With the Customs Tariff of Zero Percent for Soybeans, the State estimated to Loose Rp 350 Billion
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The policy of soybean import tariffs of zero percent gives the state a loss of up to Rp 350 billion. "If for every kilogram of soybean 5 percent or Rp 350 of its duty so far taken is multiplied by 1 million tons, then just imagine the loss suffered by the state," said Deputy Minister of Agriculture, Dr. Rusman Heriawan as a Keynote Speaker in a National Seminar titled "Price Volatility of Soybean and Its Solution", Thursday (9/8) in Bogor Agricultural University (IPB) International Convention Center. The seminar was organized by Department of Economics, Faculty of Economics and Management IPB.

Dr. Rusman deplore that the loss is not equivalent to the increase in profits for those making soy-based products such as tempeh, tofu and soy sauce. "It would be even better if the amount of Rp 350 billion is directly contributed to farmers or buying farmland. They will be eager to plant soybeans, "said Dr. Rusman. The farmers prefer to grow rice or other crops due to higher selling prices. In the 80s, soybean price was Rp 4 thousand kg, while rice is Rp 2 thousand/kg. The soybean price was twice that of rice. This encourages farmers to plant soybeans. But now the price of premium rice is Rp 10 thousand and soybean is Rp 5 thousand. With such a low price, farmers are reluctant to plant soybeans. This would greatly affect the supply of domestic soybean.

Soybean import tariff of zero percent is also very profitable for soybean producers abroad, especially America. "The U.S. government provides export subsidies for their farmers, so the production cost is low. Coupled with the reduced customs duties, they have a double advantage," said Dr. Rusman.

Vice Rector of IPB for Resources and Development, Prof. Hermanto Siregar, said the volatility of soybean price and food occur repeatedly and periodically; Indonesian people should learn from this. "In an effort to anticipate soybean prices that are always volatile, we should think about fundamental research and science," said Prof. Hermanto. This event was opened by Head of the Department of Economics, Faculty of Economics and Management IPB, Dr. Ir. Dedi Budiman Hakim. (Mtd)