<table>
<thead>
<tr>
<th>Title</th>
<th>An Economic Study of the Indonesian Rice Sector: Toward Harmonization of Structural Adjustment and Food Security (Digest)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Author(s)</td>
<td>Ernoiz, Antriyandarti</td>
</tr>
<tr>
<td>Citation</td>
<td>Kyoto University (京都大学)</td>
</tr>
<tr>
<td>Issue Date</td>
<td>2016-09-23</td>
</tr>
<tr>
<td>URL</td>
<td><a href="https://doi.org/10.14989/doctor.k20004">https://doi.org/10.14989/doctor.k20004</a></td>
</tr>
<tr>
<td>Rights</td>
<td>学位規則第9条第2項により要約公開；許諾条件により本文は2018-12-30に公開；Chapter III published by ©THE ASSOCIATION FOR REGIONAL AGRICULTURAL AND FORESTRY ECONOMICS</td>
</tr>
<tr>
<td>Type</td>
<td>Thesis or Dissertation</td>
</tr>
<tr>
<td>Textversion</td>
<td>ETD</td>
</tr>
</tbody>
</table>
An Economic Study of the Indonesian Rice Sector:  
Toward Harmonization of Structural Adjustment and Food Security  
Ernoiz Antriyandarti  

ABSTRACT  

Indonesian Government needs to implement an appropriate rice policy to achieve the food security and poverty alleviation. Therefore, this study aims to investigate how Indonesian government can achieve the policy targets such as global competitiveness of rice sector and food security under more liberalized trade regime.  

This dissertation comprises six main chapters. Chapter I presents the introduction of the study. The author describes the background of the study, the research topics, the originality, and the organization of the dissertation.  

Chapter II provides the overview of the general situation of the rice sector in Indonesia. This chapter describes the rice production both at the national level and at the provincial level. Moreover, this chapter also illustrates the importance of the rice sector in Indonesian agriculture.  

Chapter III examines the competitiveness and cost efficiency of rice farming in Indonesia. This chapter attempts to test the cost efficiency of rice farming in the main rice producing areas, and confirms the competitiveness of each area.  

Chapter IV focuses on the economies of scale in Indonesian rice production. This chapter tests the existence of scale economies via three different methodologies: the cost elasticity of production, the cost function derived from the production function of rice, and the profit function derived from the maximization problem of the rice farmer.  

Chapter V investigates the constraint of farm size enlargement in the rice sector of Central Java. This chapter captures the result of a field survey in Central Java, which examines the surplus labor in the rural labor market, characteristics of land tenure, fragmentation of land, agricultural land law that discourages land transaction, and expectation for the conversion of agricultural land to non-agricultural land.  

Finally, Chapter VI is the conclusion. This chapter provides the major findings and conclusions of the study. Then, the author derives the policy recommendations to help the Indonesian Government improve the Indonesian rice sector.  

The results of investigation in this study imply that if Indonesian Government liberalizes the rice policy, rice farmers in the major rice growing areas, such as Central Java and East Java will have the largest negative effects because they do not have global competitiveness due to small farm sizes.  

This study also found some evidences about the existence of scale economies in the study area and the benefit of enlarging the farm size. It may implement an alternative mix policy to promote farm-size enlargement such as facilitating the development of off-farm jobs in rural area, controlling land conversion, and considering the role of hamlets and villages for efficient and sustainable agricultural land use.  

Key words: Rice Farming, Competitiveness, Cost Efficiency, Economies of Scale, Farm Size Enlargement