

The New Zealand Asia Institute (NZAI) undertakes research focusing on engagement with Asia, provides a forum for informed debates, and offers a bridge to Asia-related expertise and research within the University of Auckland.

Indonesia wants to be self-sufficient in food: Can it achieve this goal?

The quest for food self-sufficiency has regained prominence in Indonesia, particularly since 2014. Recent research asks why food self-sufficiency has returned to the policy agenda, what it means for Indonesia's imports of food, and what it tells us about shifts in Indonesia's political economy.**

Being food self-sufficient means a country as a whole produces enough food to meet national consumption, eliminating most imports. In Indonesia, food self-sufficiency is frequently conflated with food security (affordable access to food) and food sovereignty (empowering local producers), even though these three goals often conflict with each other.

In Indonesia the notion of food self-sufficiency has been politically influential ever since independence in 1945: first under President Sukarno, then under Suharto's authoritarian New Order, which prioritised food production. Although mostly illiberal in rejecting free, internationalised markets, food policy has been driven by different priorities in different periods. The article focuses on the reformasi (reform) period since 1998, after the resignation of President Suharto, the Asian Financial Crisis and intervention by the International Monetary Fund (IMF).

Early in the reformasi period, Indonesia adopted liberalising policies with regard to food imports, particularly in the all-important rice market, in part as a result of IMF pressure. This included limiting the powers of the state importer and distributor, Bulog. But periodic import bans returned from 2004, ostensibly to protect farmers. The 2007-2008 global food crisis saw food self-sufficiency prioritised, and, after import prices surged, the 2012 Food Law formally enshrined the goals of food sovereignty, self-sufficiency and security.

Like his equally populist and economic nationalist rivals, Joko Widodo (Jokowi), president since 2014, has championed self-sufficiency. Interventions have increased under his presidency. Jokowi's increased producer subsidies, land reallocation and price supports, together with high agricultural tariffs and import controls, have handed central government new discretionary authority. Rice remains the politically symbolic focus, but other foods affected include corn, beef, milk and garlic.

Rice self-sufficiency was finally announced with much fanfare in 2016. Yet Indonesia still imports rice, for Bulog's stockpiles to cover shortages often come from overseas. For other foods, self-sufficiency is an ever-receding target, as Indonesians grow richer and eat more wheat and animal products – and import increasing amounts of animal feed. Although imports of some products such as beef have periodically declined, price spikes generally lead to temporary relaxation of import limits. Although it does not look as though Indonesia will actually become self-sufficient any time soon, the trend line of increasing imports for some food products, including beef and dairy, has been disrupted.

The consequences of the government's limits on food imports have, overall, decreased welfare and reduced food security for the poor. Rice prices are significantly higher in Indonesia than, for example, Vietnam. Moreover, subsidies, import restrictions and price controls have reduced productivity. Price stability, production and efficiency often conflict: for instance, farmers need higher prices to produce more, but their interests compete with those of consumers.

Despite these perverse outcomes, the food self-sufficiency policy is deeply rooted politically and unlikely to be abandoned. The interventions benefit some privileged elite interests in agribusiness, but the policy's supporters extend well beyond this group. Farmers – particularly "middle farmers" or smallholders who hold land plots larger than average – benefit from the policy in material terms. The self-sufficiency policy is consistently presented as pro-farmer, and this rhetoric has valorised agriculture, in contrast to its neglect in earlier decades. The pro-farmer politics of food self-sufficiency could potentially lay the foundations of a more inclusive agricultural political economy, although such an outcome faces significant obstacles.

**The full study results are available in an article authored by Natasha Hamilton-Hart: "Indonesia's Quest for Food Self-Sufficiency: A New Agricultural Political Economy?", *Journal of Contemporary Asia*. Published online 2nd July 2019. DOI: 10.1080/00472336.2019.1617890.

