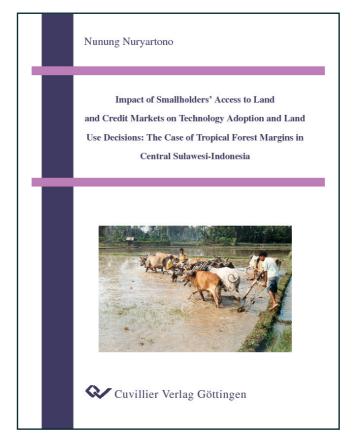


Nunung Nuryartono (Autor)

Impact of Smallholders'Access to Land and Credit Markets on Technology Adoption and Land Use Decisions

The Case of Tropical Forest Margins in Central Sulawesi-Indonesia



https://cuvillier.de/de/shop/publications/2416

Cuvillier Verlag, Inhaberin Annette Jentzsch-Cuvillier, Nonnenstieg 8, 37075 Göttingen, Germany

Telefon: +49 (0)551 54724-0, E-Mail: info@cuvillier.de, Website: https://cuvillier.de

Table of Contents

TABLE OF CONTENTS

A	bstract	I
\mathbf{Z}	usammenfassung	III
	cknowledgments	VI
	able of Contents	VIII
	ist of Tables	XI
L	ist of Figures	XV
	ist of Abbreviations	XVIII
1	INTRODUCTION	1
	1.1 Background	1
	1.2 Problems Statement	
	1.3 Objective of the Study	2 3
	1.4 Organization of the Study	4
2	LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK	7
	2.1 Property Right in Land Markets	7
	2.2 Rural Credit Markets	10
	2.3 Equilibrium in Credit Markets	13
	2.4 Concepts of Credit Rationing	15
	2.4.1 Asymmetric Information	16
	2.4.2 Adverse Selection Stiglitz-Weiss Model	16
	2.4.3 Types and Mechanisms for Measuring Degree of Credit	10
	Rationing	19
	2.5 Concept of Access to Credit Markets	26
	2.6 Assessing Impact of Credit	28
	2.7 Conceptual Framework and Analytical Approach to Determine Credit Constraint	30
3	METHODOLOGY	37
	3.1 Sampling Frame and Selection of Households	37
	3.2 Data Collection	39
	3.2.1 Primary Data	39
	3.2.2 Secondary Data	40
	3.3 Data Entry and Cleaning	40
	3.4 Methodology Applied in Descriptive Analyses	40
	3.4.1 Poverty Index	41
	3.4.2 Social Capital Index	41
	3.4.3.Lorenz Curve and Gini Index	42

	3.5 Methodology Applied in Causal Analysis	43
	3.5.1 Detecting Violation of Homoskedasticity Assumption in OLS	44
	3.5.2 Detecting Violation of Non-Multicollenearity Assumption in	44
	OLS	
	3.6 Model Estimation	45
	3.6.1 Determinants of Land Possession	45
	3.6.2 Determinants of the Access of Households to and Participation	
	in Informal Credit Market	46
	3.6.3 Impact of the Access of Households to Formal Credit on the	
	Adoption of Agricultural Technology	47
	3.6.4 Switching Regression Model to Determine the Impact of Credit	48
	Constraint in Land Use Decisions	
4	. OVERVIEW OF RESEARCH AREA	54
	4.1 An Overview of Central Sulawesi Province	54
	4.2 Geophysical and Climatic Condition	53
	4.3 The Role of the Agricultural Sector in the Economic Development	56
	4.4 Land Use Conditions	57
	4.5 Lore Lindu National Park	58
5	. ACCESS TO LAND AND LAND TENURE SECURITY	61
Ο,	5.1 Land Tenure and Land Use Change in the Lore Lindu Area	61
	5.2 Land Tenure Security	64
	5.3 Land Use Systems and Tenure Security	71
	5.4 Determinants of Land Possession	74
	5.4.1 Forest land Acquisition and Issue of Poverty	75
	5.4.2 Family Land Acquisition	79
	5.4.3 Land Acquisition Through Purchase	80
6	. RURAL FINANCIAL MARKETS AND BORROWERS	79
	BEHAVIOUR 6.1 Formal Credit Market	81
	6.1.1 Bank Rakyat Indonesia-Unit Desa	81
	6.1.2 The BRI-UD in the Research Area	84
	6.1.2.1 The BRI-UD Kulawi	84
	6.1.2.2 The BRI-UD Palolo	87
	6.1.2.3 The BRI-UD Sigi Biromaru	89
	6.1.3 Government Credit Programmes and Microfinance Institutions	90
	6.1.4 Borrowing Behavior in the Formal Credit Markets	91
	6.2 Informal Credit Market	93
	6.2.1 Types and Occupation of the Informal Lender	93
	6.2.2 Purpose for Borrowing Money	94
	6.2.3 Amount of Money Borrowed and Procedure	95
	6.2.4 Interlinkage with Other Markets	97

Table of Contents

	6.3 Explaining the Distribution of Formal and Informal Credit in Rural Areas	98
	6.3.1 Distribution by Sub-District	98
	6.3.2 Distribution of Borrowers by Farm Size	100
	6.3.3 Distribution of Borrowers by Assets	102
	6.3.4 Distribution of Borrowers by Poverty Groups	104
	6.4 The Determinants Households' Access to and Participation in	10.
	Informal Credit Markets	106
7	SMALLHOLDERS ACCESS TO FORMAL CREDIT MARKETS	
	AND ITS IMPACT ON THE ADOPTION OF AGRICULTURAL	
	TECHNOLOGY AND LAND USE DECISIONS	113
	7.1 Agriculture Practice and Technology in Paddy Field-lowland	113
	7.1.1 Land Preparation	113
	7.1.2 Improved Varieties, Chemical Fertilizer, and Pesticide	114
	7.2 Overview of Factors that Influence the Adoption of Agricultural	116
	Technology	11.
	7.2.1 Infrastructure	116
	7.2.2 Access to Financial Markets	118
	7.2.3 Human Capital	119
	7.2.4 Social Capital7.3 Determinants of Smallholders' Access to Formal Credit Markets	120 122
	7.4 Two Step Model of Determinants of Amount of Money Borrowed	122
	From Formal Credit Markets	124
	7.5 Recursive Model of Determinants of Adoption of Agricultural	126
	Technology	120
	7.6 Credit Constraints in Formal Credit Markets	129
	7.6.1 Determinants of Formal Credit Constrained Households	132
	7.6.2 Impact of Households' Credit Constraints on Land Use	134
	Decisions	
8.	CONCLUSION AND POLICY IMPLICATIONS	138
•	8.1 Dynamic Processes of Land Acquisition	138
	8.2 Rural Financial Markets	140
	8.3 The Impact of Households' Access to Formal Credit Markets on the	
	Adoption of Agricultural Technology	141
	8.4 Impacts of Households' Credit Constraints on Land Use Decisions	142
	8.5 Policy Implications	143
BIBLIOGRAPHY		
ΑF	APPENDIX	