

# Food Security Policies in Maritime Southeast Asia: The Case of Indonesia

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June 2010

## 1. Introduction

The 2007/08 global food crisis forced countries around the world, including those in the Southeast Asian region, to revisit their food security policies. Despite the richness of their natural resources, the countries of maritime Southeast Asia, which include Brunei Darussalam, Indonesia, Malaysia, the Philippines and Singapore, have long struggled to fight hunger and poverty. Since most of them are increasingly becoming net food importing countries, the challenges they faced were more pronounced than those exhibited elsewhere in the Southeast Asian region during the crisis.

Among the maritime Southeast Asian countries, Indonesia, which is the largest economy in the subregion, provides an interesting example of a country where food security is far from guaranteed as a result of the government's inability to maximize the potential of the country's agricultural sector.<sup>i</sup> The 2007/08 global food crisis in particular has illustrated how vulnerable the Indonesian food system is. As in other Southeast Asian countries, the Indonesian government has placed too much emphasis on the principle of food self-sufficiency, while at the same time giving little importance to the ability of people to access food. The conservative and rigid adoption of a food self-sufficiency policy not only contributes to the food insecurity that the country is experiencing at the moment, but also has the potential to undermine the country's food trade with the rest of the world. In light of these issues, therefore, there is an urgent need for the Indonesian government to re-evaluate its food security policies.

## 2. Food security and the food trade: Concepts and understandings

Food security is a condition when people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life.<sup>ii</sup> The attainment of food security normally involves three: food availability, food accessibility and food affordability.<sup>iii</sup> Crucial in the attainment of the second and third components is the access of individuals and households to sustainable employment opportunities that enable them to pay for the food needed for their survival.

In trade-related matters, the attainment of food security can be secured through either *food self-sufficiency* or *food self-reliance*.<sup>iv</sup> A food self-sufficiency policy generally seeks to minimize a country's dependence on buying food products from other countries, whereas a food self-reliance policy advocates reliance on the international market for the availability of food in the domestic market. However, trade is increasingly becoming a key policy component for countries attempting to improve their food security status, but questions remain as to whether trade in food products can guarantee food supplies to the poorest and most vulnerable sections of the community. Indeed, being too dependent on trade could have significant consequences for the countries concerned, particularly since they would be more vulnerable to changes in levels of international food supply and demand, as well as international food price instability. Another important aspect of food security–trade linkages is people's ability to have sufficient access to food. The failure of many Southeast Asian governments, including that of Indonesia, to give attention to the issue of food access has prevented the countries in the region from being fully food secure.

### 3. Food trade for food security

Indonesia is one of the world's leading food exporting countries. While keeping its food self-sufficiency intact, it remains committed to the global food trade. The ability of the country to export its food products reflects the relative increased availability of these products in the domestic market. At the height of the global food crisis of 2007/08 the quantity of food products in the domestic market was basically sufficient to supply domestic demand. Despite this, however, there were significant discrepancies among food prices in different provinces. At the time, the further away a province was from food production centres or seaports, the more its population had to pay for food. Moreover, the lack of adequate infrastructure and transportation facilities further aggravated the food insecurity situation in the eastern parts of Indonesia. Overall, the low per capita income in the eastern provinces did not only prevent people from purchasing food at affordable market prices, but the less profitable markets of these provinces also meant that food traders were reluctant to sell their products in these markets.

### 4. The global food crisis and food prices

The global food crisis did not only negatively impact people's incomes, but also further undermined the health and wellbeing of poor people.<sup>v</sup> Some food producing countries in Southeast Asia, such as Thailand and Indonesia, were affected by the global food crisis simply because they gave too much emphasis to the policy of food self-sufficiency, largely ignoring the issue of food access. Indonesian households felt the impacts of the global food crisis particularly since they were forced to use more of their incomes for food consumption. Poor families in rural areas were also faced with the difficulty of accessing food, which was due primarily to the relatively much lower incomes of these families compared to those living in urban areas. It is also important to note that for the purpose of survival, the rural poor did not necessarily purchase foods from the market, but instead consumed non-marketable foods that often did not satisfy their minimum requirements of protein and energy intake.

### 5. The geography of food insecurity

The case of food insecurity in Indonesia can be illustrated through a study of three of its provinces: the Special Region of Yogyakarta (Daerah Istimewa Yogyakarta, or DIY) and the two coastal provinces of West Nusa Tenggara (Nusa Tenggara Barat, or NTB) and East Nusa Tenggara (Nusa Tenggara Timur, or NTT). The latter two are situated in the eastern part of the country, where most provinces still suffer from food insecurity. The inhabitants of these provinces generally spend a larger proportion of their incomes on food than those in the country's more food secure provinces. The less food secure provinces experienced a decreasing pattern of rice consumption throughout the global food crisis.

#### 5.1 Special Region of Yogyakarta

While the overall food security situation in DIY is improving at the moment, the problem of food insecurity still remains. DIY, situated in Java, has a relatively higher per capita income than other Indonesian provinces. However, this seemingly positive situation is not reflected in improved food security at the household level,<sup>vi</sup> and the province's households are still threatened by, among other things, poverty, poor health services and malnutrition. A crucial contributor to the province's growing food insecurity is the higher rate of population growth compared to that of food production. Moreover, natural factors, such as earthquakes, prolonged droughts and so on, have also further undermined the province's food security.

#### 5.2 West Nusa Tenggara

In geographical terms, NTB includes the two large islands of Lombok and Sumbawa, as well as a number of smaller islands. NTB is rich in natural resources, such as gold, silver and other precious metals, but despite this, the province is at high risk of falling into an acute food and livelihood crisis, because although rice production is in surplus, food insecurity still persists. Food stocks are relatively secure, although the quality and diversity of food consumption in the province remain low in comparison to other provinces. One initiative to improve food security in the NTB involves the diversification of food crops, which would entail growing other locally produced foods apart from rice and wheat.

### 5.3 East Nusa Tenggara

NTT has been one of the most food insecure provinces in Indonesia since 2005 and has been classified as a chronically food insecure province by the Indonesian government.<sup>vii</sup> In order to address the problem, the local government of NTT has established the Regional Food Security Board to coordinate multisectoral responses and intervene when necessary to ensure the population's food security. Despite this, little effort has been made by the local government to improve people's ability to purchase food. The greater utilization of local foods is a possible solution to NTT's protracted problem of food insecurity, and the local government has started to pursue such a policy, focusing on the use of local foods such as corn and tubers.

## 6. National and provincial policy responses to the 2007/08 global food crisis

### 6.1 National policy responses

In response to the global food crisis, the Indonesian government adopted a number of policies to improve people's access to food, most of which had been in place since the 1997/98 economic crisis.<sup>viii</sup> However, these policies tended to provide very short term assistance to the people. To improve the state of food security at the household level, the central government, through its Food Security Board (Dewan Ketahanan Pangan), established a new initiative known as the Food Self-sufficient Villages (Desa Mandiri Pangan)<sup>ix</sup> in 2006. The central government also issued a policy of diversifying food consumption under Presidential Regulation no. 22/2009.

The problem of food insecurity in Indonesia is not necessarily one of the unavailability of food, but, rather, food access. People's access to food has been undermined by their inability to generate sufficient income to provide buy enough food, as well as by the country's poor infrastructure, particularly transportation. An improved climate for investment in infrastructure, especially in the eastern parts of the country, is an important component of the country's strategy to achieve food security.

Both the Indonesian government and the wider Association of Southeast Asian Nations (ASEAN) have promoted the ASEAN Integrated Food Security initiative and its corresponding Strategic Plan of Action on Food Security in the ASEAN region to achieve food security as a response to the dramatic increases in food prices in international markets, together with the ASEAN Food Security Information System as a resource to implement food security in the East Asian region.

### 6.2 Provincial policy responses

At the provincial level, policy responses pursued by authorities to address the problem of food insecurity have varied according to the specific situation in each province. In the key provinces examined in this study—DIY, NTT and NTB—the authorities have applied a similar policy directed at encouraging people to diversify both their food consumption and production (particularly from rice to other non-rice foods available locally). However, provincial governments continue to experience real difficulties in distributing food to remote areas. Generally, not only is key agricultural support infrastructure, such as irrigation systems and roads, absent, but food access in these remote areas is equally problematic.

## 7. Policy recommendations

The problem of food insecurity in Indonesia is not necessarily a lack of food supplies, but is instead related to people's inability to access food. During the crisis, Indonesia did not face the problem of food availability either in terms of domestic or foreign suppliers; instead, limited stocks of food in some of the worst affected regions were the result of inadequate transportation, which caused food prices to increase sharply in remote markets.

A key aspect of food security is the ability of the people to generate sufficient income to purchase enough food. This problem is aggravated by both poor infrastructure and the severe natural disasters that still plague the country. A key recommendation, therefore, is the promotion of infrastructure, particularly transportation. The archipelagic nature of Indonesia requires the country to improve its investment in sea and inland water transportation systems. In addition, all food security policies adopted by the central government should take

into account the ability of the people to secure sustainable and adequate employment that allows them to access food. Sustainable employment in the food sector could be achieved through the development and expansion of the agroindustry. Such an exercise would not only help stabilize the prices of major agricultural commodities, but would also add more values to food products produced domestically. This in turn would mean that small farmers, who make up the vast majority of the Indonesian people, would have larger income and therefore better access to food.

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## Endnotes

- i Relatively recent data, for example, suggests that around 30.76 million people, or 13.63 percent of the total population, were not free from hunger in 2007 (Bappenas, 2007).
- ii FAO, 2009.
- iii Suryana, 2008.
- iv Panagariya, 2002; Konandreas, 2006.
- v Among other things, this was because the majority of people in Indonesia were consumers, and poor people spent much of their income on food (Uzquiza, 2009).
- vi Kedaulatan Rakyat, 2010.
- vii There is a significant risk that the situation in NTT could become worse, particularly if the persistent drought in the province cannot be tackled (WFP, 2007).
- viii These policies include those of Conditional Direct Aid Cash (Bantuan Langsung Tunai), Cheaper Rice for the Poor (Beras Miskin), improved health facilities for the poor, and market operation policies to control the price of basic foodstuffs. To a large extent, however, the so-called pro-poor policies pursued by the government have so far failed to improve people's access to food.
- ix The program was designed to enable Indonesian villages to achieve food self-sufficiency through empowering people and developing a food security system and the necessary infrastructure in villages.

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