

## Paper 4

### Discussion Statement: *Is Food Self-Sufficiency Irrelevant?*

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IN THE LETTER which accompanied the paper of Mark Svendsen and Mark Rosegrant, Charles Abernethy has asked me to take a slightly different approach in looking at the issue which my two colleagues had taken in their papers entitled "Will the Future Be Like the Past ?" I will of course take Charles' advice in discussing my colleagues' paper.

Let me begin by commenting on the first issue that my colleagues have raised in their papers, namely the issue of the decline of the total irrigation investment expenditures and the causes that contribute to the decline. They have mentioned several causes one of which is the large public and foreign debt loads carried by most of the agriculturally based economies in the region. This is true. However, in reality the impact of this situation goes far beyond the decline of investment in irrigation by governments of agriculturally based economies.

The heavy debt load, to my mind, has created a feeling of "anti paddy" cultivation among these governments. Governments which had to face heavy debt burdens had been forced to boost their exports to generate more foreign currency to enable them to repay their foreign debts. Irrigation development or irrigation investment thus becomes an anomaly in the new development objectives. As irrigation development only generates food to be consumed by the people, rice cannot be exported because in the international market the price of rice is very low. It is better therefore to invest more in, say, tourism which generates foreign currency. It is therefore more profitable to turn *sawah* (irrigated rice-fields) into golf courses and use irrigation water to keep the golf course green to attract tourists to play golf in the country. Nobody ever questions what happens to the farmers who lose their land.

The "anti paddy" spirit also discriminates against farmers by, for example, stopping them from getting subsidy from the government, as farmers' subsidies are currently considered creating inefficiency in the national economy, while facilities are provided by the government to the big businesses and industries. I have to warn this workshop that if we are not careful and let the "anti paddy" spirit dominate the current development strategy, we are going back to the past, namely, we are going back to the situation where we were dependent on food aid, and this will bring various negative political implications. Political stability in Southeast Asia (SEA) is basically caused by the fact that most of the SEA countries are able to feed their respective peoples. Irrigation development is also important for SEA countries as it is basically a mechanism for equalizing development benefits.

My second comment concerns my colleagues' thought on political liberalization. Citing the case of Soviet Russia, my colleagues have said that what happened in Russia in terms of political

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liberalization will also spread to SEA. In other words, democracy will be spreading to SEA. I personally hope so. But I doubt very much that democracy will spread and institutionalize in SEA the present "anti paddy" spirit. The "anti paddy" spirit as I indicated above will generate many political problems, for example, it will legitimate an authoritarian government rather than a democratic one. Farmers whose land was taken away from them will not remain idle politically unless they are suppressed by an authoritarian regime. People who are hungry must be governed by an authoritarian regime. Gorbachev made a fatal mistake when he introduced glasnost in his country when the Russians were hungry. I believe that there is a correlation between food security and democracy.

The next comment is on the issue of privatization and the role of the government. I believe that while we realize the importance of the role of the private sector in development, the role of the government must not stop at being facilitator only, but that it must have the role of regulator in the sense of setting up regulations to protect the right of the weak section of the society from being abused by private companies under the disguise of generating development. There is, at the moment, a tendency in the developing countries for the emergence of what I call "pseudo privatization" that is privatization which is implemented by the government only to meet the demand of the donor country, as privatization is currently becoming one of the prerequisites set up by foreign donors.

I really believe that protectionism is bad for the development of the developing countries. The irony is that it is not the Third World that is currently practicing a protectionist policy, but the industrialized countries. I believe that to protect our agriculturists and our infant industries we should provide protection to them. Japan is a good case in point in this context. Malaysia and Indonesia are currently facing problems because they cannot export their agricultural products such as palm oil because of the protectionist trade policy followed by some industrialized countries.