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## ***Jakarta, City of Lights***

As year 2007 has arrived, there's no better way to celebrate the starting year with bright lights to glory our year. As Jakarta is one of our brightest cities, the Monumen Nasional or Tugu Monas is one of the symbolic for the fight of Indonesia's Independence. As it is also the highlight of central site in Jakarta. Monas is not the only site that highlight the city; also, Jakarta has more shopping venues than other cities of Indonesia. That's enough to bright up the whole city with lights.

*(Source: budpar.go.id)*

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## POLITICS

### **IRWANDI/NAZAR DUO WINS FIRST DIRECT REGIONAL ELECTION IN ACEH: KIP**

Banda Aceh - The Aceh Independent Election Commission (KIP) has decided that Irwandi Yusuf and running mate Muhammad Nazar become governor and deputy governor of Nanggroe Aceh Darussalam (NAD) province for the 2007-2012 terms after they collected 38.20 pct of the votes in a landmark regional election in the province.

The commission made the decision in an open plenary meeting led by by its chairman Jafar and attended by acting governor Mustafa Abubakar, members of the election supervisory committee, and foreign and domestic observers here on Friday.

Jafar said that the governor-elect and his deputy would be installed by the Minister of Home Affairs on behalf of the President on February 8, 2007.

Irwandi, former spokesman of the Free Aceh Movement (GAM), told reporters that his victory in the direct ballot was a "frightening" because there were so many things they would have to do in the future.

"It's frightening because there are so many things which I must do. It would be very difficult to build Aceh and its many sectors and as governor and deputy governor, we have no experience," he said.

He said further that he would prioritize the improvement of the bureaucracy and empower low level economy.

According to him, the people's economy in the rural areas of the province has been lagging behind due to the lack of attention of the central government and regional administrations.

Official results of the election held on December 11, 2006, showed that the Irwandi/Nazar duo from the independent group had secured 768,745 votes or 38.20 pct, leaving their closest rivals Humam Hamid/Hasbi Abdullah backed by the United Development Party (PPP) in second place (334,484 votes or 16.62 pct), Malik Raden/Sayed Fuad Zakaria supported by

the Golkar party (281,174 votes or 13.97 pct) in third.

Other candidates, namely the Azwar Abubakar/Nasir Jamil duo secured 213,566 votes (10.61 pct), Ghazali Abbas Adan/Shalahuddin Al Fata 156,978 votes (7.80 pct), Iskandar Husin/Saleh Manaf 111,553 votes (5.54 pct), Tamlicha Ali/Harmen Nuriqmar 80,327 votes (3.99 pct) and Djali Yusuf/Syaukas Rahmatillah 65,543 votes (3.26 pct).

It was the first ballot since a peace deal was signed by Jakarta and GAM in Helsinki, Finland in August 2005.

Aceh was hit by decades of violence and a tsunami on December 26, 2004.

Over 168,000 people perished in the huge waves, and the rebels and Jakarta were compelled to reassess their priorities after decades of bloodshed.

Under the peace deal, the rebels laid down their arms; Jakarta withdrew non-local troops and police from the province in the northern tip of Sumatra, and granted an amnesty to GAM and political prisoners.

In return for GAM dropping its call for independence, Jakarta granted the resource-rich region greater autonomy and allowed the establishment of local political parties, the first of its kind in Indonesia. (ANTARA)

### **INDONESIA GUARANTEES SECURITY OF FOREIGN INVESTMENT: MINISTER**

Jakarta - Coordinating Minister for Political, Legal and Security Affairs Widodo AS said the government was guaranteeing the security of foreign investment in Indonesia so that it could help boost the country's economic growth.

"Security is a matter of perception. The important thing is how to manage problems well. We are inviting foreign investment here and we guarantee their security," Widodo said after a meeting with Coordinating Minister for economic Affairs Boediono.

He said cooperation between the two coordinating ministers was important to build synergy based on their respective tasks and functions.

In the meantime, Minister Boediono said his office would assist the coordinating minister for political, legal and security affairs in efforts to create legal certainty because this matter constituted the basis for foreign parties to invest in the country.

"We will support this from the economic aspect and there will be closer coordination at the technical level," Boediono said.

He said increasing investment was the key to economic growth in 2007.

"The investment climate is the key to attaining faster investment growth and this (security) will serve as a booster of economic growth, creation of job opportunities and reduction of the poverty rate," he said.

Economic growth is expected to reach 5.8 percent in 2006 and 6.3 percent in 2007.

In the meantime, banker Rosniati Silihin said Indonesia's economy would undergo better growth in 2007.

"The economy will grow better if banks are active in channeling credits combined with the entry of foreign investment into domestic markets," Rosmiati, a vice president of Panin Bank, said.

National banks were expected to increase credit extension to the public and thus to help boost economic growth in 2007.

If banks are active in providing credits to the business sector and foreign investments flow in, the government will achieve its economic target of 6.3 percent, she said. (ANTARA)

## ECONOMY

### **BANK INDONESIA PREDICTS ECONOMY TO GROW SIX PCT THIS YEAR**

SOLO - Bank Indonesia (BI) Governor Burhanuddin Abdullah predicts the country's economy will grow by around six percent this year.

"2007 will be a promising year. We are optimistic about Indonesia's economy. BI predicts it will grow around six percent based on moderate assumption or 6.3 percent upon optimistic assumption or 5.7 percent if we are pessimistic," he said.

He said the country's foreign exchange reserves were predicted to be bigger this year than last year.

"Earlier we predicted that our foreign exchange reserves would stand at around US\$39 billion after we repaid almost US\$8 billion to the IMF. But it was found that we had US\$42 billion early this year. Our foreign exchange reserves are predicted to be larger than that because we are still expecting a surplus in the balance of payments although it will not be as big as last year," he said.

He said he predicted the surplus would reach around US\$5 billion so that by the end of 2007 the country's foreign exchange reserves would be around US\$47 billion.

He said the surplus would be smaller than last year because internationally this year's economic growth was predicted to be lower than in 2006 so that imports from advanced countries and the country's trading partners would be smaller.

The world's economy is expected to grow around 5.2 percent and in 2007 around 4.9 percent, he said.

Burhanuddin said 2007 would be a very important year and BI's task would be maintaining the country's economic stability.

"We have set an inflation target of six percent plus or minus one percent in 2007. We are optimistic the target will be met because the trend has been good for the past few years," he said.

He said inflation in 2006 reached 6.6 percent or below the target of eight percent plus or minus one percent.

"This was very good. The main factors behind it were distribution and production which were very supportive while externally biased trends in the economic policies of advanced countries were waning," he said. (ANTARA)

### **GOVT TO FINALIZE 2006 INFRASTRUCTURE POLICY PACKAGE IN 2007**

Jakarta - The government has carried out 80 percent of its 2006 infrastructure policy package action plan and will implement the rest in 2007, an official said.

The government may not issue a new infrastructure policy package in 2007 but carry out the remaining 20 percent of the 2006 package, Suyono Dikam, deputy head of the coordinating ministry for economic affairs' infrastructure and regional development coordinating division, said here.

The tasks that had yet to be carried out included formulation of laws on transportation and provincial enterprises as well as a government regulation on resharing between the government and investors, he said.

Suyono said existing regulations only dealt with the government's investment in projects that cannot be funded with investment but were important to regional economic development. (ANTARA)

### **INDONESIA'S INFLATION IN 2006 DOWN TO 6.6 PCT**

JAKARTA - Indonesia's inflation rate in 2006 plunged to 6.60 percent from 17.11 percent a year earlier, the Central Bureau of Statistics (BPS) said.

Inflation in December 2006 reached 1.21 percent with the food stuff group contributing the highest inflation figure of 3.12 percent to the monthly inflation, BPS chief Rusman Heriawan said.

Both the government and Bank Indonesia (central bank) had projected the 2006 inflation rate at 8, plus or minus 1, percent.

"The inflation rate from core components in December 2006 stood at 0.65 percent and the inflation rate from core components in the calendar year (January-December) reached 6.03 percent," he said.

He said the food stuff group contributed the largest inflation of 3.05 percent to the 2006 inflation.

Rice prices rose 42.04 percent in 2006, contributing 1.63 percent to the inflation, he said.

In December 2006 alone, rice prices went up by an average of 8.37 percent.

"Rice prices in December rose by 8.37 percent from November 2006. The rice price reached a record high of 11.3 percent in the first three weeks of December and steadily fell so the rice prices averaged 8.37 percent in December," he said. (ANTARA)

### **INDONESIA'S EXPORTS IN 2006 MAY EXCEED US\$100 BILLION: ECONOMIST**

Jakarta - An economist has predicted that Indonesia's exports in 2006 may exceed US\$100 billion because the prices of its export commodities last year were relatively good.

"I think the government has enough reasons to be optimistic about its estimate that the country's exports in 2006 could exceed the US\$100 billion figure because the prices of its export commodities were relatively high," Hendrawan Supratikno said.

He was commenting on the optimism expressed by the Central Bureau of Statistics (BPS) on Tuesday that Indonesia's exports last year could reach more than US\$100 billion.

The BPS said that Indonesia's exports in 2006 would surpass US\$100 billion and exceed those of the previous year. It said that Indonesia's exports in the January-November 2006 period were recorded at US\$91.19 billion.

Hedrawan said the prices of Indonesia's commodities such as crude palm oil (CPO), coal, tin, nickel and other items were fairly high so that the values of the monthly exports were boosted.

"I noted that Indonesia's exports since last May have averaged more than eight billion dollars per month. If this level remained in December 2006, it is not impossible for the country's exports to hit a record high of more than US\$100 billion," he added.

The economist said that analysts had put a previous estimate that Indonesia's exports would reach US\$98-US\$99 billion in 2006. "If this figure is achieved, it will represent a good achievement, the more so if the record of US\$100 billion is broken," he added.

Hendrawan said that if the exports reached US\$100 billion, the government should not be complacent with such an achievement because so far the exports were dominated by unprocessed primary goods.

Citing an example, he said, that tin which was exported to Singapore and the CPO which was exported to Malaysia were not yet followed by their down stream products.

He said that such a condition would not earn the country an added value and multiplier effect such as employment for the workforce in Indonesia because the domestic industry had not yet been able to process primary goods.

Therefore, Hendrawan added, the government should take steps in the development of the domestic industry so that the country's economic growth could be boosted further.

"Upstream as well down stream industries must be strengthened so that we would not depend on primary product exports only," he added. (ANTARA)

## **SOCIETY & CULTURE**

### **CANADIAN ARTIST KEN PATTERN FALLS IN LOVE WITH JAKARTA**

Jakarta - Canadian painter Ken Pattern falls in love with Jakarta because of the city's complexity.

"However, I fall in love with Jakarta including its urban life and social gap," Pattern said in a painting exhibition of his works.

Pattern, who has been living in Jakarta since 1989, has enjoyed his stay in the capital city which has given inspirations for his works.

The Canadian artist has produced hundreds of paintings inspired by his adventures in Aceh, the country's western most provinces, and Papua, Indonesia's eastern most provinces.

He said that he was amazed by the urban life of Jakarta, which offered facilities and modernity.

Pattern, who was born in New Westminster, Canada, 65 years ago, hoped that the social gap in the capital city could be solved soon as it could create injustices and hurt the feeling of the poor.

"We must live in harmony," he said. Pattern arrived in Jakarta in 1989 when his wife, a development expert, was posted here. Fascinated by Jakarta, he spent days exploring the streets, marveling at how a city with more than 10 million people could still have the feeling of a series of connecting villages. (ANTARA)

## **INTERNATIONAL**

### **INDONESIA THINKS U.N DRAFT RESOLUTION ON MYANMAR STILL FOCUSED ON HUMAN RIGHTS VIOLATIONS**

JAKARTA - Indonesia believed that the UN draft resolution on Myanmar is still focusing on human rights violations and the

still unfinished democratization process in that country.

Foreign Minister Hassan Wirajuda said, "My first impression of the UN draft resolution is that it is full of human rights nuances. We are still studying draft resolution in greater detail."

He said the draft resolution was still in a process which certainly would need negotiations between the UN Security Council members with a veto and those without it, and among the permanent members.

As a non-permanent member of the UN Security Council and member of the Association of Southeast Asian Nations (Asean) he said Indonesia had to consider a lot of things in this context.

"We are thinking of the most effective way of solving the Myanmar case," he said.

The US meanwhile has said it plans to propose a UN draft resolution to force the military junta in Myanmar to reduce its pressure and improve humanitarian condition in that country.

Russia as one of the UN Security Council permanent members with a veto meanwhile said that Myanmar is not a threat to international security and peace.

The military in Myanmar has ruled the country since 1962 and a group of army generals currently in power took over the government in 1988.

Nobel Peace Prize laureate Aung San Suu Kyi has been in and out of detention many times after her Democratic National League party made a victory in the 1990 general elections which was then annulled by the military. (ANTARA)

#### **INDONESIA ENJOYS SURPLUS OF \$34 BILLION IN FOREIGN TRADE**

JAKARTA - Indonesia booked a surplus of US\$34.6 billion in its foreign trade in the January-November period of 2006.

Over the period, the country's exports reached US\$91.19 billion, while its imports stood at US\$56.6 billion, chief of the Central

Bureau of Statistics (BPS) Rusman Heriawan said.

He said US\$6.1 billion of the surplus originated from trade with the US, while trade with Japan and Singapore respectively contributed US\$5.92 billion and US\$3.7 billion.

Indonesia's non-oil/non-gas exports to Japan reached US\$10.9 billion, to the U.S US\$9.8 billion and to Singapore US\$7.07 billion, he said.

Japan was the biggest exporter of non-oil/non-gas commodities to Indonesia in the January-November period of 2006 with a total value of US\$5.01 billion, followed by China (US\$4.9 billion) and the U.S (US\$3.7 billion), he said.

"In October 2006, China was listed as the biggest exporter of non-oil/non-gas commodities to Indonesia. But in November, our non-oil/non-gas imports mostly came from Japan. Overall, Japan left China behind in second place," he said. (ANTARA)

## **OTHERS**

#### **GOVT TO SET UP PT PEN TO ACHIEVE FOOD SELF-SUFFICIENCY**

JAKARTA - The government is planning to set up PT. Pangan Energi Nusantara (PEN) to enable Indonesia to become self-sufficient in food especially in rice as well as to empower its farmers' economy.

"The plan is based on a strong will to improve the country's food resilience by empowering the farmers' economy," State Enterprises Minister Sugiarto said after a visit to the country's biggest rice mill belonging to PT Jatisari Srejekki in Jatisari village, Cikampek district, on Saturday.

More than 65 years after the nation gained independence, the fate of Indonesian farmers had remained unchanged while Indonesia, in fact, had become more and more dependent on imported rice to meet its people's need, Sugiarto noted.

Although Indonesian soil was fertile, its food resilience was still low and this was one of Indonesia's big problems, he said.

Therefore, President Susilo Bambang Yudhoyono was giving top priority to efforts designed to raise domestic rice production to a level of two million tons so that dependence on imported rice could be reduced, the minister said.

"We, from several relevant ministries will discuss this program to help empower farmers' economy in a sustainable manner like what has been applied in Malaysia and Thailand," he said.

To make the plan run smoothly later, Sugiarto was trying to involve the National Logistics Agency (Bulog), Sang Hyang Sri, Pertani, BRI, domestic fertilizer producers, Askindo and Jasa Tirta as stakeholders in PT PEN.

"On Monday (Jan 8) some relevant ministries and agencies will discuss this plan to enable the country to become self-sufficient in food," he added.

PT PEN's activities would have to do with efforts to provide financial assistance as it can act as a facilitator for farmers seeking capital beside providing agricultural information and consulting services, quality seeds and fertilizer to farmers. (ANTARA)

## **INDONESIA HAS POTENTIAL TO BECOME WORLD'S BIGGEST FRESH WATER FISH PRODUCER**

JAMBI - Indonesia with its numerous rivers, has the potential to develop into the world's biggest fresh water fish producer, Dr Made Nurjana, director general of fish breeding at the Maritime and Fishery Ministry said.

Nurjana made the remarks after attending the first harvest of Patin Jambal fish in Pematang Jering village, Muaro, Jambi district.

Indonesia has a large number of rivers, big and small, with most of them having the capacity for the breeding of many fish species, including Patin.

The ministry should encourage the people especially fish breeders, to rise, work hard, make use of the potentials, he said.

The national potentials of fish resources covered 15.59 million hectares, consisting of 2.23 million hectares of fresh water, the fishery plain water, brackish water 1.22 million hectares and sea water 12.14 million hectares.

Only 10.1 percent of the fresh water, 40 percent of brackish water, and 0.04 percent of the sea, had been utilized for fish breeding so far.

If the government and the private sector work hard, Indonesia would become the world's biggest Patin fish producer, she added.

Jambi has conducted its maiden export of 20 tons of Patin Jambal fish to the United States. (ANTARA)

## **EDITORIAL**

### **CELEBRATING NEW YEAR AND THE FREEDOM TO CHOOSE**

**Mohammad Yazid, Jakarta**

There was something to celebrate other than the New Year when Indonesians marked the turning of the calendar from 2006 to 2007 this week. Indonesia, a nation of diverse ethnic, cultural and religious groups, was relishing the freedom to choose how to celebrate the holiday.

In Jakarta, many people took to the streets leading to the Hotel Indonesia traffic circle and National Monument (Monas) park. Others gathered with Jakarta Governor Sutiyoso in the Ancol amusement park in North Jakarta for a fireworks show.

But many Jakartans chose to stay at home, with family or neighbors, enjoying smaller, more intimate celebrations.

In Bandung, West Java, thousands of people clogged the main roads and Gasibu Square, while thousands of kilometers away in Ende, East Nusa Tenggara, the changing

of the year was marked by a motorcade through the city center.

Many of those who could afford to spend New Year's Eve in luxury hotels and entertainment centers.

At the same time, many Muslim communities in the country marked the event with religious activities. At At-Tin Mosque at Taman Mini amusement park in East Jakarta, an Islamic teacher, Arifin Ilham, led thousands of people in chants in praise of God. A similar ceremony took place at Bekasi Police Headquarters.

In Kupang, East Nusa Tenggara, churchgoers welcomed the New Year with prayers for deliverance from natural and manmade disasters.

All these different ways of celebrating the New Year should be seen as one of the vehicles for achieving a convergence of views against the backdrop of the country's ethnic and religious diversity.

The diverse celebrations for the New Year can at least serve as a yardstick to assess the extent to which religious harmony is practiced in the normal life of Indonesian society. This is because New Year's Eve coincided with the Islamic Day of Sacrifice.

The peaceful celebrations of these holidays should be regarded as a positive sign that religious harmony in predominantly Muslim Indonesia is improving, following years of bombings and violence. For example, in 2005 a New Year's Eve bombing at a Christian market in Palu, Central Sulawesi, killed seven people and injured 56.

But thankfully there was no such violence at the end of 2006, a year marked by concerns of a "creeping Islamization" due to moves to pass sharia-based legislation and bylaws.

The different fashions of welcoming the New Year shouldn't matter or spark any sort of debate about mutual respect for other faiths and traditions. If true religious harmony in the country is to be realized, such differences must never be eliminated. Rather they should be regarded as God's way of creating equilibrium in life, with

individuals and groups having different physical and spiritual needs, as well as different ways of fulfilling them.

In this regard, Makassar Mayor Ilham Arif Sirajuddin's ban on nightspots operating on New Year's Eve, because of its coincidence with the Islamic Day of Sacrifice, is difficult to understand.

Such a ban, apart from dealing a blow to the tourist industry and those people who depend on nightspots for their livelihood, could also give rise to social and religious conflicts.

Yogyakarta Governor Sri Sultan Hamengkubuwono X made a similar call for restraint in celebrating New Year's Eve, but his appeal was based more on the fact that the province is still licking its wounds from the May 27 earthquake that killed more than 6,000 people and left thousands more homeless, many of whom are still living in shelters.

Among Muslims, there are indeed a variety of views about celebrating the New Year. Some consider it taboo, saying it is a ritual inherited from Christianity. In the religiously diverse Indonesia, such exclusive reasoning is difficult to accept. New Year's celebrations have nothing to do with a certain religion; they are universal and inclusive.

The Makassar mayor should have followed the lead of President Susilo Bambang Yudhoyono, who took part in prayers on New Year's Eve at Baiturrahim Mosque in Merdeka Palace in Jakarta, while ordering security personnel to stay on full alert to protect revelers welcoming 2007.

Equal respect and appreciation should go to those wishing to welcome the New Year with a party or with prayer and contemplation.

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