

## Background

Price of agricultural commodities commonly influence farmers preference and decision making on the way they manage their agroforest and/or decide to replace it other land use systems. Increased price of a specific commodity will increase farmers motivation to intensify its role in their mixed agroforest garden, and potentially move towards a monocultural system. In comparison to agroforests, monocultural system may provide higher benefit for the farmer, as long as the price of the main crop is stable or increasing. But, when the price of the main product decreases, an agroforestry garden will provide more income security than the monoculture system due the more diverse products from agroforestry than monoculture system.



Figure 1. Focus group discussion



Figure 2. Marketing of palm oil

## Result

Rubber and palm oil are the major income of community in Bungo District. The market prices of those commodities give very big impact to farmers economic, the most favorable price was occurred in 2004 to 2008. Since then, land cover change in Bungo District was increased and land management became more intensive (monoculture with high input).

Global economic 'crisis' did not affect farmer economic condition, as long as the market price of rubber and oil palm remain stable. IF the world price of the two commodities down, it will give a big impact to the farmer economic condition, ending in a big debt.



Figure 3. Tapping and marketing of rubber

## Method

The information was collected through Focus Group Discussion in the 3 villages (Lubuk Beringin, Tebing Tinggi and Danau villages) at Bungo District, Jambi Province, Indonesia in April 2009. A group discussion (male and female) was done in each village, followed by interviewing head of the village. The discussion was focus on economics and agriculture of local societies. The groups consist of farmer, middleman and housewife.

## Farmer Strategies To Overcome Economic Crisis

- Selling other products of agroforestry e.g. cinnamon, spices (gingers), rice, vegetable and fruits or livestock.
- Finding off farm job such as gold mining, motor taxi and labour in building construction
- Lessening luxurious lifestyle
- Decline sending children to school outside their village
- Continue tapping and storing rubber production for a better price IF they have another income

## Government Support

Local and Province government provide light loans in 2006-2010 to farmers for planting 100 millions ha of rubber and palm oil in Jambi Province.

## Acknowledgement

This activity was part of Research Project Landscape Mozaics (2007-2010) funded by SDC