**Rice price**

The increasing number of population is a great market to food industry. Particularly people now more concern about what they eat. In 2012, the world population is exceeding seven billion, and food security become major issue in world. Rice is highly consumed by majority people from Asia, Caribbean, Middle East and Africa. Since still a lot of people from those region still live under the poverty line, keeping the rice price stable is important to the government. According to Childs & Kiawu, 2009 the low of stock in rice contributed the large price of rice. The ASEAN (Association of Southeast Nation) has discussed to form the organization to deal with the rice issue. This organization called East Asia Emergency Rice Reserve (EAERR) which has trading partner with Japan, South Korea and China (ADB, 2011)

**Rice Demand and Market**

**Source:**

Xianglin, Liu. 2013. The Global Food Price Crisis and China-World Rice Market Integration: A Spatial-Temporal Rational Expectations Equilibrium Model