President of RI, Dr. H. Susilo Bambang Yudhoyono at the Scientific Oration of the President of the Republic of Indonesia on the Open Session of Bogor Agricultural University (IPB) invited to do the reflection on the agricultural development model which had been and was being done by Indonesia.

“This problem is necessary also for us to put in the context of contemporary where Indonesia at the moment is into the country with the decentralized system and the high economic growth. The selection of the agricultural development model will determine the direction and the history of this nation to the future,” said the President SBY, at Grha Widya Wisuda, Dramaga, Friday (20/12).

Three alternative development strategies were:

First,

The economic development strategy through the provision of greater opportunities for the economic power of the market to determine the direction of development. The role that could be done by the government in this case was creating the market which could function efficiently and effectively. It’s just this model could not realize the equitable economy. Also it was often failed to bring justice, among others, the vulnerable and the poor entrainment of the rapid economic growth.

Second,

The economic development emphasized the great need for the government involvement in the development. The government involvement should be done since the strategic design up to the implementation stage. The agricultural development model was the embodiment from the concepts of command and centralized-economy. Command economy.

Third,

The economic development strategy was between the first and second strategies. The intervention of the government policy was required by staying to involve other sectors like private, BUMN, and cooperative. This agricultural development strategy should be arranged with the awareness, however there was always a market failure so that it was necessary to have the role of the government. However, the absolute intervention and excessive would also generate what we called as the government failure.

"For me it is clear that Indonesia must be adhered to the third economic development strategy, as I pointed out earlier. In various occasions, during more than nine years I continue to deliver the vision, wisdom and strategy of the economic choice of “The Third Way”, including into the agricultural sector,” said the President SBY.