

ABSTRACT

This research was aimed to study the problem of poverty in rural areas of Labuhan Batu, North Sumatera. Operationally, this study has five objectives (a) to analyze and to examine the influence of total working hour to the poverty of wetland paddy farmers (income) (b) to analyze and to examine the influence of exploitation (price and labor) to the poverty of wetland paddy farmers (income) (c) to analyze and to examine the influence of productivity of labor to the poverty of wetland paddy farmers (income) (d) to analyze and to examine the influence of land areas to the poverty of wetland paddy farmers (income) and (e) to analyze and to examine the influence of technology to the poverty of wetland paddy farmers (income).

Using the *ex-post facto* explanatory method this research is implementing, Modern Theory of Max Weber, and Structural Theory of Karl Marx as the theoretical background.

The Object of this study was totally 388 wetland paddy farmers in 20 villages in Labuhan Batu, North Sumatera. Multistage sampling technique was used in this study. Primary data were gathered through interviews and questionnaires and supported by secondary data. The data were analyzed with Linear Multiple Regression by using SPSS program.

The result of the research concluded that the productivity of labor was the dominance variable, which influences the poverty of wetland paddy farmers. One of those five hypotheses in this research turn out to be empirically unsupported, i.e. the technology was not significant. This may be due to the fact that very small technology adopted in the wetland paddy farm.

Key words: Poverty, Total Working Hour, and Exploitation.