

ABSTRACT

The primary focus of this study is to evaluate the dilemma of Indonesia's rice import policy, which is frequently criticized for allegedly distorting domestic prices and harming upstream producers. This study aims to analyze the actual impact of the Rice Import Policy (KIB) on Farmers' Welfare, proxied by the Farmer's Exchange Rate (NTP) for the 2015–2024 period. To isolate the pure impact of imports, this model incorporates domestic market control variables, namely the Price of Harvested Dry Grain (HGKP), Domestic Rice Production volume (JPB), and Inflation (INF). The methodology utilizes multiple linear regression via the Ordinary Least Square (OLS) approach based on monthly time-series data (n=120).

The analysis reveals that the Rice Import Policy (KIB) partially carries a negative coefficient but exercises no significant effect on NTP ($p=0.7544$). This finding confirms that inflows of imported rice do not automatically dismantle farmers' welfare; instead, they function as a macro-stabilization tool to secure national stocks during domestic supply deficits. The discussion highlights that the real threat to farmers is not the volume of imports itself, but rather the structural vulnerabilities within the domestic market. This is evidenced by HGKP, which serves as the most dominant determinant with a highly significant positive impact on NTP ($p=0.0000$), followed by JPB ($p=0.0007$). The policy implication emphasizes that the government does not need to absolutely avoid imports when necessary for food security, but must strictly regulate import timing to prevent imported rice from entering the market during peak domestic harvest seasons, thereby safeguarding local grain prices.

Keywords: *Rice Import Policy, Farmer's Exchange Rate (NTP), Supply Stability, Local Grain Price, Food Security.*

