

A close-up portrait of Leonid Kuchma, the President of Ukraine, smiling. He is wearing a dark suit, a white shirt, and a patterned tie. The background is slightly blurred, showing what appears to be a bookshelf.

**Міжнародний**

# **Агро-Світ**

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Президент України  
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# Agriculture in Indonesia: Mostly a Domestic Market

By Dr. R. G. Holmberg

After 50 years of independence from the Dutch, agriculture is still the biggest contributor to Indonesia's economy. As a tropical country, Indonesia produces a wide range of agricultural products derived from small family plots and large corporate estates. About 13% of its land area is devoted to agriculture. Most of this is intensively cultivated. But many farmers on the less-populated islands continue to use slash and burn techniques. As an island nation, Indonesia depends heavily on exploiting its native fish stocks, but is starting to shift to high technology aquaculture.

Indonesia is the world's largest archipelago, extending from 94 degrees to 141 degrees east longitude and from 6 degrees north to 11 degrees south latitude. Many of the islands are volcanic in origin (Indonesia has more active volcanoes than any other country) which

contribute significantly to their fertility but also to periodic catastrophes. Temperatures average between 26 to 28 degrees Celsius and humidity from 70 to 90%. There are two seasons; a dry season, influenced by Australian continental air masses; and a rainy season, influenced by Asian and Pacific air masses. Most of Indonesia experiences the dry season between June and September and the rainy season between December and March but in the southeast, the seasons are reversed.

After China, India, and the United States, Indonesia is now the fourth most populated country in the world. About 60% is concentrated in Java while the larger islands of Sumatra, Borneo (shared with Malaysia and Brunei), and New Guinea (shared with Papua New Guinea) have relatively sparse populations. Indonesia has the largest

Muslim population in the world, but Christianity, Hinduism and Buddhism are also officially sanctioned. There are 583 native languages and dialects spoken in Indonesia. The national language, Bahasa Indonesia, is derived from Malay and is now the 12th most widely spoken language in the world. English has replaced Dutch as the widely spoken foreign language.

Most agriculture production comes from small farms and garden plots and is consumed locally. This causes difficulties in estimating its true monetary value in the economy. The major domestic agricultural products are rice, cassava, and maize. However, many other staple crops are grown for domestic consumption including tobacco, cotton, and a myriad of fruits and vegetables. Major world exports are palm oil, rubber, coffee, tea, and cocoa.

Local exports of agricultural products go to Malaysia, Singapore, and Japan.

As with other Asian countries rice production is the most important agricultural commodity. Rice is usually eaten three times per day, and the benefits of being a civil servant include a monthly allocation of rice. Formerly, Indonesia was the world's largest importer of rice. Oxen and other traditional methods are still used on small plots of land, but, through improved varieties, irrigation, fertilizers, and pesticides up to three crops per year are produced, so rice production has dramatically increased. Since 1984 Indonesia has become largely self-sufficient and even exports rice. However, during the drought of 1991 production fell 2% to 44.3 million tons (unhusked) and rice had to be imported.

Protein consumption per capita continues to increase. In 1992, the average person ate 16.6 kilograms (kg) of fish, 6.7 kg of meat, 2.7 kg of eggs, and only 4.9 kg of milk. Most terrestrial meat production is chicken, but, goat, sheep, water buffalo, cattle, and swine are also important. Shrimp farming is now an important revenue earner for

Japan. Due to a general lack of refrigeration and the relatively large size of the birds, geese and turkeys are not common poultry but ducks are used extensively for eggs and meat.

Although Indonesia is basically self-sufficient in agriculture products, it imports small amounts of various items from around the world. Such imports include: wheat for making flour and pasta, livestock for breeding purposes, processed food from Australia, the United States and China, various fruits from Korea, fresh dates from Iraq and the United States, and even apples from Canada and the United States. Garlic is extensively used in cooking, and recently, demand exceeded supply. Imported garlic faces high taxes, and has lead some people to smuggle tons of garlic in from neighbouring countries. Multinational firms process food for export to the Asian market in factories located in Indonesia, Malaysia, Philippines, and Singapore. Such foods for Indonesian consumption are processed according to Muslim customs and are marked "halal". Future potential agricultural imports include: cultivation machinery for small farms, large scale food pro-

cessing technology (including preservation techniques and packaging), improved genetic stocks, and pest control technology for field crop storage.

Although the percentage that agriculture contributes to the GDP (Gross Domestic Production) continues to decline, agriculture (including fisheries and forestry production) contributes about 20% of the GNP (Gross National Product). Oil exports are the largest source of external funds and oil contributes significantly to reduce transportation costs.

Although Indonesia is still classified as a developing country, it is becoming modernized and industrialized at a great rate. Indonesia's impact on the rest of the world is now minor, this will probably increase substantially over the next decade. Even though there are more obstacles, agricultural importers and exporters should not forget this market of 180 million people.

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