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## The Priority Vegetable Products Based on Efficiency Resource Allocation in Upland Areas of Indonesia: Designing Agriculture Policy Pattern

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### Abstract

Nowadays, the integration of markets worldwide provides unparalleled opportunity for rural development and food security. Removing barriers to trade and competition opens up new markets for vegetables as main agricultural products in Indonesia. It also provides new opportunities for attracting high investment on Vegetable Farming System (VFS) into Indonesian economies. Moreover, local government agricultural policy should support the development of vegetable products which have competitiveness in the global market.

Based on above explanation this study attempts to present the priority vegetable products in order to promote vegetables as specialized, competitive and high value products. Specifically, the objectives of the study were firstly, to evaluate the current local government policy for priority vegetables and secondly, to rearrange the best priority vegetable products based on efficiency resource allocation in upland areas of Indonesia.

The priority vegetable products from the study sites is discussed with the importance of agro-ecological zone in achieving efficiency resource allocation, economic scale, government policy and sustainability with holistic and integrated conditions as defined by the Analytic Hierarchy Process (AHP). Determination of priority vegetables product were carried out at certain potential areas based on the production history as well as potential development.

Related with the analysis of priority vegetable products prepared by the local governments, the selected vegetables in each area were as follows: potatoes, cabbages and tomatoes in Pangalengan; potatoes, cabbages and chillies in Kejaajar; and potatoes, cabbages and carrots in Berastagi.

These results should be address as new policy patterns in Indonesia in order to equip vegetable products in upland areas to compete effectively in the global economy. Concretely, this means shaping a policy which allows Indonesia agriculture to specialise in what it does best, not only adapting to technological changes, but really driving the priority vegetable products. The policy must prioritise investment in research and development, so facilitating the ability of vegetable products to constantly innovate. They should added resources into education and training, facilitate investment in the constant up-grading of the infrastructures and ensure that unnecessary red tape is cut so that the regulatory environment in Indonesia is more conducive to do VFS.

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