

## The Role of Oil Palm Plantations in Improving the Economy of the People of Dusun Raja Village, North Bengkulu

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### Abstract

*Initially, the people of Dusun Raja village in North Bengkulu mostly worked as rubber farmers. From the rubber income, the community experienced economic difficulties. This was due to the low price of rubber which caused the community's needs to be unmet. However, after the existence of this oil palm plantation there were many changes in the condition of the village, because the price of oil palm was higher than rubber. The purpose of the study was to determine the role of oil palm plantations in improving the economy of the village community of Dusun Raja as measured by the factors of employment, income, education, food and shelter needs and improvement of infrastructure and village facilities. The method used is a descriptive qualitative approach by collecting data through interviews and observation methods. The number of informants was 4 people consisting of 2 oil palm farmers, 1 village official, 1 oil palm farm laborer. The results of this study indicate that the existence of oil palm plantations has a role in improving the economy of the village community. With the existence of oil palm plantations can provide opportunities, create jobs, increase income, and increase public awareness of the meaning of education and increase village facilities and infrastructure. So that currently the plantation sector is an option to change the family economy, because the interest in the development of oil palm plantations is still high, so the government has an important role in improving the economy of the community around the village of Dusun Raja North Bengkulu.*

**Keywords:** role, oil palm plantation, village community, economy.

### A. Introduction

Indonesia is an agricultural country where many people live from agricultural products. The agricultural sector is expected to be able to support the industrial sector which is strived to become a resilient sector (Habibie, 2020). Farming is an organization of production, where farmers are the executors for organizing nature, special capital and labor to production in the field. Which is based on when it gets profit or not. The farming business can be said to be successful when the business provides profits and income to meet or finance all the needs needed. The success

of this farm is closely related to the amount of income and capital or costs incurred during the production process. The farming business carried out by the community is not only to meet family needs but also to improve the community's economy, so it is very necessary to have expertise and ability in carrying out the farming business. To improve the economy, of course, there are several factors, both social, technical and economic factors (Duakajui, dkk). This economic factor is closely related to the capital owned by farmers, so these farmers really hope that the capital they have will get or produce greater profits than before. This social factor is closely related to the habits or traditions of the community that have been going on for a long time in a village. While this technical factor is closely related to the land area and the quality of the farmer whether the level of adaptation is in accordance with the climate and whether it is resistant to pests or diseases. The development of the agricultural sector is expected to be directed at increasing the productivity of agricultural products used to meet the needs of clothing, food for community boards, industry, to increase exports and even to increase farmers' income, and can expand employment opportunities. In Indonesia, the agricultural sector is progressing very rapidly, both agriculture managed by the people and agriculture managed by companies. This is due to advances in technology and science that have developed rapidly.

Bengkulu is a province in Sumatra located at 5°40' - 2°0' N 40' - 104°0' E with an area of 19,788.70 km<sup>2</sup> (7,640.46) which borders North: West Sumatra, South: Lampung, West: Indian Ocean. East: Jambi and South Sumatra.<sup>1</sup> Bengkulu province is rich in marine products, plantations, spices, and mining products. Bengkulu is also famous for growing one of the endemic plants, *Rafflesia Arnoldi*. In addition, this area became one of the places of exile of the warriors including Soekarno. Speaking of plantations, Bengkulu province is also one of the producers of oil palm. The Bengkulu Province Statistics Agency (BPS) recorded that the area of oil palm plantations in the area in 2020 reached 211.98 thousand hectares, an increase of more than two thousand hectares compared to 2019 which reached 209,18 thousand hectares. Head of BPS Bengkulu province Win Rizal said the increase in

the area of oil palm plantations occurred in almost all districts and cities in Bengkulu. In Mukomuko itself, the area of oil palm plantations also increased from 2019 reaching 102.64 thousand hectares and in 2020 reaching 102.73 thousand hectares. Then North Bengkulu Regency with an area of oil palm plantations reached 41.56 thousand hectares, an increase from 2019 which was 39.13 hectares. Seluma Regency with an area of 31.60 thousand hectares from the previous 31.49 thousand hectares. Then, South Bengkulu Regency with an area of 15.02 thousand hectares, Central Bengkulu Regency 9.28 thousand hectares, Kaur Regency 8.85 thousand hectares and Bengkulu City 1.85 thousand hectares. However, there are three regions with plantation land The smallest oil palm plantations are Rejang Lebong 0.77 thousand hectares, Lebong 0.24 thousand hectares and Kepahiang 0.11 thousand hectares.

Palm oil products are widely produced into palm oil and Indonesia is one of the export commodities of palm oil. Palm oil is one of the farms that often gets attention to the fulfillment of certain criteria for the fulfillment of sustainability criteria by consumers is palm oil products (Saragih dan Rachmia, 2019). Oil palm is a type of plant that comes from the Arecaceae family. One of the villages with the majority of oil palm plantation farmers in Bengkulu province is dusun Raja village located in North Bengkulu. At first in the village of dusun Raja North Bengkulu the majority of rubber farmers but over time the village farmers chose to become oil palm farmers because by switching rubber farmers to oil palm farmers it turned out that the income of the people of the village of dusun Raja North Bengkulu was increasing and could even fulfill all their daily needs. Indonesia as an agricultural country, oil palm commodities have excellent potential as a source of foreign exchange, which will certainly increase the income and economy of a village or the income of oil palm farmers. Oil palm plantations are prioritized in a sustainable manner to contribute specifically to the improvement of the welfare of the people in the region even to remote villages and in general continue to play a role in the growth of the Indonesian economy (Darmawan, dkk, 2021).

According to research conducted by Fahrur Nur Bibie, "The Role of Oil

Palm Agricultural Products in Improving the Community Economy in the Perspective of Islamic Economics (Study in Ujung Patihah Village, Kuala District, Nagan Raya Regency)". The results showed that oil palm plantations as a high-producing productive plant, a very potential livelihood in Ujung Patiha village is an oil palm plantation and becomes a commodity that has high market demand. According to research by Nella Naomi Duakajui, "Economic Analysis of Oil Palm (Elais Gueneenis) Plantation Business Income SukoMulyo Village, Sepaku District, Penajam Paser Utara Regency" this research says that the existence of this oil palm plantation can be profitable for a community.

An interesting study in this research is the role of oil palm plantations in improving the economy of the community, which is expected to improve the economy of the village of Dusun Raja, North Bengkulu.

## **B. Literature Review**

### **1. Role**

A role is a dynamic aspect of one's position to implement a set of rights and obligations that one has. When a person exercises his rights and obligations in accordance with his position, performs his function. Role is a dynamic aspect of the situation (state).<sup>9</sup> Role is the completion of the role relationship that people get by occupying a special social position. According to Kozier, a role is a set of behaviors that others expect of someone according to their position. Role is a form of behavior that a person expects from certain social situations. Where this role describes the social about who we are. This Pran becomes meaningful when it is associated with other people.

### **2. Oil palm plantation**

Law number 39 of 2014 concerning plantations states that "plantation is a process of processing (natural) resources, human resources, production facilities, tools, machinery, harvesting, processing, marketing, maintenance related to plantation crops (Darmawan, dkk, 2021).

Oil palm is a type of plant that comes from the Arecaceae family. Oil palm was originally cultivated in South America. This plant is one of the main

commodities in the efforts of farmers in producing palm oil. In the plantation industry, oil palm is known as a commodity that has a high value as a substitute for coconut which is used for the purpose of making oil. Oil palm plantations are usually located in forest areas that are far from the hustle and bustle of community life because oil palm plantations usually require a large area of land. By seeing the economic benefits generated from oil palm derivative products, farmers have switched to planting Sasit coconut commodities which are spread across various Indonesian islands including Kalimantan, Sumatra and Sulawesi. In its distribution, there are two types of oil palm that are usually cultivated by farmers including *Elaeis guineensis* Jacq. and *Elaeis oleifera*. The difference between the two types is that *Elaeis guineensis* has high productivity so it is widely cultivated, while *Elaeis oleifera* has a low plant height (Rahmawati, 2023).

### **3. Community Economic Improvement**

Economic Improvement Etymologically, Improvement means an increase in degree, while economy, the word for economy, means the science of the principles of production, distribution, and use of goods and wealth, such as: finance, industry, and trade. Improving the community's economy is a means or effort by the community to better organize the household so that it can meet the needs of life (Nisa, 2021). The community economy is the state of an economy that exists in the village in a community life there are economic activities, namely the production economy, consumption economy and distribution economy, the community carries out economic activities to meet their daily needs The types of community economic activities are agriculture, animal husbandry, plantations, industry, mining and services (Nisa, 2021).

The community economy is all forms of economic activity that occur in society, covering every effort and activity of the community to meet their needs. With the improvement of the economy in a community, it makes the community independent and does not depend on certain parties. Community welfare is a condition where the fulfillment of the needs of both the spiritual, material and social

needs of the community in order to live properly. This can be achieved by managing the economy and natural resources. Efforts to improve the community economy that lead to better changes will increase community participation in the national economy that can contribute to sustainable national development.

#### **4. Dusun Raja Village, North Bengkulu**

Dusun Raja Village is a village in Ketahun sub-district, North Bengkulu regency, Bengkulu province. 16 Ketahun sub-district has an oil palm plantation area of 10,597.00.17 Desa dusun Raja is included in the Ketahun sub-district which is one of the villages where the majority of the people are Oil Palm Farmers. However, in the beginning, the village of Raja Hamlet was not an oil palm farmer but a rubber farmer, but over time the income of rubber farmers in the village of Raja Hamlet has decreased and finally now the majority of Raja North Bengkulu villagers have switched to oil palm farmers which turned out to be more promising and could improve the economy of the people of Raja Hamlet village.

### **C. Research Methods**

In this study, researchers used a descriptive qualitative approach with an emphasis on processes and meanings that are not precisely tested or measured with information in the form of descriptive data. This research describes events that are heard, known, told or described the existing conditions and conditions. The location of this research is in Dusun Raja village, Ketahun sub-district, North Bengkulu, Bengkulu, Indonesia. The data source of this research uses primary data, namely through interviews and observation results with a total of 4 informants consisting of 2 oil palm farmers, 1 village official, 1 oil palm farm laborer.

### **D. Result and Discussion**

#### **1. The role of oil palm plantations in improving the economy of the people of dusun Raja village**

The livelihoods of most of the people of dusun Raja village are oil palm plantations, rubber, civil servants, and so on. The oil palm plantation sector is still

very much relied upon by the majority of these communities. This plant is the main sector of community income besides rubber plantations. Oil palm is developed and cultivated in this village to support the improvement of the village economy. It is expected to contribute to the improvement of the economy in the village of Dusun Raja, North Bengkulu. At first the people of this village made a living from rubber plantations with the existing infrastructure and facilities being inadequate this was due to the low price of rubber after the existence of this oil palm plantation there were many changes in the condition of the village, because the price of oil palm was higher than rubber.

This research was conducted by interviewing several informants who are oil palm plantation farmers who have a land area of about 1 hectare with oil palm age 5 years after planting and with different economic conditions. To find out the harvesting process, it is usually done twice a month. Harvesting is done after the fruit is ripe enough and has met the standards for sale. Usually the color of oil palm fruit that is ready to be harvested is orens and begins to drop loose fruit. Then in terms of the price of oil palm that does not drop too much loose fruit has a high selling price. Usually in one FFB (Fresh Fruit Bunch) oil palm weighs 10-30 kg with. In the transportation process, the community usually uses a motorcycle to transport the oil palm fruits collected in the yard of the house after which the FFB will be weighed and transported by the toke. When the FFB is not immediately taken directly to the factory, the FFB will experience a decrease in quality (Observation result in the village of dusun Raja, 2023).

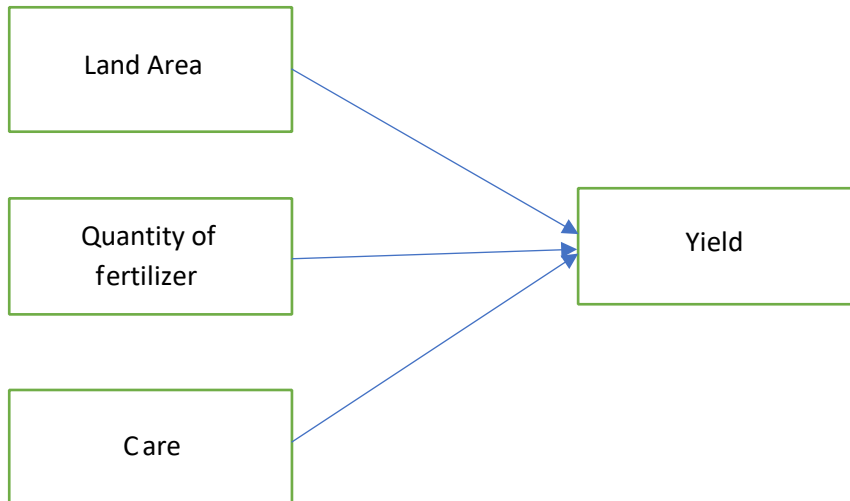
The role of oil palm plantations in increasing the income of the people of Dusun Raja village. Based on the results of research before the existence of oil palm plantations, the community utilized rubber plantations as a source of income with an income of approximately Rp 2,700,000 per month in 1 hectare. After the transfer of land use change to oil palm plantations, the income is approximately IDR 6,000,000 per month in 1 hectare. From the income obtained by the community, they are able to pay for school children to a higher level (Purwanto, 2023). Furthermore, the role of oil palm plantations in supporting children's

education to a higher level. Based on the results of research with one of the informants that the income obtained from a rubber plantation with an area of 7500 m<sup>2</sup> is IDR 1,260,000 per month, after the rubber land is converted into oil palm land the income obtained is IDR 2,250,000 per month with an area of 7500 m<sup>2</sup>. With this higher amount of income, it can help the business run by the community. Not only that, with the existence of oil palm plantations, the community is able to fulfill their needs even better. Based on the results of research with one of the people who works as a farm laborer in the oil palm plantation, from the results of the oil palm plantation that is managed to be a source of income and provide considerable employment. The amount of income from the profit sharing is Rp 1,500,000 per month (Sidik, 2023).

Oil palm plantations as a commodity that has high market demand where oil palm has a significant share in increasing local revenue and the welfare of the people of dusun Raja village. Currently, the majority of the people of dusun Raja village work as oil palm plantation farmers, so that it greatly affects the economy of the community. For example, the access road to get to dusun Raja village has become better, which was previously a clay road, but now the access road is partially paved and some are only rocks. In addition, internet access can be reached by the people of dusun Raja village because of the tower building. Since the existence of this oil palm plantation, unemployment in the village has decreased. This is because of the large amount of labor needed to carry out maintenance and harvesting of oil palm fruit. Dusun Raja village has considerable potential so that the surrounding community can improve the needs of clothing, food and shelter. Many people have the willingness to increase the amount of land in order to increase the amount of income. In improving the economic stability of the community, there are several factors that influence oil palm plantations in improving the economy (Evit, 2023).

Supporting factors for improving the economy of oil palm farmers





The figure above explains that with a large area of land, the quality and amount of fertilizer and good maintenance will increase yields. With an area of 1 hectare will get an income of Rp 6,000,000 per month in the harvest period 2 times a month. while with a land area of 7500 m<sup>2</sup> the income obtained is Rp 2,250,000 per month. This means that if the oil palm land owned by farmers is large enough, the yields that will be obtained by farmers will also increase. In addition to land area, the quality and amount of fertilizer can also increase yields. When 1 hectare of land is fertilized 3-4 times in one year it can produce fruit with a good quality amount. When fertilization is done regularly and on time, this 1 hectare land will produce good quality and quantity of oil palm fruit. Meanwhile, when the land area of 7500 m<sup>2</sup> fertilizes less than 3 times a year, it will certainly produce oil palm fruit with poor quantity and quality. Oil palm plantations in terms of maintenance must also be considered, such as paying attention and cleaning weeds to make it easier during the fertilization process and reducing oil palm fronds that have covered the fruit.

There are always obstacles in gardening activities, it is not easy to produce a lot of fruit instantly, there must be a process that must be passed. This is also the case with the oil palm plantation process. The people of Dusun Raja village said that the obstacle experienced during their time as oil palm farmers was the very expensive price of fertilizer so that farmers were often late in fertilizing so that the yields obtained by farmers were less than optimal. But the community often uses farmer manure as a natural fertilizer. In this case, the people of dusun Raja village expect government assistance in the form of subsidizing the price of fertilizers or also to establish a special

cooperative for fertilizers for oil palm plantations. In addition, plant pests and insects from wild animals such as monkeys are also an obstacle in oil palm plantations. So the local community provides pesticides to deal with plant pests and builds fences for oil palm seedlings to avoid these wild animals.

## **E. Conclusion**

Based on the results of the research that has been discussed regarding the role of oil palm plantations in improving the economy of the people of Dusun Raja village, North Bengkulu. Oil palm plantations are the livelihood of the community, which was originally a rubber farmer but now is an oil palm farmer. After switching to oil palm plantations at this time, it can increase the income or economy of the people of the village of dusun Raja, expand employment opportunities, can fulfill the needs of clothing, food and shelter, their daily needs are met even better when they get income from this oil palm plantation. With this oil palm plantation, it also increases public awareness in education to a higher level, this is because the economic conditions of the people of the village of dusun Raja are getting better. Improved infrastructure and facilities in the village of Dusun Raja such as road access, internet access, electricity, and so on. And the existence of this oil palm plantation can also reduce the unemployment of the surrounding community. So that many people depend on their lives by working as oil palm farmers to get income.

Land area, the amount of fertilizer and maintenance are factors that affect the amount of oil palm fruit that will be harvested, if the three components are missing then the yield from this oil palm plantation will not be optimal. So, even though in every activity there are obstacles that are owned, the oil palm plantation farmers in the village of Dusun Raja always create solutions to overcome the obstacles faced.

Plantations are an alternative to changing the family economy towards community income. Dusun Raja village has great potential for economic improvement through oil palm plantations. It is hoped that the government can provide assistance and

support as well as contributions in the form of fertilizer subsidies or build special fertilizer cooperatives to support the productivity of farmers. From this, the government is very important in realizing the economic improvement of the village of Raja Hamlet, North Bengkulu

## **F. Recommendation**

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