

**THE ROLE OF FARMERS GROUP ON IMPROVEMENT OF RICE  
FARMERS' INCOME AND PROSPERITY IN NEGARA RATU VILLAGE,  
NATAR DISTRICT, SOUTH LAMPUNG REGENCY**

**By**

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The research aims to know (1) factors affecting farmers' decision to follow farmers group, (2) the role of farmers group in the improvement of agribusiness income of rice farming in sense of the ratio of members income and non-members income, (3) the role of farmers group in the improvement of farming efficiency in sense of the use of production factor and relative economic efficiency between members and non-members, and (4) the role of farmers group in the improvement of rice farmers household prosperity in sense of the ratio of prosperity level of members and non-members of farmers group. The research was conducted in Negara Ratu Village, Natar District, South Lampung Regency. Two groups of 77 farmers divided into 38 farmers group members and 39 non-farmers group are involved in the research. Methods used in the research are *Logit* method, income tabulation, ratio of Marginal Product Value and Marginal Spending Cost, and Profit Function. All prosperity criteria are based on Indonesian Statistic Agency. The results show that (1) factor affecting farmers' decision to follow farmers group are the income, education level and farm ownership status, (2) farmers' groups play roles in rice farmers income causing farmers group members income higher than non-farmers group, (3) farmers groups play more roles than non-farmers group in sense of economic efficiency level. Nevertheless, the income of both groups has not obtained maximum level due to the use of input which is still in area I (*Increasing return to scale*), (4) farmers group play significant role to improve paddy farmers household prosperity that prosperity level of farmers group members is higher than that of non-farmers group.

Keywords : *farmers group, income, relative economic efficiency, prosperity*

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