

Indonesia expects 7 pct annual growth: vice president

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Indonesia is aiming for annual growth of seven percent by the time re-elected President Susilo Bambang Yudhoyono completes his second term in 2014, his vice president said on Tuesday.

The president's running mate in this month's presidential polls, Boediono, told officials and academics Indonesia was poised for stronger growth, underpinned by a recovery in exports and a robust domestic economy.

"We have passed the worst of the crisis," he told a forum organised by Singapore's **S. Rajaratnam School of International Studies**.

The economy is expected to expand by four percent this year and five percent next year, said Boediono, fresh from a campaign in which Yudhoyono triumphed over rivals such as ex-president Megawati Sukarnoputri.

He said an average seven percent growth would help cut unemployment from around 8.1 percent this year to five-six percent by 2014 and slash poverty from 15 percent of the population to around eight percent.

It would also bring inflation in line with the regional norm of 3-4 percent annually.

"The timeframe is five years and seven percent (growth) is more or less the average," said Boediono, who is also a former finance minister.

"We are expecting a recovery in our exports during the five years. We will be supporting domestic demand (by) accelerating infrastructure development."

Despite the global economic crisis, Indonesia's economy rose 6.1 percent last year, the highest in Asia after China and India, thanks to a resilient domestic economy which offset a decline in exports.

The new government will start its five-year term in October.

Boediono, who has only one name like many Indonesians, said the latest elections would enable the country to consolidate democratic gains after more than 30 years of authoritarian rule under president Suharto ended in 1998.

He said the new government aimed to strengthen financial supervision, improve the business climate and boost the social security net to help the poor.