

TABLE OF CONTENTS

TITLE PAGE	i
APPROVAL PAGE	ii
STATEMENT OF ORIGINALITY	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	vi
LIST OF TABLES	ix
LIST OF FIGURES	x
LIST OF APPENDICES	xi
ABSTRACT	xii
INTISARI	xiii
CHAPTER 1 INTRODUCTION	1
1.1. Background.....	1
1.2. Problem statement.....	4
1.3. Research questions.....	5
1.4. Research objectives.....	5
1.5. Motivation.....	6
1.6. Research benefits.....	6
1.7. Research contributions.....	7
1.8. Scope and limitations of research.....	7
1.9. Writing systematics.....	8
CHAPTER 2 LITERATURE REVIEW	10
2.1. Agricultural profile in Indonesia.....	10
2.2. Theoretical framework.....	12
2.2.1. Solow growth model.....	13
2.2.2. Lucas growth model.....	14
2.2.2.1. Human capital accumulation via sacrificing labor hours.....	15
2.2.2.2. Human capital accumulation via learning-by-doing.....	17
2.3. Theoretical literature review.....	18
2.3.1. Role of human capital in agricultural production.....	18
2.3.2. Role of public infrastructure in agricultural production.....	21
2.3.3. Role of LULC on agricultural production.....	22
2.3.4. Role of atmospheric variables in agricultural Production.....	23
2.4. Spatial method literature review.....	24

2.4.1. Spatial weights	24
2.5. Research hypotheses	27
CHAPTER 3 RESEARCH METHODOLOGY	29
3.1. Research design.....	29
3.2. Operational definitions of variables	31
3.2.1. Rice production	31
3.2.2. Years of schooling.....	31
3.2.3. University	32
3.2.4. Physical health	33
3.2.5. Age	33
3.2.6. Migration.....	33
3.2.7. Internet usage	34
3.2.8. Farmer proportion	34
3.2.9. Road access	34
3.2.10. Market	35
3.2.11. Financial institutions	35
3.2.12. Cooperatives.....	35
3.2.13. Water land cover	36
3.2.14. Tree land cover.....	36
3.2.15. Built area	37
3.2.16. Precipitation	37
3.2.17. Humidity	37
3.2.18. Rice consumption.....	38
3.2.19. Rice price	38
3.3. Population and sample	40
3.4. Research instruments	40
3.5. Data collection technique.....	41
3.6. Data analysis technique.....	43
3.6.1. Spatial weight matrix	44
3.6.2. Spatial autocorrelation tests	46
3.6.3. Multicollinearity test	49
3.6.4. Spatial dependence test	50

3.6.5. Spatial Hausman test	52
3.6.6. Panel estimation	53
3.6.7. Direct and indirect effects	54
3.6.8. Information criterion	55
3.6.9. Robustness check	56
CHAPTER 4 RESULTS AND DISCUSSION	57
4.1. Summary statistics	57
4.2. Results discussion	61
4.2.1. Spatial autocorrelation tests	61
4.2.2. Multicollinearity test	65
4.2.3. Spatial dependence test	66
4.2.4. Hausman test	67
4.2.5. Panel estimation	68
4.2.6. Information criterion tests	72
4.2.7. Marginal Effect	73
4.3 Discussion	76
4.3.1 Farmer Education	76
4.3.2 University	78
CHAPTER 5 CONCLUSION	80
5.1. Summary	80
5.2. Limitations	81
5.3. Implications	82
REFERENCES	84
APPENDICES	98