

Special Year-end Edition

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# VAN ZORGE REPORT ON INDONESIA

COMMENTARY & ANALYSIS ON INDONESIAN POLITICS AND ECONOMICS

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Merry Christmas  
&  
Happy New Year

2005  
2005  
**2006**

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## In this issue...

of the *Van Zorge Report on Indonesia*, we have compiled a special double year-end edition with a wide variety of pieces spanning from interesting and insightful to humorous. In the **From the Editor** section, James Van Zorge assesses President Yudhoyono's Cabinet reshuffle, writing that in the final analysis the changes will serve the president and the country positively.

By invitation, World Bank economist Yoichiro Ishihara presents **Indonesia: macroeconomic situation in 2005 and outlook for 2006**. He feels that inflation can be brought back to single digits if fiscal policy is properly implemented and coordination between economic ministers increases.

The *Report* compiled six pages of what we feel are some of the more memorable quotes from 2005 in **On tape, in print, and for the record**. Some of the quotes are insightful but more often nonsensical seems to be an apt description. Former President Abdurrahman Wahid sat down with us for a brief interview in November. The former president put forward some engaging responses on Islam and terrorism and also provided a series of conspiracy driven questions surrounding the death of Indonesian terrorist Azahari.

As well, we present our usual features, **Intelligence**, which includes a report on lapsing hotel security in Jakarta and the controversial marriage tax that was floated in October by the Supreme Court. **In Brief** looks at US-Indonesian military ties; the potential for further partitioning of Papua; Golkar's current political standing; and introduces some rising political stars in Indonesia. There is also an in depth timeline of the events of 2005 in **Moving ahead, slowly**.

We hope that you find this issue to be useful and of interest to yourself and your colleagues. Please feel free to contact us here at the *Report* if you have any comments or suggestions; we are genuinely grateful for your feedback.

We would also like to take this opportunity to thank all of our subscribers for your unwavering support. We hope that the *Van Zorge Report* continues to meet your high expectations for quality analysis of Indonesian affairs. Best wishes to everyone for a peaceful and successful 2006.

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