Analysis of Palm Oil Production and Rubber Production to Gross Domestic Product in Ten Districts of West Kalimantan

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Abstract : This research attempts to analyse palm oil production and rubber production to prosperity of the community of ten districts in West Kalimantan namely Sanggau, Sintang, Sambas, Ketapang, Bengkayang, Landak, Singkawang, Kapuas Hulu, Melawi and Sekadau by panel regression. Gross Domestic Product (GDP) of the districts will be used to be a prosperity indicator on this research. Based on the result of analysis, it can be concluded that palm oil and rubber production statistically give contribution to GDP. Adjusted coefficient determination of Fixed Effect Model indicates that 76% of GDP's variation can be explained by palm oil and rubber production. In another point of view, there should be a district's government intervention to regulate the plantations. In addition, there is an obligation of the government to monitor regularly the plantations and to conduct researches in order to govern better planning of lands that have been used to the plantations. So that, the environmental effects that have been caused by the plantation can be diminished.