCANA KERJA DAN ANGGARAN BELANJA KEMENTERIAN PERTANIAN SEKTOR PERTANIAN TAHUN 2005-2012](#), [Jurnal Manajemen dan Agribisnis: Vol. 10 No. 3 \(2013\): Vol. 10 No. 3, November 2013](#)
- Koes Pranowo, Noer Azam Achsani, Adler H. Manurung, Nunung Nuryartono, [Emergence Corporate Financial Distress in Emerging Market: Empirical Evidence from Indonesia Stock Exchange\(IDX\) 2004-2008](#), [Jurnal Manajemen dan Agribisnis: Vol. 8 No. 2 \(2011\): Vol. 8 No. 2 Oktober 2011](#)



Accreditation

SERTIFIKAT

Direktorat Jenderal Penguatan Riset dan Pengembangan,
Kementerian Riset, Teknologi dan Pendidikan Tinggi



Kutipan dari Keputusan Direktur Jenderal Penguatan Riset dan Pengembangan
Kementerian Riset, Teknologi dan Pendidikan Tinggi Republik Indonesia
Nomor 36/E/KPT/2019
Peringkat Akreditasi Jurnal Ilmiah Periode VII Tahun 2019
Nama Jurnal Ilmiah
Jurnal Manajemen & Agribisnis

E-ISSN: 24072524

Penerbit: School of Business, Bogor Agricultural University (SB-IPB) associated with Indonesian Society of
Agricultural Economics (PERHEPI/ISAE)
Ditetapkan Sebagai Jurnal Ilmiah

TERAKREDITASI PERINGKAT 2

Akreditasi Berlaku Selama 5 (lima) Tahun, Yaitu
Volume 16 Nomor 1 Tahun 2019 sampai Volume 20 Nomor 2 Tahun 2023

Jakarta, 13 Desember 2019
Direktur Jenderal Penguatan Riset dan Pengembangan



Dr. Muhammad Dimyati
NIP. 195912171984021001



Journal Menu

ETHICS IN PUBLISHING

AIMS AND SCOPE

AUTHOR GUIDELINES

OPEN ACCES AND COPYRIGHT

PLAGIARISM

PUBLICATION FREQUENCY

PEER-REVIEWERS

INDEXING & ABSTRACTING

RETRACTION AND WITHDRAWAL POLICY

ARCHIVING AND PRESERVATION

JOURNAL SPONSORSHIP

Submission preparation by author(s):

- [Grammarly checking](#)
- [Article Template](#)
- [Letter of Statement of free Plagiarism](#)

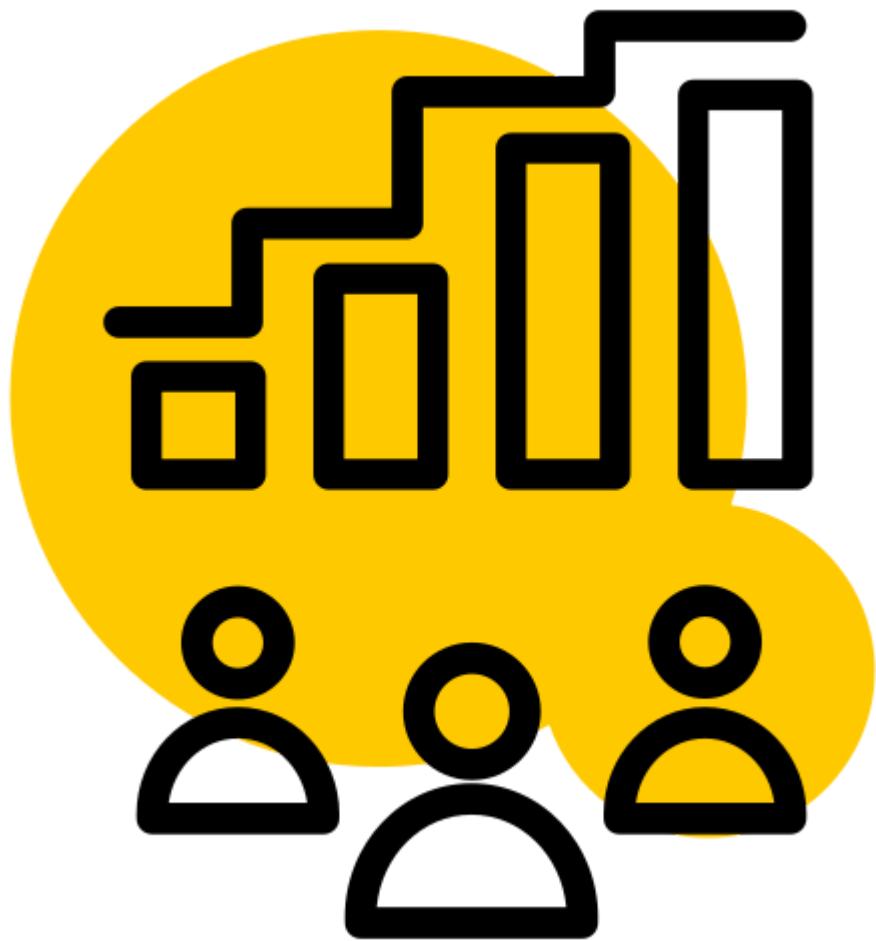
Editorial Board

Chief Editor

Arif Imam Suroso
IPB University, Indonesia
53864020700

 [Read More](#)

Visitor Statistic



00404633

Keywords

employee mode
mpmo mode
relative dimension
willingness to buy
motivation
spot market
sem
trust
experiential marketing
nanotechnology knowledge
granger causality
effectiveness ols

multiplier
risk analysis
poverty tebu
oil palm
corner coffee
scp

Information

[For Readers](#)

[For Authors](#)

[For Librarians](#)

Language

English

 Address

Jurnal Manajemen & Agribisnis (JMA)

School of Business, Bogor Agricultural University (SB-IPB)

Gedung MB-IPB, Jl. Raya Pajajaran, Bogor - Indonesia 16151

 Contact Info

Tlp. (0251) 8313813 (hunting), 8378671

Fax. (0251) 8318515

Email : jma@sb.ipb.ac.id or jma.mbibp@gmail.com

<http://journal.ipb.ac.id/index.php/jmagr/>

JMA is using CC BY license



This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

00404633 [Visitors](#)

Platform &
workflow by
OJS / PKP