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RICE IMPORT POLICY ANALYSIS AND RETAIL RICE PRICING ON INCREASING NATIONAL FOOD SECURITY

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ABSTRACT

The purpose of this study was to determine and analyze the effect of both partially and partially the influence of rice import policy and distribution of rice prices on the improvement of national food security. This study used to survey, sample, and questionnaire methods as the main data collection tools The research was conducted at the MTCI Ministry's Office of the *Centro Logistico Nacional* (CLN). The data used in this study includes primary data. Multiple linear regression is used to analyze the Model. The results of the study indicate that there is a positive and significant effect of the effect of rice import policy on the result. The results of the second hypothesis show that there is a positive and significant influence on the determination of the price of rice over rice. it can be seen that it is very significant for national food security. The results of the third hypothesis test show that there is a significant effect simultaneously and the effect can be found to be significant on national food security.

INTRODUCTION

Timor-Leste with a population according to the 2020 national population census data means 1,324,094 people from the 2020 food project statistics and most of them consume rice as a staple. The 2020 National Population statistics project data shows that the rice consumption of the people of Timor-Leste is recorded at 12.49 kg/capita/year. The increase in the population of the disaster resulted in an increase in the need for rice each year by the Timor-Leste government. Thus, the government, through various policies and approaches, has played a large enough role to facilitate, encourage and provide regulations in various aspects to increase national food production, especially rice. Therefore, the rice management policy is expected to have better facilities compared to other food commodities, such as maize, soybean, and tubers. The magnitude of the government's role in rice management or procurement can be seen from pre-production, such as providing fertilizers, superior seeds, providing soft credit through *Moris Rasik*, BNCTL, Microfinance, and community empowerment programs through International Non-Governmental Organizations (NGOs) through the provision of irrigation facilities. as well as selling farmer institutional capital. The indicator used as the benchmark is the fulfillment of sufficient food needs as a determinant for the realization of national food security. Food security is manifested in the membership of all Timorese people who have physical and economic access to food to fulfill adequate

nutrition according to their needs to lead a healthy and productive life. The Timor-Leste government policy towards the heavy import program is currently still a top priority program. This shows that rice is currently the staple food consumption of the people of Timor-Leste. Rice prices are affordable and available in almost all parts of Timor-Leste, making it difficult for people to choose other staple foods that are comparable to rice. Moreover, the nutritional content of rice is relatively good, when compared to other staples. Thus, it is natural for the Timor-Leste government to place the rice import program as a strategic food commodity. In other words, rice is the most essential basic need for the people of Timor-Leste. The understanding of the people of Timor-Leste on the importance of stabilizing national food security for nation-building has emerged since the post-independence transition period of Timor-Leste on May 20, 2002. This understanding is stated in Article 5 paragraph 2 of the Constitution which contains the mandate to realize community welfare, where food sufficiency becomes one of the main pillars of the Maubere people. However, countries that are close friends in the Asian region still dominate in the fields of world rice production, consumption, and trade, especially being the biggest rice importers to Timor-Leste, such as Vietnam, Indonesia, and Thailand. The Government of Timor-Leste, through a community food empowerment program policy with the motto "Purchase of community grain", continues to strive to increase domestic rice production and manage national rice stocks for emergency and price stabilization. This community empowerment program in the food sector is certainly aimed at increasing domestic

rice or rice production. Therefore, to avoid the high risk of price instability and rice supply from world markets, in addition to being closely related to poverty alleviation efforts (Haminus Pobreza Absoluta), one of the government regulations is the determination of rice imports in the framework of protecting the interests of farmers and consumers as well as the policy of importing rice whenever the availability of domestic rice is insufficient. This regulation means that the protection of farmers takes precedence. The rationale is that the price of cheap rice on the world market does not reflect the level of efficiency, but has been distorted by various assistance and subsidies. In other words, the various policies in rice farming that have been taken by the government are not in favor of the interests of the farmers.

The population of this study is data related to rice import policy, retail rice prices, and food security from 2017 to 2020. Starting from the explanation of the problems above, several important aspects that became the starting point for selecting this research case were the policy of low rice import tariffs, thus encouraging an abundance of imported rice that exceeded domestic needs, the Governor's policy of providing rice subsidies to the public from 2017 Until 2020 as a form of excessive taming, seen from the Governor's subsidies in 2017, the total imported rice was 1,900. tons, in 2018 and 2019 due to political impact, there was no import in 2020, the total imported rice was 30,000 tons. The rationale is that if the need for food (rice) continues to become an excessive subsidy program, without empowering the community to increase domestic production, thus national food security will decline and there will be a massive increase in rice imports. The abolition of fertilizer subsidies by the Government of Timor-Leste in 2012, which is a strategic means of production in rice farming, actually has no effect related to the elimination of subsidies because from the fiscal year (OGE) there is always a budget for that. prioritizing imports over domestic production and empowering farming communities, The government still uses the inflation indicator to control food prices by suppressing the price of rice at the wholesale trade level, but at the medium trade level it is not taken into account, can see this from the price of rice subsidies which is $ 560 per ton when compared to the domestic price of the government which gives $ 0.40 per kg grain.

Post-harvest technology at the local farmer level is far behind, so the level of quality of rice produced continues to decline. Changes in rice prices continue to increase due to the inflation rate and the increasing public household expenditure as consumers. Because it is influenced by global conditions, especially international rice prices, always increase. Thus, rice price stability in the domestic market is urgently needed. This price stabilization was aimed not only at consumers and controlling inflation, but also as a productivity booster. The retail price of rice was much higher than the parity price of imports. This can be seen from the 25 kg of rice sold to the public for $ 12. In other words, importers or distributors enjoy profits above-normal profits (economic rent). Increase import tariffs to extract part of the economic rent from imports of special rice. For this reason, it is necessary to calculate and apply an "optimum import tariff" that can guarantee a "remunerative" price for local farmers and consumers and increase state revenue from the tariff set by the Timor-Leste government, which is $ 560 per tonne adjusted to the international market price of rice. MTCI-CLN as *Perum Bulog Nasional* should also be allowed to import special rice, starting from several aspects above, the authors conclude that the Government of Timor-Leste, to improve national food security through community empowerment programs by purchasing community grain from 2017 to 2020 amounted to 3500 tons even though in those years the domestic political temperature did not touch or the government did not have a budget year as usual but used a temporary and did not touch anymore because it was continued with the Pandemic or Covid 19 which had stopped all human activities and endanger human lives in the world.,. The food security policy is a top priority because currently, Timor-Leste is a member of the *Comunidade Paiz Lingua Portugues* (CPLP). In other words, on the one hand, the government must pay attention to the continuity of domestic food production to ensure food security, but on the other hand, Timor-Leste cannot inhibit food

imports from abroad. Therefore, if the Timor-Leste government is not ready, Timor-Leste's membership in the CPLP could become very dependent on food imports and this could threaten domestic food security. Thus, the Government of Timor-Leste through the *Ministerio Turismo Comercio, Industria (MTCI) Centro Logistico Nacional (CLN)* is a state institution formed by the government to control price stability and supply of staple goods, especially at the consumer level.

The role of MTCI-CLN in controlling producer prices through basic price instruments to protect domestic rice farmers must continue to be promoted for the welfare of the people. In subsequent developments, the role of MTCI-CLN is not only limited to rice but also in controlling prices and providing other commodities which are carried out incidentally, especially when the price situation increases. Therefore, reformulation of the national eradication policy is needed in line with the dynamics and implications of the changing strategic environment (both global and domestic). On the one hand, the strategic role of rice in economic, social, and political life, on the other hand, changes in the global strategic environment, especially to changes in the strategic environment. with the opening of the national economy from international influences. Meanwhile, the domestic strategic environment is mainly related to the decentralization process and Camara Municipal which is still facing a transition period towards a free trade system, from a centralized economic system to a decentralized economic system. In this regard, it is time for Timor-Leste to need a time that is right on target and as efficient as possible to make adjustments to be able to carry out economic reforms following national economic goals based on the Constitution.

Problem Formulation: The formulation of the problem in a research proposal is the most basic thing. Because the formulation of this problem determines what the discussion will be carried out in this study, this is where the main focus will determine the direction of the research (Yenrizal, 2012). Based on the background of the problems mentioned above, the problem formulations in this study are:

- Does the Government of Timor-Leste's continued import policy affect national food security?
- Does the retail price of rice in the market affect national food security?

LITERATURE REVIEW

Rice Import Policy: It is a bit unfortunate because the people of RDTL are mostly farmers but still depend on imports of rice from Vietnam and other countries. Indeed, no one can confirm with certainty how long the State of Timor Leste has to depend on importing rice, does this dependence indicate an insecure national resilience? Based on research conducted: Melinda Triana Pangaribuan 2019 Master student of strategic and global study schools UI juridical analysis of Law No.5 of 1999, concerning Rice Import Policy and National Resilience. If we hear the term agrarian, maybe the first thing that comes to mind is the word agriculture. The meaning of agrarian is the agricultural sector or the population whose majority have livelihoods in the agricultural sector. The dependence of the State of Timor Leste on imports of rice is not a new story, dependence on importing rice since the time of the government led by Dr. Mari BAAlkateri until now is still being implemented, because domestic production is limited, while domestic demand is high, excess domestic demand is high, so that imports will reduce domestic production. And finally, from the viewpoint of the trade balance, imports are more profitable because domestic production when exported on the international market is higher than the import price that must be paid.

Tulus Tambunan in his writing on national food security identifies several causes, there are several principles why a country imports a product due to three (3) reasons, among others:

1. Domestic production is limited, while high domestic demand (excess demand in the domestic market) imports only as a compliment.
2. Domestic production is limited, while domestic demand is high so that imports will reduce domestic production.
3. In terms of trade balance (or balance of payments) imports are more profitable because domestic production can be used for export, assuming that the export price in foreign markets is higher than the import price that must be paid.

Government decisions in overcoming a problem of concern to the public. Abdul Wahab's research (2005: 76) formulates that public-oriented policy is a sanctioned action that leads to a specific goal-directed at a certain interrelated problem that affects the majority of society. Retail Rice Pricing: The Timor Leste government guarantees that there will be no change to the highest retail price of rice at the consumer level, even though the purchase price of government grain and rice has been determined through government regulations as follows. Taking into account the Regulation of the Minister of Tourism, Trade, and Industry of Timor Leste number 12 / MTCI /

The following is a display of data related to the Rice Import Policy (X1)

Nu	Year	Total Imported Rice	Price in tons	Observation
1	2017	1.900	$515.85	For Intervention, 1,176 tons and 724 tons of market leaves were given MSSI.
2	2018	-	-	Political Impasse
3	2019	-	-	OGE nil
4	2020	30.000	$560	It's being dismantled

Data related to the price of Retail Rice (X2) 2017-2020

Nu.	Year	Sack price	Total Ton	Observation
1	2017	$ 12	1.176	Market Intervention
2	2018	$ 12	-	Political Impasse
3	2019	$11		OGE nil
4	2020	$ 11	30.000	It's being dismantled

Data related to National Resilience (Y) Purchase of Grain 2017-2020

Nu	Year	Total Ton	Price of Kg	Observation
1	2017	1.500	$0.40	Dry grain
2	2018	500	$0.40	Dry grain
3	2019	-		OGE nil
4	2020	600	$0.40	Dry grain

The policy of the Government of Timor Leste, the problem of importing rice, will certainly not go to an end, apart from the three (3) reasons mentioned above, in terms of the rice import policy, the Government itself has concerns about the supply of rice and the condition of land in Timor Leste. Besides that, during the dry season the risk of land drought often haunts farmers, farmers experience losses and this situation causes the price of rice to rise and is felt to be choking the termites. Likewise, when heavy rains are followed by flooding, distribution channels are threatened. Therefore, the government's policy to import rice every year is a precautionary measure against rising rice prices and also concerns economic, political, and social stability. Research Center for Indonesia Policy (CIPS) Galuh Octania wants the government to immediately consider the rice import policy as a form of anticipation of the potential for reduced rice stocks to meet domestic or market needs. Theoretically, research conducted by Edi Suharto (2008: 88) explains that policy is an applicable provision, characterized by consistent and repetitive behavior either from those who make or implement the policy. Nanang Pamungkas (2000: 77) states that policy is a step of deliberate action carried out by an actor or several actors.

Concerned with the existence of the public policy, in this case, the rice import policy, Kartono (2006: 112) has the view that the rice import policy is a strategic use of existing resources to solve various public problems, in this case, the rice import policy. Diversification of the country of origin for rice imports (Vietnam), continued Galuh, is important to maintain the availability of rice in the market in response to availability during unstable domestic political temperatures, such as the occurrence of a pandemic or covid 19, and the occurrence of seasons that are not as they should be. And also Galuh thinks that the rice import policy at the right time can affect the stability of rice prices in the market. Money research conducted by Bima Nurwanto (2009: 223) explains that policy is several government activities to solve problems in society, both directly and through various institutions that affect people's lives. On another point of view, Hakim (2003: 99) argues that policy means studying.

PER // 4/2008 concerning Retail price-fixing and provisions on rice imports. In the above regulation, it is stipulated that the retail price of rice is $ 12.00 per 25 kg, valid in the territory of Timor Leste. while companies that import rice must be determined by the government, in this case, the MTCI. With the provision that companies importing rice must be determined or appointed by MTCI. And these companies must comply with the provisions given by the government (MTCI), namely, among other things, the need to procure rice from abroad related to health or dietary factors, special consumption, certain segments of seed procurement and to meet the needs of raw materials or industrial auxiliaries that are not or not yet fully influenced from domestic natural sources.

Theoretically, research by Cotler (2005: 66) explains that price is the only element of the marketing mix that generates revenue and sales. The Purpose of Retail Rice Price Fixing. In general, middlemen and importers, in determining the retail price level in the national and local markets in Timor-Leste, have many objectives and targets to be achieved from each policy taken. Clear selection between the purpose of pricing and the target of retail rice price-fixing in each price policy, of course with the main objective of obtaining profit (profit) and making it easier for the Timor-Leste Government's management through MTCI to analyze and evaluate each policy taken, so that As a result of the analysis and evaluation carried out, the Timor-Leste governor made or established new policies to correct mistakes and shortcomings of various predetermined price policies. To survive in today's highly competitive market, companies need specific achievable and measurable pricing goals. The aspects that are the objective of determining the price of rice in the market according to Gitosudarmo (2008: 232) are: Achieving the target return on investment or the level of net sales and maximizing profit or profit. Competitive tools in the business world. balance the price itself. In another study conducted by Hartono Budi (2007: 220), rice is the rotating part of the rice husk which is covered in the processing stage of the rice harvest. Theoretically, Cotler's research (2005: 66) explains that price is the only element of the marketing mix that

generates sales revenue. Although pricing is an important issue because there are still many companies that are imperfect in dealing with these pricing problems. Research conducted by Purnama (2005: 45) explains that traditionally, the price has been the main determinant of buyer choice. Sutojo's research (2009: 58) explains that price is an important and inseparable part of the marketing mix because it also cannot be separated from the other three components of the marketing mix, namely products, distribution, and sales promotion.

National Food Security

National food security is the contribution of energy availability and consumers as well as the optimization of rice distribution. rice is the staple food for the people of Timor Leste. Most of the people of Timor Leste consume rice as a staple necessity. Adequacy of rice availability at the national and regional levels is a prerequisite for the realization of national food security by Retno Lantarsih 2010), Sriwidodo, Dwijono Hadi Darmanto (2010), Sri Budi, Sipri Paramita (2010). The Rome Declaration where it has been explained that food is a major basic need for humans that must be fulfilled at all times. and the right to obtain food is one of the human rights, food security is a condition that is fulfilled for every person or the State to individuals, which is reflected in the availability of sufficient food as well as research conducted by Ahmad Suriana in 2018, on food security as a measure and development strategy indicators. Theoretically, Hidayat (2006: 118) argues that National Resilience is the availability of food that meets the needs of everyone both in quantity and quality at any time to live a healthy, active and productive life. The World Health Organization identifies three main components of food security, namely the availability of crops, access to food, and utilization of food. Food availability is the ability to have a sufficient amount of food for basic needs. Food security is the main basis or pillar in realizing sustainable economic resilience and national resilience.

From the format adopted by the United Nations Agency, the development of national resilience in Timor Leste has a fundamental development perspective, among others, access to food with balanced nutrition is the most basic right for humans, the success and development of the quality of human resources is very much determined by the success of the development. Adequacy of food consumption and nutrition as well as national food security is the main basis or pillar in realizing sustainable economic and national resilience. From the above study, the authors conclude that food security is a concentration to realize the access of each individual to obtain nutritious food.

In food security, there are three (3) important components for the formation of food security, namely: food production and availability, guaranteed access to food, and food quality and safety. Based on the definition of food security in decisions made by FAO (Food Association Organization), there are four (4) components that must be met to achieve food security conditions, namely: Adequacy of food availability, stability of food availability. , Fluctuation from season to season or from year to year. Accessibility/affordability to food as well as, quality or food safety National food security is still a strategic issue for the Timor-Leste government, considering that the adequacy of food production, distribution, and consumption has dimensions related to social, economic, and political dimensions. In other words, food security is an integrated system consisting of various subsystems, the main subsystems are food availability, food distribution, and food consumption. The realization of food security is a synergy from the interaction of the three subsystems.

The food availability subsystem includes aspects of production, reserves, and a balance between food imports and exports. Food availability must be managed in such a way that even though food production is seasonal, limited, and spread across regions, the volume of food available to the community must be sufficient in quantity and type and stable in supply from time to time. Theoretically, research conducted by Danang (2008: 102) formulates food security as a

determining factor in the national stability of a country, both in the economic, security, political, and social fields. Therefore, food security is a priority program in agricultural development in Timor-Leste today and in the future. Several indicators used as benchmarks for the national food security of Timor-Leste by the Governor are: Oriented to households and individuals, the time dimension when food is available and accessible, emphasizes access to food for households and individuals, physical, economic, and social. , oriented towards fulfilling nutrition and aimed at living a healthy and productive life. From the indicators above, the authors conclude that one of the targets that will be achieved by *Ministerio Turismo Comercio, Industria* (MTCI) to achieve national food security is to do rice self-sufficiency.
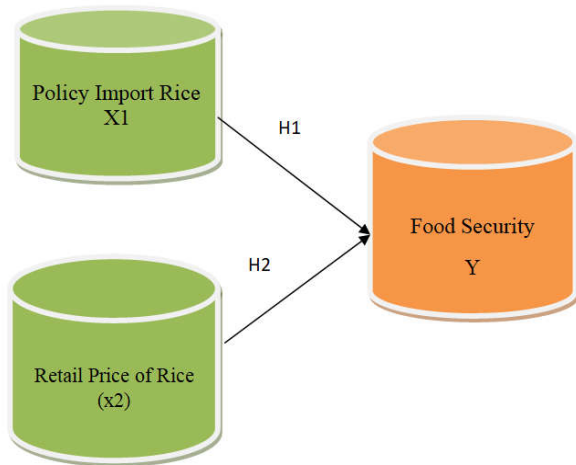
In *Ministerio Turismo Comercio's* strategic plan, Industry (MTCI) places rice as one of the five (5) main food commodities for the people of Timor-Leste. Through the "purchase of grain" program, *Ministerio Turismo Comercio, Industria* (MTCI), is targeting the achievement of sustainable self-sufficiency and self-sufficiency for food crops in 2015-2020, namely rice, corn, soybeans, peanuts, green beans, cassava, sweet potatoes, and vegetables. green. Since rice has been in a position of self-sufficiency starting in 2007, the target for achievement during 2015-2020 is sustainable self-sufficiency with a rice production target of 75.7 million tons of GKG (Milled Dry Grain). Regarding rice self-sufficiency, the achievements of agricultural commodity production during 2017 - 2020 have shown excellent achievements, including increasing rice production from 10.2 million tons in 2010 to 12.5 million tons in 2012 and encouraging several importing companies to import the rice premium class. The literature study conducted by Iffri (1999) estimates that there are several definitions and indicators of food security. Fivimims (2005) states the condition when all people at all times physically, socially, and economically have access to sufficient, safe, and nutritious portions to meet consumption needs according to their respective tastes, according to Nuhfil Hanani AR (2008), explaining that it is oriented to the fulfillment of nutrition. and is shown to live a healthy and productive life.

Framework Thinking

The frame of mind is a diagram that outlines the flow of logic for a study by Romisatriawahono (2012). So the frame of mind is a model or a concept image in which it describes a relationship between one variable and another. The main components in the framework developed by Gregor Polancik, (2009) are independent variables (free variables), and dependent (dependent variables. Levels (indicators of the independent variables to be observed) or indicators of the related variables to be observed. Cristian V. Dawson, this project Computing and information system (2009) applies a framework designed in a research paper entitled (prediction) of rice production using Support vector mechanic based on a particle swarm optimization written by (Fei et al. 2009) on the framework of thinking. on research.

Uma Sekara, Business 1992 in (Sugiono, 2010) in his book states that the framework is a conceptual model of how theory relates to all kinds of factors that have been or have been identified namely as important problems. Suryasumantri 1986, (Sugiyono, 2010) states that a researcher must master scientific theories, namely as a basis for argumentation in compiling a framework of thought that results in hypotheses, this framework is a temporary explanation of the symptoms that are the object of the problem. Djarwanto (2008: 332) suggests that the frame of mind is a chart or workflow in solving research problems. The framework starts from the problem to the achievement of goals. In the flow of thought or workflow, the position and function of the theoretical basis should be seen. From the various theories that have been stated above, provide a basis and direction for compiling a theoretical framework as follows:

Previous research sources: Kartino Susmitro (2008), Robin Stefen (2006)

Information

Rice import policy affects national food security

The retail price of rice affects national food security

The research hypothesis is

Hypothesis 1: Rice Import Policy has a positive and significant effect on national food security.

Statistical Hypothesis

H0 = 0 means that there is no linear effect between rice import policies on national food security
Ha> 0 = means that there is a linear influence between the rice import policy and national food security in a positive way.
Hypothesis 2: National Food Security, retail rice prices have a positive effect and on National food security.

Statistical Hypothesis:

H0 = 0 means that there is no linear effect between retail rice prices and national food security
H0> 0 = This means that there is a linear effect between retail rice prices and National food security in a positive manner.

RESEARCH METHODOLOGY

Method used: The method used in this research is quantitative descriptive is a study that has the aim of describing a phenomenon, event, symptom, and incident that occurs factually, systematically, and accurately according to research conducted by UM Rachmat 2019. Thus, this research is a research study. quantitative descriptive Descriptive research is research conducted to determine the value of an independent variable, either one or more (independent) variables without making comparisons or linking with other variables. whereas quantitative research is research by obtaining data in the form of numbers or qualitative data which is estimated according to Sugiono (20003: 14)

Research focus: To clarify the scope of this research discussion, to avoid and not get trapped by data collection in areas that are very general and broad or less relevant to the research objectives, the focus of research in this thesis is the analysis of rice import policies and the determination of retail rice prices for national food security. The location used as the object of research is *Ministerio Turismo Comercio, Industria (MTCI) at the Centro Logistico Nacional* (CLN) Timor-Leste. Academically, this scientific research is adjusted to the Academic Calendar of the Universidade da Paz Campus (UNPAZ), so that the process of running this research remains in the academic corridor until the final result.

Data source: This research is based on two types of data, namely: primary data is data obtained directly from research subjects by wearing direct data collection tools on the subject as a source of information or first-hand data. Meanwhile, secondary data is data obtained through other parties not directly obtained by the researcher from the research subject or second-hand data.

Primary data

Liliweri's research (2018: 9) explains that primary data is research data obtained directly from the source (not through intermediary media) obtained from respondents who are the subjects of research. The primary data referred to in this study are data obtained from *Ministerio Turismo Comercio, Industria* (MTCI) or *Centro Logistico Nacional* (CLN).

Secondary data: Liliweri's research (2018: 9) suggests that secondary data is research data obtained by researchers indirectly (through intermediary media). This secondary data is generally in the form of references or books, records, or historical reports that have been arranged in archives that have or have not been published. Secondary data refers more to some references that are directly related to the problem or topic of this paper.

Population and Research Sample

Population: Theoretically, Martosucito's research (2008: 22) identifies that population is a combination of all elements in the form of events or people who have similar characteristics that become the center of a researcher's attention because they are seen as a universe of attention. The population of this study is data related to the Rice Import Policy, Rice Retail Price, and National Food Security from 2017 - 2020.

Sample: The sample according to Liliweri (2018: 9) is a kind of plan to take respondents from a certain area or universe. Data were collected using probability sampling, namely the Simple Random Sampling technique, namely sampling tailored to the objectives of the study. In this case, Sample taken in this study is data from 2017 - 2020.

Data collection technique: Data collection was carried out through several techniques, namely: observation, document study According to H.J. Sriyanto (2016) data is a statement or information about the object of research, according to Wahyu Suprianto (2016) and Ahmad Musin data is the raw material in a piece of information, or a regular group of symbols that represent quantity, facts on the action of objects and so on, then the collection procedure data includes, Observation and Documentation, In addition to questionnaires and observations, researchers also conduct documentation studies such as a monthly, quarterly, semester, and annual reports conducted by MTCI-CLN.

Data analysis technique: The analysis tool used in this research is multiple linear regression data, namely to measure how far the influence of the rice import policy is with the use of multiple linear regression analysis by increasing the application of SPSS 16..0. then it can be formulated as follows:

Y= a+b+1X1+b2X2+e

Where:

Y = Rice import policy
A = Constant number
B1 = Efficient regression of rice import policy
B2 = Efficient regression of the retail price of rice
X1 = Analysis of rice import policy
X2 = rice retail price
R = Error

Determinant Coefficient: The coefficient of determination in linear regression is often interpreted as how much the ability of all independent variables to explain the variance of the dependent

variable, simply the coefficient of determination is calculated by strengthening the correlation coefficient (R), for example, if the value of R is 0.80 then the coefficient of determination (R Square) is equal to 0.80 x 0.80 = 0.64. means that the ability of the independent variable in explaining the variance of the dependent variable is 64.0%, which means that there are 36% (100% - 64%, according to research by Fakhan Amirul Huda (2017)

Hypothesis Test: The hypothesis or basic assumption is a temporary answer to a problem that is still presumptive because it still has to be proven, which is temporary, which will be verified with data collected through research by Prof. Dr. S. Nasution (2012).

- Rice import policy (X1) affects National Food Security (Y)
- The Price of Retail Rice (X2) affects National Food Security.

Data analysis: The data analysis in this study was divided into two stages. First, testing data quality. The second stage, testing the classical assumptions.

Validity test: The validity test is used to measure the validity of a questionnaire. A questionnaire is said to be valid if the questions on the questionnaire can reveal something that will be measured by the commissioner. Validity testing is carried out by conducting a bivariate correlation between each indicator tail and the total construct tail according to **Ghozali** (2005: 23), the results of bivariate correlation analysis by looking at the Pearson correlation output. If the value of r count> r table, the instrument used is declared valid.

RESULT AND DISCUSSION

Research Object Overview: The establishment of the *Centro Logistico Nasional* was based on the Presidential Decree of the Republic of Indonesia Democrática Timor Leste number 26/2014 September regarding the *National Logistic*s to serve the government and the people of Timor Leste under its given authority. The *Centro Logistico Nacional* (CLN) is led by a Presidente (Head) who is given the authority to lead, control in carrying out daily tasks and in his tenure for 4 years. In carrying out duties, he is responsible to the *Minister of Turismo Comercio Industria* (MTCI).

Classic assumption test Multicollinearity Test: The multicollinearity test aims to test whether the regression model finds a correlation between the independent or independent variables. **Ghozali** (2009: 110) The regression model should not be a correlation between the independent variables.

If the independent variables are correlated with each other, then this variable is not orthogonal. Orthogonal variables are independent variables whose correlation value between independent variables is equal to zero.

Result test of Multycololinearity

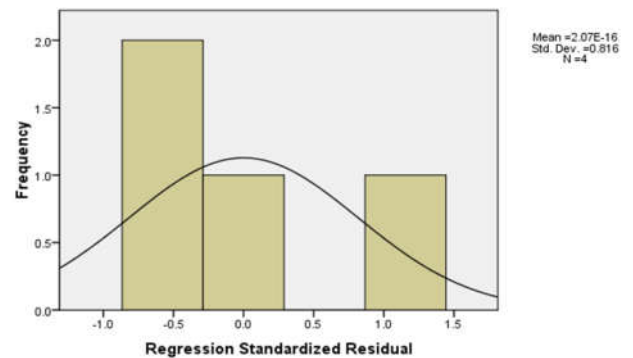| Variable	Tolerance	VIF	Observation
Policy Rice Import	0.996	1.004	Free Multykololinarity
Pricing of retail rice	0.996	1.004	Free Multykololinarity

* Source: primary data is processed, 2018

Based on the table above, to detect and determine whether there are multicollinearity symptoms in the regression model, research can be done by looking at the variance inflation factor (VIF) value and the tolerance value. Based on this, there is no multicollinearity symptom because the value (VIF) is around number 1 and does not exceed 10, and the tolerance value is close to 1. It is expected that the correlation between the independent variables tends to be small.

Heterokesdacity test: The heteroscedasticity test aims to test whether the regression model occurs, there is no similarity in variance from the residuals of one observation to the savings of another. The method used in this study to detect heteroscedasticity is to see that there is no specific pattern on the scatterplot line between SRESID

and ZPRED, where the Y-axis is the predicted Y, and the X-axis is the residual (Y prediction-Y actually) that has been - standardized, Ghozali (2009: 110). The basis for the decision-making for the heteroscedasticity test is: If there is a certain pattern, such as the existing dots forming a certain pattern that is irregular, wavy, mel ts, then narrows, it indicates that heteroscedasticity has occurred. If there is no clear pattern and dots that spread above and below the number 0 on the Y axis, there is no heteroscedasticity. For more details, see the following scatterplot graph.

Normality Test: The normality test is a test of the normal distribution of the dependent variable and the independent variable in the regression model. According to Ghozali (2009: 234), a good regression model must have normal data distribution or statistical data distribution on the diagonal axis of the normal graph. Normality testing in this study is carried out by paying attention to the normal probability plot which compares the cumulative distribution of the actual data with the cumulative distribution of normal data. While the basis of decision-making for data normality tests is Ghozali (2009: 234). If the data spread around the diagonal line and follows the direction of the diagonal line or the histogram graph shows a normal distribution, then the regression model fulfills the normality assumption. If the data spreads far from the diagonal and or does not follow the direction of the diagonal line or the histogram graph shows a normal distribution, then the regression model does not meet the assumption of normality. For more details, see the histogram graph and the P-Plot graph

Autocorrelation Test: The autocorrelation test aims to test whether in the linear regression model there is a correlation between confounding error in period t and confounding error in period t-1 (previous). If there is a correlation, it is called an autocorrelation problem. Autocorrelation arises because successive observations over time are related to one another.

A D-W number below -2 means positive autocorrelation.
The D-W number between -2 to +2 means that there is no autocorrelation
The D-W number above +2 means that there is positive autocorrelation.

Model Summary

Model	Durbin-Watson
1	1.727

* *Source: Results of data processing of SPSS Version 21.0*

Based on the results of the table above, it can be concluded that the D-W number is 1,727, which means that the regression model does not have an autocorrelation problem, because the Durbin-Watson number 1,966 is between -2 and +2.

Data Analysis

Result of Research: Multiple linear regression analysis is used to determine the effect of the variable Rice import policy (X1) and the Retail Price Fixing (X2) partially on increased food security (Y Statistical calculations in multiple linear regression analysis details are in the attachment and further described in the following table:

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
(Constant)	2.859	2.770		1.032	.307	-2.693	8.411		
Rice import policy	.280	.093	.274	3.027	.004	.095	.465	.996	1.004
retail price price-fixing	.634	.085	.673	7.435	.000	.463	.804	.996	1.004

a. Dependent Variable: National Food Security

Coefficient Determinant (R^2)

Model Summary

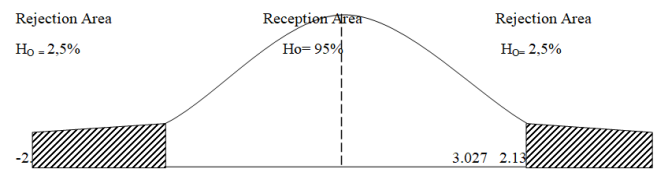| Model	R	R Square	Adjusted R Square	Std. The error of the Estimate
1	.743[a]	.551	.535	1.186

a. Predictors: (Constant), Retail Price Setting, Rice import policy
b. Dependent Variable: National Food Improvement

Based on Table 4.6, with multiple linear regression equations = then it can produce multiple linear regression as follows 2.859 + 0.280X1 + 0.634X2, where: a = 2.859 means increased food security, before being influenced by the Rice import policy and the Retail Price Fixing has a fixed value of 2.859. b1 = 0.280 is the regression coefficient of the Rice import policy (X1), meaning that every change involves a one-unit increase in the Rice import policy (X1), the value of increased food security (Y) increases by 0.280 or 28% on the assumption that the Retail Rice Price Fixing (X2) is fixed. b2 = 0.634 is the regression coefficient of the retail rice price-fixing variable (X2), meaning that every change involving one unit in the retail rice price-fixing (X2), the value of increased food security (Y) increases by 0.634 or 63.4% on the assumption that policy Import Rice (X1) is (constant) or fixed value. Based on the calculation results from the model summary table above, it can be seen that the correlation value (R) is 0. 743a, meaning that the relationship between the rice import policy and the retail rice price-fixing on service effectiveness has a strong enough relationship. While the contribution of the Rice import policy variable (X1) and the Retail Rice Price-Fixing variable (X2) to the increase in food security is seen from the R square value of 0. 551 or 55.1%. Meanwhile, the rest of (100% - 55.1%) = 44.9% was explained by other variables outside of this research model.

Hypothesis test: The T-test is used to determine the partial effect of the rice import policy variable (X1) and retail rice pricing (X2) on the variable of increasing food security (Y) Based on the value of t count and t table; If the value of t arithmetic > t table then the independent variable (X) affects the dependent variable (Y). If the value of t arithmetic < t table then the independent variable (X) does not affect the dependent variable (Y). Based on the significant value of the SPSS output results; If the value of Sig. <0.05, the independent variable (X) has a significant effect on the dependent variable (Y). If the value of Sig. > 0.05 then the independent variable (X) has no significant effect on the dependent variable (Y). The following will explain the partial test of each variable, as follows:
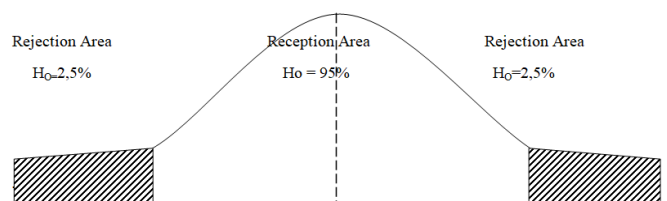
Variables of Rice Import Policy on Improving Food Security: Testing the hypothesis between the rice import policy variable (X1) and the variable Food security improvement (Y), it can be seen that the organizational culture variable has a value of T count = 3.027 with a significance level of 0.004 while T table = 2.132 at a significance level of 5%. Therefore T count > T table (3.027 > 2.132) with a significance level of 0.004 > 0.05. This means that the rice import policy has a statistical and significant effect on increasing food security. At the 95% confidence level and 5% error rate. Based on the test results above, it can be seen from the acquisition of these results that it can be concluded that Ho (null hypothesis) is rejected and the alternative hypothesis (Ha) is accepted because the T count falls in the acceptance area, which means that the Rice import policy (X1) has a positive and significant effect on increasing resilience. food (Y).

Variables for Determining Retail Rice Prices on Increasing Food Security: Testing the hypothesis between the retail rice price-fixing variable (X2) and the food security improvement variable (Y), it can be seen that the retail rice price-fixing variable has a value of T count = 7,435 with a significance level of 0.000 while T table = 2,132 at a significance level of 5%. Because T count > T table (7,435 > 2,132) with a significance level of 0.000 < 0.05, H2 is accepted. This means that retail rice pricing has a statistically positive and significant effect on increasing food security. At the 95% confidence level and 5% error rate. Based on the test results above, it can be seen from the acquisition of these results that it can be concluded that Ho (null hypothesis) is rejected and the alternative hypothesis (Ha) is accepted because the value of T count falls in the acceptance area, which means that Retail Rice Price Determination (X2) has a positive and significant effect on increasing resilience. food (Y).

Retail Rice Pricing Test (X2) Against Food Security Improvement (Y)

DISCUSSION

The Influence of Rice Import Policy on National Food Security: Testing hypothesis 1 shows that there is a positive and significant effect of the rice import policy variable on increasing food security. This means that the better the Rice import policy implemented in MTCI-CLN, the improvement in food security in MTCI-CLN will also be better and conversely, the worse the Rice import policy implemented in MTCI-CLN, the increase in food security will decrease. This does not support and is in line with the theory of Retno, (2010), Darmanto (2010) which states, National food security is the contribution of energy availability and consumers as well as optimization of rice distribution. Rice import policies taken can encourage and increase the effectiveness of national food security.

This is because the rice import policy is part of food security taken by stakeholders to fulfill conditions for each person or the state to individuals as reflected in the availability of sufficient food as well as research conducted on food security as a measurement and indicator of development strategy. Based on this, with the rice import policy, the existing food security can be accessed by every individual to obtain nutritious food. While maintaining food production and availability, guaranteeing access to food, as well as food quality and safety. The results of this study also support and are consistent with research by Retno Lantarsih 2010), Sriwidodo, Dwijono Hadi Darmanto (2010), Sri Budi, Sipri Paramita (2010), Hidayat (2006: 118), World Health Organization 2017 which states that Rice import policy affects national food security, but the results of this study do not support or do not strengthen research from Wijayanti (2012), Noor Ikhsan Muttaqin, Djumadi, Mohammad Noor (2013), tamami literature (2014), agung gita subakti (2013) and research from Nurdin (2011), where the results of the study stated that the rice import policy had no positive and insignificant effect on national food security.

The Effect of Retail Rice Pricing on Service Effectiveness: Testing of hypothesis 2 shows that retail rice pricing has a positive and significant effect on the effectiveness of increasing food security. This means that the better the retail rice pricing provided by MTCI-CLN, the more effective the increase in food security in MTCI-CLN will be. This can be explained in this study, MTCI-CLN, which assessed that retail rice pricing ensures that there will be no change to the highest retail price of rice at the consumer level, even though the purchase price of government grain and rice has been determined through a government regulation with the Minister of Tourism, Trade, and Industry of Timor Leste number 12/MTCI/PER//4/2008 concerning the determination of retail prices and provisions for rice imports that can encourage and increase food security. MTCI-CLN is appropriate. These results explain that Retail Rice Price Determination will give a positive assessment to the community towards the improvement of food security carried out by MTCI-CLN. The results of this study also support and are consistent with the research of Retno Lantarsih 2010), Sriwidodo, Dwijono Hadi Darmanto (2010), Sri Budi, Sipri Paramita (2010), Hidayat (2006: 118), World Health Organization 2017, where the results of the study stated that The determination of retail rice prices affects national food security. However, it does not support research from Lubis (2015), Purnomo (2014), and Batlawi (2009) which states that retail rice price-fixing does not affect national food security.

Enclosed

Conclusion

Based on the results of hypothesis testing and discussion, the following conclusions can be drawn:

- Rice import policy has a positive and significant impact on increasing food security. That is, the better the implementation of the Rice import policy in MTCI-CLN, the improvement in food security in MTCI-CLN will also be effective.
- Retail rice pricing has a positive and significant impact on national food security. This means that the better the Retail Rice Pricing carried out by MTCI-CLN, the more effective MTCI-CLN food security improvement will be.
- The contribution of the rice import policy variable (X1) and the retail price price-fixing variable (X2) on increasing food security is seen from the R square value of 0.551 or 55.1%. Meanwhile, the remaining (100% - 55.1%) = 44.9% was explained by other variables outside the research model.

Suggestion: Based on the results of the above conclusions on the effect of the rice import policy and motivation variables on the effectiveness of employee services, the researcher can provide several suggestions which are divided into theoretical implications and applied implications, as follows:

Theoretical Implication: With the conclusion above, the contribution of rice import policy and retail rice price-fixing to the increase in food security by 55.1% is still 44.9% influenced by other factors, so future research is expected to add other independent variables in measuring the increase in food security, such as ease of import licensing, import tariffs and government regulations in measuring Food security improvement.

Implication of Implementation: MTCI-CLN should maintain and improve the implementation of the Rice import policy because it can have a positive impact on increasing food security. MTCI-CLN should maintain and increase retail rice pricing because it has a positive impact on increasing food security

Recommendation for Other Researches: Taking into account the implications as stated above, further research must take into account the following recommendations. Future research is expected to add other independent variables in measuring the increase in food security, such as the ease of import licensing, import tariffs, and government regulations. It is recommended that future research is expected to add data collection tools by interviewing and adding samples to all the last 10 years. Future research should use different statistical analysis tools and qualitative research methods.

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