

## **Indonesia expects 7% annual growth, says Boediono**

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Indonesian vice-president designate Boediono says his country is aiming for an annual growth of seven per cent.

This target is to be achieved by the time re-elected President Susilo Bambang Yudhoyono completes his second term in 2014.

Speaking at a forum organised by Singapore's **S Rajaratnam School of International Studies** on Tuesday, Dr Boediono said Indonesia is poised for stronger growth, underpinned by a recovery in exports and a robust domestic economy.

A resounding victory in the first round of the 2009 Indonesian presidential election places incumbent President Yudhoyono in a very strong position to introduce further reforms building on the first five years.

With his running mate Dr Boediono, the incoming administration is posed to take the country forward when a new government is formed this coming October.

Dr Boediono said: "Indonesia has just finished its round of general elections, which is among the most complex in the world, with relative peace and in orderly fashion. With this I'm proud to tell you that in only ten years Indonesia has moved a step further to consolidate its democracy."

Making his first overseas visit since the conclusion of the elections, Dr Boediono also reiterated that following the recent bomb attacks in Jakarta, the police are working hard to hunt the terrorists responsible for the barbaric attack.

He said: "Indeed we are very sad. But let me assure you that Indonesia will never surrender. On the contrary, this kind of attack will only strengthen our resolve in establishing a moderate, tolerant and democratic society. The terrorists want to impose on us their fear but we are fighting them with hope."

Dr Boediono added that the only way to fight terrorism and to establish a stronger democracy is to provide prosperity and welfare for the people in Indonesia.

He said the new government aims to increase physical infrastructure development and what he terms as domestic soft infrastructure.

He said: 'This relates to the improvement in the business and investment climate. We have been discussing with players, both domestic and foreign, to identify further what we can do to improve. We still have time, about two months, to finalise all these things. In the area of public services for the general public (such as) getting your passport, your residential identity, all these things, very simple things, hopefully we can do a bit more quickly.'

'Finally what is going to be our campaign theme is to have a clean, effective government. That means of course that we have to improve our governance, in general, within the public sector. And more specifically we will start growing a blueprint for bureaucratic reform. That is a big task but we will do the blueprint... We

will partner with institutions that matter, including anti-corruption institution (KPK)."

In the next few months leading up to the official inauguration of the incoming administration, observers say efforts will be undertaken to bring the various political parties to the dialogue table.

Building that much needed coalition will be important if President Yudhoyono is able to put together an effective cabinet. The other important criteria will be to build a relationship with the Indonesian parliament because that is where the social safety net infrastructure projects will be discussed and will be put forward to make a difference in the lives of ordinary Indonesians.