

# The Role of the Palu City Department of Trade and Industry in Maintaining the Stability of Staple Food Prices in Palu City

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## Abstract

Staple food price instability in Palu City frequently disrupts community purchasing power, particularly before major holidays, highlighting a critical gap between market realities and government intervention efforts. This research aims to analyze the role of the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices in Palu City. This research will identify policies and programs implemented by the Palu City Trade and Industry Office to suppress the increase in basic commodity prices and determine the impact felt by traders and consumers. The method used in this research is a descriptive method with a qualitative approach. Data sources in this research are primary data and secondary data. Data collection techniques were carried out through observation, interviews, documentation, and triangulation. Based on the results of observations of basic commodity prices in two traditional markets in Palu City in 2024-2025, there were significant price changes, with price increases in commodities such as rice, cooking oil, and curly red chili in both markets. Meanwhile, minyak kita and several other types of chili experienced price decreases in both markets. The findings show that the role of the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices in Palu City still needs to be improved. Although there are some commodities that have experienced price decreases, price increases in other commodities such as rice, cooking oil, and curly red chili indicate that there is still price instability in the market.

**Keywords:** Industry Office, Palu City Trade, Price Stabilization, Traditional Market.

## 1. Introduction

The increase in prices of basic necessities is a recurring public issue that directly impacts the decline in people's purchasing power, especially approaching major religious and national holidays. In this context, local government policies become a strategic instrument to stabilize prices and ensure fair and equitable availability of basic goods.

The phenomenon of rising prices for basic commodities often occurs before major religious and national holidays. National Food Agency data as of March 2025 shows that packaged cooking oil prices soared 76.9 percent, shallots increased 12.7 percent, and rice rose 0.6 percent. In addition, Ramadan-Eid inflation in 2025 was also triggered by fluctuations in commodity prices such as chili and chicken meat which aggregately contributed to inflation of 1.96 percent (BPS, 2025). This situation shows that price control policies have not been able to fully curb price surges. Therefore, handling this problem is not sufficient with only momentary responses, but requires consistent long-term policy planning and execution.

Government policy is a strategic step designed to answer public problems and direct the socio-economic development of society. In the context of basic necessities, this policy becomes an important instrument to guarantee public access to essential goods needed in daily life.



Price stability is one of the parameters of the success of such policies, because price fluctuations can have direct implications for people's welfare. Basic necessities such as rice, cooking oil, eggs, and meat have seasonal characteristics in production, but demand for them tends to remain constant, thus creating the potential for market imbalances that can seriously impact people's purchasing power (Hanifa & Fisabilillah, 2021).

Based on Article 25 paragraph (1) of Law Number 7 of 2014 concerning the Determination and Storage of Basic Necessities and Important Goods (*Bapokting*), the government has an obligation to guarantee the availability of basic necessities at affordable prices throughout Indonesia. Local governments are also required to formulate policy measures that are synergistic with the central government, including in terms of distribution and price control. This shows that policy approaches cannot be partial, but require multi-level government coordination to be effective in implementation (Ariandini et al., 2025).

The development of increasingly complex community needs has encouraged the government to expand the scope of basic necessities. This is reflected in Government Regulation Number 71 of 2015, which no longer limits basic necessities to nine types of basic goods (*sembako*), but includes agricultural products such as rice, soybeans, chili, and shallots; industrial products such as sugar, cooking oil, and wheat flour; as well as livestock and fishery products such as meat, eggs, and fish. This expansion emphasizes the urgency for the government to adaptively adjust price and distribution policies to market conditions and the real needs of society.

The government has a very important role in maintaining the stabilization of basic commodity prices in traditional markets. One example of the government's role in this regard is the Palu City Trade and Industry Office. Based on Mayor Regulation Number 15 of 2017 concerning the Duties, Functions and Work Procedures of the Trade and Industry Office, the organizational duties of the Palu City Trade and Industry Office which are also the duties of the office head are to assist the Mayor in carrying out government affairs that are regional authority in the field of trade and industry and assistance tasks given to the region.

Referring to information from the Basic Needs Market Monitoring System (SP2KP) managed by the Palu City Trade and Industry Office, increases in prices of basic necessities almost always occur before major religious holidays, both Eid al-Fitr, Christmas and New Year. The existence of these price increases will cause a decline in people's purchasing power, so market price intervention is very necessary. Market intervention becomes very important in ensuring the procurement of basic necessities. In the event of a shortage of basic necessities, the government can force traders who withhold their goods to sell their goods to the market.

Pasar Inpres (a market established under a Presidential Instruction) Manonda and Pasar Masomba are the two largest markets in Palu City that provide various basic commodity needs for the community. One of the government institutions that regulates and supervises the market is the Trade and Industry Office. The Trade and Industry Office as an extension of the government, especially local government, has the responsibility to supervise and regulate trade and industrial activities in an area. In the context of basic commodity price stabilization, this institution plays a role in monitoring prices, regulating supply, and developing strategies to overcome shortages or price fluctuations. The Trade and Industry Office represent the government in providing various policies related to economic problems. In an effort to maintain the stability of basic commodity prices, the Palu City Trade and Industry Office have a strategic role to conduct supervision, regulation, and price control.

While the general duties of local trade offices in price stabilization are outlined in regulations like Mayor Regulation Number 15 of 2017, there is limited empirical research that specifically evaluates the *implementation* and *effectiveness* of these policies at the market

level in Palu City. Previous studies have examined price monitoring by trade offices (Siregar, 2023), inter-agency coordination for price stabilization (Susila et al., 2020), and broader government strategies including regulation, supervision, and program implementation (Krisnamurthi & Utami, 2022; Khairurrahman et al., 2023; Akimaya & Dahl, 2017).

Although efforts to stabilize prices have been implemented, there are still challenges ahead, such as price changes influenced by various factors, including seasons, market demand, and distribution costs. The emerging problem is the continued instability in market prices as well as the lack of public understanding regarding policies and programs implemented by the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices, and the absence of in-depth analysis of the impact of policies taken on basic commodity prices and community welfare in Palu City.

Previous studies predominantly focus on policy design and macro-level coordination, leaving a gap in understanding how local trade offices operationalize their role in stabilizing prices at the traditional market level. Furthermore, limited research captures the direct experiences and perceptions of traders and consumers affected by both price fluctuations and government intervention. Based on these problems, this research aims to analyze the role of the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices at Pasar Inpres Manonda and Pasar Masomba. This research will also identify policies and programs implemented by the Palu City Trade and Industry Office to suppress the increase in basic commodity prices and determine the impact felt by traders and consumers.

## 2. Literature Review

### 2.1. Market

A market is a facility/place as one of the facilities for sellers and buyers to meet. For the community, a market is a place for people to meet with other people. Traditional markets have an important role in advancing economic growth in our country. The existence of traditional markets for the community is very beneficial for the community, especially for rural/peripheral communities in trading activities, because in traditional markets prices are also cheaper and more affordable for the community compared to shopping at malls/supermarkets (Angkasawati & Milasari, 2021).

The market mechanism is complete freedom by the market without intervention from any party, namely the interaction between demand and supply that will determine a certain price level. Aspects of market mechanisms include commodities, market participants, and prices. A market is a place, mechanism, or area of interaction where buyers (demand) and sellers (supply) meet. This interaction facilitates transactions and determines the equilibrium price and quantity of goods or services exchanged (Kasmir, 2016; Widoatmodjo, 2015).

### 2.2. Price

In buying and selling activities, one of the elements contained therein is price. The price of a product is a sensitive matter between sellers and buyers. The price of a good and the quantity of goods traded are determined by the demand and supply of the good. Therefore, to analyze the mechanism of price determination and the quantity of goods traded, it is necessary to simultaneously analyze the demand and supply for a particular good in the market. A situation in a market is said to be in equilibrium when the quantity offered by sellers at a certain price is equal to the quantity demanded by buyers at that price.

In the context of food products such as rice, prices are also influenced by external factors such as fluctuations in global commodity prices and government policies. According to

research by Reardon et al. (2021), rice prices in local markets are often influenced by international rice prices, especially in countries that depend on imports. In Indonesia, government policies such as the highest retail price (HET) also affect rice prices at the consumer level.

The market mechanism is fundamentally a price mechanism, where prices are determined by the interaction of supply and demand. When these forces operate naturally, the market remains stable and conducive. However, artificial manipulation or abnormal conditions can damage market function (Fuad, 2016). Price is the monetary amount charged for a product or service. It is a key factor in buyer choice, representing the value exchanged to obtain benefits (Kotler & Armstrong, 2021). Furthermore, price serves as critical information for consumers, influencing purchasing decisions and often acting as a perceived indicator of product quality (Lamb et al., 2010).

### **2.3. Price Stabilization**

Price stabilization is one of the important functions in an economy. Stabilization is an action taken to prevent price surges that can alarm the public after efforts to monitor and evaluate price developments. Stabilization is an action to maintain the price of goods or services at a certain level carried out by the government when the inflation rate is high as an effort to balance the price of goods or services within a certain period.

The stabilization of basic commodity prices is a key indicator of regional economic balance, as it influences inflation, consumer confidence, purchasing power, and overall welfare. However, ensuring this stability is challenging, as the demand for basic necessities grows with the population, while their supply which often agricultural and seasonal is subject to fluctuations. This mismatch between constant demand and variable supply creates price instability, reflecting an underlying disequilibrium in the market (Ministry of Trade, 2015). Consequently, monitoring and managing these price developments remains a persistent focus for the government.

### **2.4. Government Role in Determining Market Prices**

The government's role in determining market prices is divided into two, namely directly and indirectly. Directly, the government determines market prices by setting minimum prices (floor price) and maximum prices (ceiling price). The determination of minimum prices is done so that there are no middlemen (people or parties who buy at low prices and resell at high prices) who buy products outside the prices set by the government. Indirect determination of market prices is carried out by the government through tax policies or providing subsidies.

The government is tasked with supervising, regulating and directing the workings of the market system and controlling prices formed in the market. In setting prices, the government can do it in two ways, namely HET (Highest Retail Price) or ceiling price and Base Price or floor price. If the price of a good is considered too high so that it cannot be reached by the community, then the government can set HET. The meaning of HET is that a good may not be sold at a price higher than that set by the government.

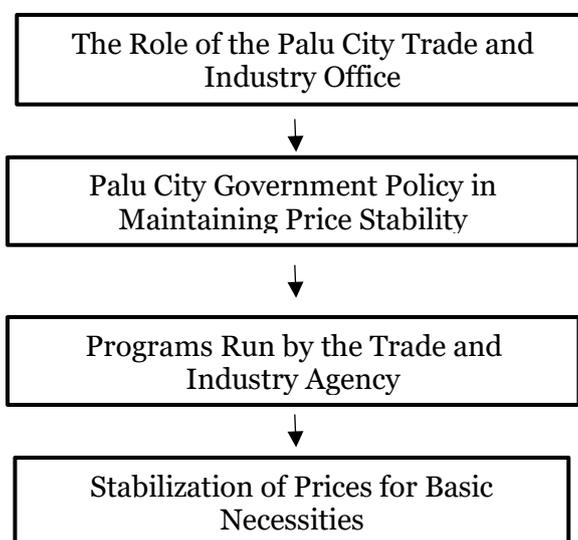
Thus, the government has an important role in controlling the economy of a market. The government's role in the market economy indeed depends on the market conditions that develop. When the market is normal in its economic rotation, the government functions as a supervisor in the market so that there are no practices that deviate from the existing market theory concept.

## 2.5. Previous Research

This study references several previous works. Siregar (2023) finds that although prices fluctuate, they remain generally stable. The overseeing Trade Office monitors the economy by recording prices and checking goods, tools, and quality. Further, in Surakarta, the local government has successfully maintained beef price stability through effective communication, coordination, and timely interventions (Susila et al., 2020).

Previous studies also identifies three key government strategies for price control: strengthening regulations (Krisnamurthi & Utami, 2022; Sihombing, 2018), enhancing supervision (Khairurrahman et al., 2023; Sembiring & Sibuea, 2018), and ensuring proper implementation (Akimaya & Dahl, 2017; Diawati & Rasyid, 2025). Fadhlulloh (2018) examines a specific stabilization program, Pure Market Operations (OPM). The research concludes that the OPM program aligns with the objectives of Islamic economics, which aim to achieve public welfare.

## 2.6. Research Framework



**Figure 1. Research Framework**

As shown in Figure 1, the research framework places the Palu City Trade and Industry Office as the primary actor whose role is examined through government policies and implemented programs, with the final output being the stabilization of basic necessity prices.

## 3. Methods

### 3.1. Type of Research

The method used in this research is a descriptive method with a qualitative approach. According to Anggito & Setiawan (2018), Qualitative Research is data collection in a natural setting with the intention of interpreting phenomena that occur and the results of qualitative research emphasize meaning rather than generalization. The focus of this research is how the role of the Palu City Trade and Industry Office in stabilizing basic commodity prices at Pasar Inpres Manonda and Pasar Masomba as well as how the impact felt by the community on policies and programs implemented by the government.

### 3.2. Research Location

The research was conducted in two traditional markets in Palu City, namely Pasar Inpres Manonda located in Kamonji Village, West Palu District and Pasar Masomba located on Jl.

Tanjung Pangimpuan, North Lolu Village, South Palu District. The research location was chosen purposively, with the consideration that both markets are daily markets and the largest markets in Palu City.

### 3.3. Data Sources

The types of data used in this research are primary data and secondary data. Primary data includes data related to the results of interviews conducted by the author with the head of the trade division of the Palu City Trade and Industry Office, market heads, traders and consumers. Secondary data was obtained from written sources such as documents and records both from related institutions or offices including basic commodity price data at Pasar Inpres Manonda and data on traders selling in the market.

### 3.4. Data Collection Techniques

Data collection techniques are techniques or ways of collecting relevant and necessary data information in a research study (Sugiyono, 2024). Data collected in research will be used to answer questions in the problem formulation. Data collection techniques according to Sugiyono (2020) are carried out through interviews, questionnaires, observation, documentation, and triangulation. Observation is research by observing phenomena that match conditions in the field. Interviews were conducted with traders and consumers regarding how the office's role toward prices in the market while documentation was done to obtain evidence of research that can be accounted for. In this case, what is meant by documentation is data in the form of photos or images obtained from the process of observation, interviews and documents that support the research.

### 3.5. Population and Sample

The population in this research is all basic commodity traders at Pasar Inpres Manonda and Pasar Masomba totaling 301 people and consumers who transact at these two markets. The sampling technique in this research is nonprobability sampling technique using the Purposive Sampling method. Purposive sampling is a sampling technique carried out by deliberately selecting research subjects based on specific criteria established by the researcher. The number of samples taken consisted of 30 traders selected based on criteria, namely traders who have more than 5 years of experience and operate in strategic areas of Pasar Inpres Manonda and Pasar Masomba, as well as 20 consumers randomly selected from market visitors. In addition, the main informants in data collection are the Head of Trade Division and the Heads of Pasar Inpres Manonda and Pasar Masomba who became interviewees.

### 3.6. Data Analysis

Data analysis is the process of systematically arranging data obtained from interviews, observations, documentation, and other relevant materials so that they are easy to understand and the findings can be informed to the general public (Sugiyono, 2022). The research utilized a qualitative data analysis technique (Sugiyono, 2022) involving three core processes. First, data reduction was conducted by summarizing and focusing interview responses to extract key information. Next, this refined data was organized and presented through descriptive narratives and diagrams in the data presentation phase. Finally, the analysis concluded with drawing conclusions, where initial, tentative findings were formed and then verified against further evidence gathered in the study.

## 4. Results and Discussion

### 4.1. Research Results

#### 4.1.1. Profile of Pasar Inpres Manonda

Pasar Inpres (a market established under a Presidential Instruction) Manonda was established in 1985 with a land area of 49,886 m<sup>2</sup> and building area of 17,914 m<sup>2</sup> located on Jl. Bayam, Kamonji Village with daily market status and approximately 900 traders, having 23 workers namely 1 market head, 9 cleaning staff, 6 security personnel, and 7 retribution officers. This market is equipped with several infrastructure and facilities such as kiosk stalls, los stalls, lapak/flatlands, shophouses, and parking lots. Table 1 below provides a summary of the Pasar Inpres Manonda profile.

**Table 1. Profile of Pasar Inpres Manonda**

Year Established	Land Area	District	Village	Market Status	Number of Traders	Number of Workers
1985	49,886 M <sup>2</sup>	West Palu	Kamonji	North Lolu	± 900	<b>23 people</b>

Source: Palu City Trade and Industry Office 2025

#### 4.1.2. Profile of Pasar Masomba

Pasar Masomba was established in 1994 with a land area of 2000 m<sup>2</sup>, located on Jl. Pangimpuan, North Lolu Village with daily market status with approximately 300 traders, having 19 workers namely 1 market head, 8 cleaning staff, 4 security personnel, and 6 retribution officers. This market is equipped with several infrastructure such as los buildings, lapak, prayer room, management office, toilets and re-weighing posts. Table 2 presents the profile of Pasar Masomba.

**Table 2. Profile of Pasar Masomba**

Year Established	Land Area	District	Village	Market Status	Number of Traders	Number of Workers
1994	2000 M <sup>2</sup>	South Palu	North Lolu	North Lolu	± 300	<b>19 people</b>

Source: Palu City Trade and Industry Office 2025

#### 4.1.3. Basic Commodity Price Data

Based on basic commodity price data obtained from the Basic Needs Market Monitoring System (SP2KP) managed by the Palu City Trade and Industry Office, it shows that basic commodity prices in Palu City for the period 2024 – 2025 experienced various changes, where medium rice increased from Rp 13,167 to Rp 14,000 (6.33 percent), and premium rice from Rp 14,375 to Rp 15,000 (4.35 percent). Granulated sugar increased slightly from Rp 18,250 to Rp 18,500 (1.37 percent), while premium packaged palm cooking oil experienced a surge from Rp 19,167 to Rp 22,000 (14.78 percent) and bulk palm cooking oil from Rp 14,833 to Rp 18,000 (21.35 percent).

Conversely, minyakita decreased from Rp 17,000 to Rp 15,700 (-7.65 percent), and beef hind leg decreased slightly from Rp 130,000 to Rp 127,500 (-1.92 percent). Broiler chicken increased from Rp 37,667 to Rp 42,000 (11.50 percent), while broiler chicken eggs increased from Rp 32,000 to Rp 34,666 (8.33 percent). Wheat flour decreased from Rp 13,917 to Rp 13,500 (-3.00 percent). Curly red chili jumped from Rp 23,167 to Rp 35,000 (51.08 percent), while red cayenne pepper decreased from Rp 38,333 to Rp 35,000 (-8.69 percent) and large red chili from Rp 25,333 to Rp 22,500 (-11.18 percent). Shallots increased slightly from Rp

46,833 to Rp 47,500 (1.42 percent), but honan garlic decreased from Rp 45,000 to Rp 40,000 (-11.11 percent).

**Table 3. Data on changes in basic commodity prices in Palu City for the period November 2024 - November 2025**

Commodities	Unit	Price (Rp)		Changes
		November 2024	November 2025	
Medium-grade rice	Kg	13.167	14.000	↑ 6.33%
Premium-grade rice	Kg	14.375	15.000	↑ 4.35%
Bulk granulated sugar	Kg	18.250	18.500	↑ 1.37%
Premium packaged palm cooking oil	Liter	19.167	22.000	↑ 14.78%
Bulk palm cooking oil	Liter	14.833	18.000	↑ 21.35%
Minyakita (government-subsidized cooking oil)	Liter	17.000	15.700	↓ -7.65%
Beef (hind leg)	Kg	130.000	127.500	↓ -1.92%
Broiler chicken meat	Kg	37.667	42.000	↑ 11.50%
Broiler chicken eggs	Kg	32.000	34.666	↑ 8.33%
Wheat flour	Kg	13.917	13.500	↓ -3.00%
Curly red chili	Kg	23.167	35.000	↑ 51.08%
Red bird's eye chili	Kg	38.333	35.000	↓ -8.69%
Large red chili	Kg	25.333	22.500	↓ -11.18%
Shallots	Kg	46.833	47.500	↑ 1.42%
Garlic	Kg	45.000	40.000	↓ -11.11%

Source: Basic Needs Market Monitoring System (SP2KP)

Based on the table 3 above, it shows that there are significant variations in price changes of various commodities in November 2024 - November 2025, where some commodities experienced quite striking price fluctuations, such as curly red chili which recorded an increase of 51.08 percent and bulk palm cooking oil experienced fluctuations of 21.35 percent while on the other hand, garlic and large red chili actually experienced price decreases of 11.11 percent.

Based on interviews with market heads, it was revealed that commodity price fluctuations during the period November 2024 to November 2025 were influenced by supply and demand factors. The increase in curly red chili prices reaching 51.08 percent was caused by high consumer demand, especially before Christmas and New Year, while supply was limited. On the other hand, cooking oil prices increased by 21.35 percent due to hoarding and price manipulation by distributors before Christmas and New Year.

**Table 4. Basic commodity price data at Pasar Inpres Manonda for 2024-2025 obtained from records of the Palu City Trade and Industry Office**

Commodities	Unit	Price (Rp)	
		November 2024	November 2025
Medium-grade rice	Kg	13.000	14.000
Premium-grade rice	Kg	14.000	15.000
Bulk granulated sugar	Kg	18.000	18.000
Premium packaged palm cooking oil	Kg	19.000	22.000
Bulk palm cooking oil	Liter	15.000	18.000
Minyakita (government-subsidized cooking oil)	Liter	16.000	15.000
Beef (hind leg)	Liter	130.000	130.000
Broiler chicken meat	Kg	38.000	34.000
Broiler chicken eggs	Kg	32.000	42.000

Commodities	Unit	Price (Rp)	
		November 2024	November 2025
Wheat flour	Kg	13.000	14.000
Curly red chili	Kg	22.000	35.000
Red bird's eye chili	Kg	36.000	35.000
Large red chili	Kg	25.000	25.000
Shallots	Kg	46.000	45.000
Garlic	Kg	45.000	40.000

Source: Palu City Trade and Industry Office 2025

**Table 5. Basic commodity price data at Pasar Masomba for 2024-2025 obtained from records of the Palu City Trade and Industry Office**

Commodities	Unit	Price (Rp)	
		November 2024	November 2025
Medium-grade rice	Kg	13.000	14.000
Premium-grade rice	Kg	14.000	15.000
Bulk granulated sugar	Kg	18.000	18.000
Premium packaged palm cooking oil	Kg	19.000	22.000
Bulk palm cooking oil	Liter	14.000	18.000
Minyakita (government-subsidized cooking oil)	Liter	16.000	15.000
Beef (hind leg)	Liter	130.000	125.000
Broiler chicken meat	Kg	37.000	42.000
Broiler chicken eggs	Kg	32.000	34.000
Wheat flour	Kg	13.000	13.000
Curly red chili	Kg	24.000	35.000
Red bird's eye chili	Kg	40.000	35.000
Large red chili	Kg	25.000	20.000
Shallots	Kg	47.000	50.000
Garlic	Kg	45.000	40.000

Source: Palu City Trade and Industry Office 2025

Based on the table 4 and table 5 above, the condition of basic commodity prices in 2 traditional markets in Palu City for 2024-2025 shows significant price changes, with price increases in commodities such as rice, cooking oil, and curly red chili in both markets. Meanwhile, minyak kita and several other types of chili experienced price decreases in both markets. For large red chili commodities there are price differences in both markets, where there was a price decrease at Pasar Masomba while prices at Pasar Inpres Manonda remained stable. Some commodities, including granulated sugar and wheat flour, were relatively stable. The Palu City Government actively conducts price monitoring, sudden inspections, as well as conducting cheap market operations and providing rice assistance to ensure availability and price stability for the community.

## 4.2. Discussion

### 4.2.1. Role of the Palu City Trade and Industry Office

This research focuses on the role of the Palu City Trade and Industry Office (Disperdagind) in maintaining the stabilization of basic commodity prices at Pasar Inpres Manonda and Pasar Masomba. Data was collected through interviews with 30 traders and 20 consumers at the two markets, as well as direct observation of price conditions and goods availability. The Trade and Industry Office functions as a supervisor and facilitator responsible

for ensuring that basic commodity prices remain within reasonable limits, so as to reduce the impact of inflation and improve community welfare. In an effort to achieve these goals, the Trade and Industry Office implement various strategies, ranging from price monitoring and supervision, cooperation with distributors, provision of basic commodity subsidies through cheap market operation programs, to socialization programs for traders.

One important step taken by the Palu City Trade and Industry Office is price supervision conducted periodically to monitor basic commodity price patterns. By conducting this monitoring, the Trade and Industry Office can identify abnormal price patterns, so that necessary actions can be taken to prevent monopolistic practices or hoarding of goods by certain parties that can harm consumers. In addition, the Office also establishes cooperation with farmers and distributors to ensure sufficient and affordable flow of basic commodity supplies. This cooperation not only helps maintain the availability of goods in the market, but also functions to stabilize prices by reducing dependence on one source of suppliers, which often causes price declines.

The trend of increasing prices of basic necessities at the end of the year also occurs in Palu City, therefore the government continues to strive to encourage price stabilization measures to reduce the prices of several basic commodities that experience increasing trends before the end of the year. As a concrete step in easing the burden on the community toward fulfilling basic commodity needs, the Trade and Industry Office have taken several comprehensive and holistic steps to unravel and resolve various problems above, both through policies and tactical steps in the field in the form of market operations.

The results of interviews with traders and consumers show that the steps taken by the Trade Office so far have been quite effective in suppressing price variations. However, there are still obstacles, such as the lack of fast and accurate information regarding the supply of goods from distributors, as well as social issues that sometimes hinder price regulation enforcement. This shows that to achieve sustainable price stability; there needs to be an improvement in the communication system and collaboration between all stakeholders. Although the Palu City Trade and Industry Office have made various efforts to maintain the stabilization of basic commodity prices at Pasar Inpres Manonda and Pasar Masomba, in reality the government's efforts to overcome the increase in basic commodity prices have not yet shown maximum results, there are still frauds committed by traders who want more profits. The tradition of price increases before Eid still occurs every year.

#### **4.2.2. Price Stabilization Policies and Programs**

##### **1) Price Monitoring and Supervision**

Supervision activities carried out by the Palu City Trade and Industry Office trade division are conducted regularly four to five working days every week in order to obtain basic commodity price data in markets in Palu City including Pasar Inpres Manonda and Pasar Masomba. Activities carried out by the Trade Office include checking circulating basic commodity prices, monitoring the expiration dates of basic goods and unsuitable goods for sale, as well as monitoring the accuracy of traders' measuring instruments, for example scales.

According to the head of the trade division Mrs. Andriani ST, the Palu City Trade and Industry Office conducts recording only in two markets, namely Pasar Inpres Manonda and Pasar Masomba which are central markets in Palu City. The results of these price recordings are then submitted to the Regional Development Planning Agency (Bappeda) of Palu City for publication to the public.

*“Every working day each week we record basic commodity prices in two markets in Palu City, namely at Pasar Inpres Manonda and Pasar Masomba, which we then send to Bappeda for publication. But for monitoring expiration dates, unsuitable goods, and*

*checking measuring instruments we do it in every market regularly. When there is a shortage or too high basic commodity prices, we will find out what causes this situation, whether it occurs purely due to nature or there are bad actors, then look for what solutions will be taken.”*

The Palu City Trade and Industry Office routinely monitor prices in traditional markets and modern markets. This aims to prevent inflation in existing basic commodity prices because inflation is one of the macroeconomic indicators that is always of concern to the government and economic actors because it has direct implications on people's purchasing power and the stability of goods and service prices. The Palu City Trade and Industry Office have a special team to conduct surveys and price monitoring to ensure that no traders sell goods unreasonably. In addition, they also monitor stock and distribution so that hoarding does not occur.

## 2) Cooperation between Government and Distributors

Cooperation between the Trade Office and distributors is an important step to guarantee the availability of goods and the stabilization of basic commodity prices remains maintained, especially before major holidays when public demand for various basic needs tends to increase sharply. If not anticipated properly, this surge in demand can cause supply shortages and ultimately push up prices in the market. The Palu City Government through institutions such as the Trade and Industry Office, usually establishes partnerships with distributors or business actors engaged in the provision of basic commodities. The purpose of this cooperation is so that the flow of goods distribution from producers to consumers can run smoothly, efficiently, and on time. With a good relationship between the government and distributors, the local government can monitor and ensure that goods stock is in safe condition and available in sufficient quantities to meet the needs of the community, especially in traditional and modern markets. In an interview with Mrs. Andriani, S.T as head of the trade division, she said:

*“To maintain food price stabilization, the Palu City Trade and Industry Office cooperate with SOEs (Bulog), distributors, modern retail and the food office as a form of synergy in controlling food supply and distribution. This cooperation aims to ensure sufficient food availability, increase accessibility, and keep prices stable in the market. With this collaboration, it is hoped to reduce prices and meet the community's need for quality food.”*

## 3) Market Operations

In anticipating the increase in basic commodity prices, one way that can be expected is that the Palu City Trade and Industry Office intervene in the rice market by conducting market operations and holding cheap markets in several locations in Palu City. This step is an effort to control the market through price regulation.

To ensure that basic commodity prices remain affordable, Mayor Hadianto Rasyid has instructed the Industry and Trade Office to optimize cheap markets. This cheap market is directed to target places of worship, especially churches, as a form of equitable distribution of services before Christmas and New Year. In addition, all technical regional apparatus organizations (OPD) are asked to immediately conduct comprehensive market inspections. This inspection functions as a preventive step to anticipate potential price surges that often occur before major holidays. Strict supervision in the field is expected to minimize hoarding practices or price speculation that harm consumers in Palu City.

Market operations are carried out by the government with the aim of protecting consumers because the prices of goods prevailing in the market are suggested to be very high. When the prices of basic commodities in the market are too high, then the government through

a relevant institution adds the quantity of supply or supply of basic commodities, so that basic commodity prices can return to normal.

Market operations can help ease market concerns and prevent further price increases. Market operations are also important in preventing unscrupulous traders from raising prices arbitrarily to gain profits. And cheap market operations also become one alternative to overcome the decline in people's economic capacity. By holding cheap markets, it is hoped to help people in need, especially in difficult economic situations and where the prices of basic commodities are increasing, and this is a form of government and various related parties' efforts in providing access to basic food commodities at affordable prices is an important step in maintaining community welfare.

Market Operations or commonly called Cheap Markets are activities based on food commodity trading in the form of direct sales, carried out by the Trade and Industry Office to socially at-risk communities, at prices set by the Palu City Government. In its implementation, the Trade and Industry Office cooperate with several SOEs, Distributors, Modern Stores, and individual business actors as well as MSMEs. The goal is to control inflation, maintain the stabilization of basic commodity prices in Palu City and monitor the availability of goods. Table 6 shows cheap market activity data from the Palu City Trade and Industry Office for 2024, while Table 7 shows the data for 2025.

**Table 6. Data on cheap market activities of the Palu City Trade and Industry Office for 2024**

No	Date	Location
1.	5-6 March 2024	Talise Sub-district, Mantikulore District
2.	14-15 March 2024	Lambara Sub-district, Tawaeli District
3.	25-26 March 2024	South Birobuli Sub-district, South Palu District
4.	1-2 April 2024	West Besusu Sub-district, East Palu District
5.	3-4 April 2024	North Tatura Sub-district, South Palu District
6.	13-14 June 2024	Tavanjuka Sub-district, Tatanga District
7.	25-26 June 2024	Lambara Sub-district, Tawaeli District
8.	12 December 2024	South Birobuli Sub-district, South Palu District

Source: Palu City Trade and Industry Office

**Table 7. Data on cheap market activities of the Palu City Trade and Industry Office for 2025**

No	Date	Location
1.	27-28 May 2025	Talise Sub-district, Mantikulore District
2.	3-4 June 2025	North Birobuli Sub-district
3.	25-26 June 2025	West Besusu Sub-district, East Palu District
4.	4-5 August 2025	Tondo Sub-district, Mantikulore District
5.	14-15 August 2025	Tanamodindi Sub-district, Mantikulore District
6.	19-20 August 2025	Yanggebodu Street, in front of the Lambara Sub-district Office
7.	22-23 September 2025	Taipa Sub-district, North Palu District
8.	25-26 September 2025	North Balaikota Street

Source: Palu City Trade and Industry Office

#### 4.2.3. Impact of Price Stabilization Policies and Programs

The programs and policies implemented by the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices at Pasar Inpres Manonda and Pasar Masomba have a significant impact on traders and consumers. Through these efforts, the Trade Office aims to create a more controlled and affordable trading environment, which in

turn increases traders' confidence and provides protection for consumer purchasing power. For traders, price stabilization policies help reduce market territory. They tend to better prepare themselves to face sharp price fluctuations, so they can plan stock and manage finances better. This also strengthens traders' bargaining position in negotiations with suppliers, so they do not need to incur additional costs due to unstable prices.

For consumers, the implemented price stabilization provides direct benefits in the form of affordability of basic commodities. With maintained prices, consumers can plan expenses well for daily or monthly needs, without worrying about sudden price launches. This is very important, especially for people with limited incomes who are highly dependent on expenditures for basic commodities. In addition, the Trade Office strives to maintain product quality by conducting strict supervision and regulation of goods traded. This ensures that consumers not only get affordable basic commodities, but also of good quality, which is very important for their health and welfare.

However, although this program and policy bring positive impacts, challenges remain. For example, some traders may view price regulations as limitations in obtaining maximum profits, thus creating resistance to policies taken. In addition, the dissemination of information about prices and products is often uneven, especially for consumers in more remote areas, which can make them less aware of market conditions and prices that should be. The Trade Office needs to be more active in conducting socialization and education to the community, including traders, about the importance of price stability and how its benefits can be felt together.

Overall, the impact of the programs and policies of the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices at Pasar Inpres Manonda is a concrete step that provides benefits for both parties, traders and consumers. Although existing challenges need to be addressed, awareness and active participation of all stakeholders are very important to ensure that the benefits of this program can be felt optimally. With comprehensively and inclusively designed programs, the Trade Office not only acts as a market regulator, but also as a facilitator that helps build a balanced and sustainable trading ecosystem. This will strengthen local market competitiveness and provide long-term positive impacts on community welfare in Palu City.

## 5. Conclusion

Based on the research results, it can be concluded that the role of the Palu City Trade and Industry Office in maintaining the stabilization of basic commodity prices in Palu City still needs to be improved. Although there are some commodities that have experienced price decreases, price increases in other commodities such as rice, cooking oil, and curly red chili indicate that there is still price instability in the market. Therefore, the Palu City Trade and Industry Office need to increase its role by increasing price supervision and the availability of basic commodities to maintain price stabilization and improve community welfare. Programs carried out by the Palu City Trade and Industry Office have positive impacts on traders and consumers, such as cheap market programs that help consumers get basic commodities at cheap prices, Price Supervision Programs that maintain price stabilization. However, program success depends on effective implementation and evaluation, so continuous evaluation and monitoring need to be carried out.

Based on the findings, the author provides recommendations for price stabilization carried out by the Palu City Trade and Industry Office. First, the Palu City Trade and Industry Office should increase socialization and assistance to traders regarding price regulations and

market mechanisms. In addition, it is important to build a long-term business mindset among traders, expand market access to reduce dependence on distributors, and implement continuous monitoring and evaluation of existing programs.

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