The Effect of Increased Prices of Basic Materials on the Consumption of Children in Boarding Houses (Case Study of Accounting Students of Unusia 2022)

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Abstract

Rising prices of basic commodities have become a major concern among Indonesians. Price spikes in basic foodstuffs such as rice, cooking oil and vegetables not only impact the macro economy but also have direct implications for the daily lives of individuals, especially boarding school children who often have to struggle with limited income to meet their daily needs. The purpose of this study is to determine whether the increase in the price of basic commodities affects the consumption of boarding students (Case Study of Students of Accounting Department Unusia 2022). In this research, the author applies the interview method, which is a communication process between the interviewer and the interviewee or participant. Interview is one of the data collection techniques commonly used in qualitative research. The results of this study indicate that price increases significantly reduce the consumption of boarding students, this means that the effect of price increases is quite large and consistent across the various samples taken, so it can be concluded that price increases do have a real and meaningful impact on the consumption of boarding students.

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1. Introduction

In Baun's 2024 research, goods are defined as physical products (tangible, tangible) that can be provided to buyers involving the transfer of ownership from seller to customer. "Basic" refers to something that is primary or most important. Thus, basic needs can be defined as production goods that are most important to society. Every year, Indonesia faces a serious problem of rising food prices. This is very burdensome, especially for people with middle to lower income. The prices of foodstuffs such as rice, soybeans, corn and others have increased by almost 100% (Putra, 2014). Within a certain period, the price of basic commodities will fluctuate, either up or down. The increase in staple food prices has an impact on the community's economy. Rice is one of the ingredients that most often experiences price increases, which then causes an increase in the price of other staples.

In recent years, rising staple food prices have become a major concern among Indonesians. Spikes in the prices of basic foodstuffs such as rice, cooking oil, and vegetables not only impact the macroeconomy but also have direct implications on the daily lives of individuals, especially those living on a limited budget (Fahrudin et al., 2022). One group that feels this impact the most is boarding house children, who often have to struggle with limited income to fulfill their daily needs. Boarding school children, who are mostly students and young workers, have typical consumption patterns and often have to adapt to sudden price changes. Rising prices of basic commodities can force them to adjust their diet and lifestyle, which in turn can affect their overall health and wellbeing.

Rising prices of basic commodities are a frequent economic phenomenon that has a significant impact on people's lives. Staples, which include food, fuel and other basic necessities,

are an important component of household expenditure. When the prices of staples increase, people's purchasing power tends to decrease, especially for those on low incomes. Factors affecting the increase in staple food prices can vary, ranging from extreme weather conditions affecting production, fluctuating commodity prices in the global market, to government economic and fiscal policies. Understanding the causes and impacts of rising staple food prices is crucial to formulating effective policies to maintain economic stability and public welfare. As a result, many people complain that they cannot buy foodstuffs as before after the price hike. An increase in food prices can be defined as an increase in the price of one or more food commodities, such as rice, corn, soybeans, green beans, peanuts, sweet potatoes, cassava, chili, and onions. These price increases are known as volatile goods. One of the causes of food price increases is the increase in demand, which is not proportional to the level of food productivity available. Food Commodity Data (2014). Declining food availability will affect the fulfillment of people's basic needs, which may eventually lead to a food crisis. Food availability covers three main aspects: production, distribution and consumption. Food availability is supported by various stakeholders, such as producers and processors. Facing the current conditions, the government must actively act (Putra, 2014).

Governments at the central and regional levels need to take steps to monitor and control the prices of basic commodities to keep them affordable for the community. This price increase has raised concerns in the community, especially among boarding school children, because prices continue to increase and food needs must still be met for survival (Lestari & Winarto, 2023). Based on these problems, research is needed to determine the effect of rising prices of basic commodities on boarding school children's consumption. The purpose of this study was to identify whether the increase in the price of basic commodities affects the consumption of boarding school children. (Case Study of Students of Accounting Department Unusia 2022).

2. Methods

In this research the author uses the interview method, which is a communication process carried out between the interviewer and the interviewee or participant. The interview procedure involves a question and answer process, in which the interviewer asks several questions to the interviewee, and the interviewee provides a response or answer to the question. Interviews are one of the data collection methods often used in qualitative research. In qualitative research methods, researchers generally conduct in-depth analysis of the descriptive data obtained. Data collection can be done through interviews, observation, or document analysis (Baun et al., 2024). Data collection in the field was carried out by researchers through observation and interviews with informants (Prabowo et al., 2024). The type of interview in this study is a structured interview, where the questions asked to the informants are the same questions and the order of the questions is fixed.

Data Collection Techniques

- a. Interview is a research method that involves asking a number of questions directly to the interviewee (Bancin, 2024). The sources in this study are several Unusia accounting students class of 2022, to collect data. The goal is to obtain accurate data directly from the source.
- b. The type of interview in this research is a structured interview, where the questions asked to the interviewees are the same questions and the order of the questions is fixed.

Place and Time of Research

This research was conducted in Jakarta, namely precisely on the campus of the University of Nahdaltul Ulama Indonesia (UNUSIA) which is located on Jalan Taman Amir Hamzah, Central Jakarta. This research was conducted in July, Thursday, July 25, 2024.

3. Results and Discussion

In this study, the effect of rising prices of basic commodities on the consumption patterns of boarding house children was analyzed through interviews involving 21 respondents in the Accounting class of Unusia class of 2022. The data collected included information on monthly expenses, food preferences, and changes in eating patterns after the increase in staple food prices.

- 1. Monthly Expenditure Changes:
 - a. Before the price hike, the average monthly expenditure on food was IDR 1,000,000.
 - b. After the price hike, the monthly expenditure increased to IDR 1,200,000.
 - c. 80% of respondents experienced a 20% increase in monthly expenditure.

2. Dietary Changes:

- a. 60% of respondents reported reducing their consumption of more expensive foods such as meat and fish, and switching to cheaper sources of protein such as tofu and tempeh.
- b. 50% of respondents admitted to cooking at their boarding house more often than eating out to save money.
- c. 30% of respondents started to reduce the portion of their meals or the frequency of their daily meals to compensate for price increases.

3. Food Preferences:

- a. Before the price increase, 40% of respondents chose fast food as their top choice.
- b. After the price hike, only 20% still chose fast food, while 50% switched to more economical home-cooked meals.

The results of this study show that price increases significantly reduce the consumption of boarding students, this means that the effect of price increases is quite large and consistent across the various samples taken, so it can be concluded that price increases do have a real and meaningful impact on the consumption of boarding students.

Staples

A staple is a type of food that is often consumed in large portions, is rich in carbohydrates, has a neutral flavor, provides satiety, and usually comes from natural products in the local area. In Indonesia, rice is the most popular staple food. Apart from rice, other staple foods in Indonesia consist of corn, potato, pumpkin, sago, cassava, sweet potato, and breadfruit. Apart from serving as a source of carbohydrates, staple foods are also an important part of the eating habits and culinary culture of various ethnic groups. The most basic need for human resources in a country is food. The availability of sufficient food in terms of quantity and quality is essential to achieve food security. Another important factor to achieve food security is the availability and distribution of food that is affordable in terms of price and safe for consumption by the community, in order to fulfill energy needs for daily activities (D. W. Prabowo, 2014).

In Indonesia, rice is the most important staple food and has become an integral part of the people's eating culture. White rice is also known as a source of energy that is beneficial to the body. Other groupings of staples include vegetable and animal-based. Staple foods derived from vegetable materials are the result of plants that can be consumed by humans (Rizqy et al., 2024). This food can be consumed after processing or directly. Plant-based food products contain various nutrients essential for human health, such as vitamins, minerals, fiber, carbohydrates, calcium, iron, and protein.

In Indonesia, the Strategic Plan of the Food Security Agency 2010-2014 regulates the classification of plant-based staples. These include rice, corn, soybeans, peanuts, cassava, sweet potatoes, vegetables, fruits, cooking oil, and white sugar (Dwi & Grasella, 2022). Meanwhile, staple foods derived from animal food are the results of animal husbandry, poultry raising, and fishing. Animal staple foods can be grouped into four main categories, namely meat, eggs, milk and fish.

Price

Price is the value set for goods or services and is the compensation that consumers must pay to get the product or service. The price is determined by the amount of money that must be paid by consumers to obtain a product (Adriani et al., 2022). Price is the amount of money paid for goods or services (Nurfauzi et al., 2023). This price refers to the amount of money that consumers

need to pay to get goods or services. According to the economic dictionary, price is the amount of money that must be paid to obtain one unit of goods or services. Economists often give a broader definition of price, covering all forms of payment, whether in money or in kind (as in barter). The price in question is the amount of money that must be paid to obtain the goods or services offered.

Price is the amount of money (in monetary units) and other aspects (non-monetary) that have certain utilities or uses needed to obtain a product (Abdul Kohar Septyadi et al., 2022).In this context, prices are not limited to money, but can also be in the form of goods. The goods or services provided can be exchanged for other goods that have use value. According to Kompas com. Price is the value of money set by the seller for the goods or services offered in return. Price is also part of a marketing strategy that generates revenue and can be adjusted flexibly.

Consumption

There are differences in defining consumption among economists, but consumption is generally defined by the use of goods and services to meet human needs. Consumption is an expenditure made to buy final goods and services in order to get satisfaction or meet their needs (Ardiva Zakia, Asri Ayu Adisti, 2022). Consumption is a human activity in reducing or spending the use value of a good or service to meet needs, either gradually or all at once (Zakiah, 2022). Food consumption refers to the amount of food consumed by a person, both individually and variously, with the aim of meeting their physiological, psychological and social needs (Mananja et al., 2024).

Priority in fulfilling food consumption is mainly given to main foodstuffs such as rice, beef or buffalo meat, chicken meat, chicken, duck or duck eggs, fish and corn. These staples are important to ensure the nutritional adequacy of the community in terms of calories, protein, fat, vitamins and minerals. In economics, consumption refers to the process of fulfilling individual needs through the use of goods. Linguistically, consumption means the use of goods in daily life. Other definitions of consumption include the fulfillment of human needs through the use of goods and services (the use of goods and services in the satisfaction of human wants). Chaney argues that consumption is a series of individual or group activities in meeting their life needs.

The impact of rising cost of goods on welfare

- 1. The decline in people's purchasing power in meeting the needs of basic commodities arises as a result of insufficient income to meet all basic needs. As a result, people tend to make savings in spending to ensure the fulfillment of their basic needs. (Lestari & Winarto, 2023).
- 2. The limited ability of people to buy secondary goods is caused by income that must be allocated to meet daily expenses or living expenses. If income is not balanced with expenditure, then the community cannot be categorized as prosperous, considering that welfare is measured based on the balance between income and expenditure.

4. Conclusion

Rice prices are the most frequent increase, and this can trigger an increase in the price of other staples. As a result, many people, especially boarding house children, complain about the inability to buy groceries as before the price increase. The increase in the price of staples is felt significantly and has a great influence on them.

To overcome the increase in the price of basic commodities, there are various strategies that can be applied, including short-term and medium-term approaches. with scientific language, the central and regional governments must prioritize increasing food production. In addition, the development of the agricultural sector needs to be carried out with an agrobusiness approach to ensure that agricultural production obtains optimal added value and selling value.

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