

VAN ZORGE REPORT ON INDONESIA

COMMENTARY & ANALYSIS ON INDONESIAN POLITICS AND ECONOMICS

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In this issue...

of the *Van Zorge Report on Indonesia*, we present the second of two instalments on Papua. In **Papua in 2006: still at the crossroads (part 2)**, you will find four interviews conducted over the last month with two Papuan leaders, one US-based academic, and one Western business executive whose company has strategic interests in Papua. Through the different voices caught in the interviews some common threads exist.

In the **From the Editor** section, Editor-in-Chief James Van Zorge responds to Indonesian Vice President Jusuf Kalla's recent remarks on the need for an "efficient" democracy in Indonesia to attract new investment. In his piece, he argues that simply having a democratic system in place is only part of what it takes to produce a stable investment climate.

In our research report "**Global outlook for 2006**" respondents in Southeast Asia and beyond answered questions regarding their thoughts on whether 2006 will be a better year than 2005, what are the prospects for increased unemployment, and what are the possibilities for international discord this year.

As well, we present our usual feature, **Intelligence**, which includes a look into the ongoing sale of PT Kiani Kertas. **In Brief** looks at Avian Flu developments, reconstruction efforts in Aceh, and the proposed PLN price hike.

We hope that you find this issue 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.

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