

**STATE ADDRESS
OF
THE PRESIDENT OF THE REPUBLIC OF INDONESIA
ON THE OCCASION OF
THE 64TH ANNIVERSARY OF
THE PROCLAMATION OF INDEPENDENCE OF
THE REPUBLIC OF INDONESIA
BEFORE THE PLENARY SESSION OF
THE HOUSE OF REPRESENTATIVES OF
THE REPUBLIC OF INDONESIA**

Jakarta, 14 August 2009

PROVISIONAL TRANSLATION

Bismillahirrahmanirrahim,
Assalamu'alaikum Warahmatullahi Wabarakatuh,

Greetings to all of us,
Honorable Speaker, Vice Speakers and Members of the House of Representatives of the Republic of Indonesia,
Distinguished Chairmen, Vice Chairmen and Members of the State Institutions,
Excellencies Ambassadors and Heads of International Agencies and Organizations,
Fellow Countrymen,
Distinguished Ladies and Gentlemen,

Let us together, once again, send our praise and gratitude to God the Almighty, Allah SWT, for His bestowed blessings and grace that allow us to have the opportunity, fortitude and, God willing, Insha Allah, health to continue our mandate, our works, our duties and dedication to the beloved community, nation and state. We are also thankful that this morning we are able to attend this Plenary Session of the House of Representatives of the Republic of Indonesia (DPR-RI) in conjunction with the Commemoration of the 64th Anniversary of the Proclamation of Independence of the Republic of Indonesia.

In this current 2009, in the run-up to the commemoration of the independence day in August, there is a new tradition of the state address of the President. During August of this year, I deliver three state addresses before the parliament. The first was the address on the introduction to the Draft State Budget of fiscal year 2010 and its financial note, before the House of Representatives and it was also attended by the leaders and members of the Regional Legislative Council. The second is this address that I deliver in the run-up to the remembrance of the moments of our independence proclamation, before the House of Representatives, under the main theme of the reflection on the nation's independence and dynamics of the nation's journey. Whereas the third is the address that, God willing, insha Allah, I will deliver before the Regional Representatives Council under its principal theme of national development, especially the aspect of regional development. For this reason, therefore, all matters related to the progress and dynamics of the development we are carrying out at present, including its achievements and challenges, I shall present them in the address before the Plenary Session of the Regional Representatives Council later on. These three addresses are a series of annual Presidential addresses to the Indonesian people that are delivered before the people's representatives.

Ladies and Gentlemen,

On this auspicious occasion, before this honorable sitting, I would like to invite fellow countrymen to reflect on the journey of the Indonesian nation's life during the past 64 years. There are three historic moments of the nation that I would like all of you to contemplate on, and learn from the wisdom that will be beneficial for our nation's future journey. After all, isn't there a saying that goes: "history is the teacher of life"?

First, on the meaning of the 1945 proclamation of independence and how we continue to actualize this spirit of independence today and in the future.

The second reflection is on what has happened in our country fifty years ago. We recognize the significant historic milestone at that time, namely issuance of the Presidential Decree on July the 5th of 1959, to return to the 1945 Constitution. This was a historic milestone because if we look at the leading thread, actually the Indonesian nation that has just gained its independence at that time was very keen to look for the form of democracy believed to be the most suitable for our country.

As to the third reflection, I invite you to reflect on what took place in our country ten years ago. The year 1999 was also a historic milestone. In reality, after we have been subjected to an extremely serious crisis in 1998, the year 1999 was the beginning of the reformasi era, which we are still carrying out until now. The beginning of our reformasi era is marked by two important events. First, for the first time, an amendment was made to our constitution, namely the 1945 Constitution. Second, the termination of the Indonesian Armed Forces' (ABRI) Dual-Function, which also means the end of the political role of ABRI in our life as a state.

Fellow Countrymen, let us begin with the first reflection, namely the meaning of Independent Indonesia.

Independence is "a golden bridge", so says our first President and concurrently the proclaimer of independence, Bung Karno. Through this "golden bridge", the Indonesian nation has abandoned the darkness of colonial realm and entered the realm of independence filled with rays of hope.

Indeed, the proclamation of the Indonesian nation on the 17th of August 1945 was the culmination of an incredible struggle. We have wrested that independence, we have attained it and we have defended it with all the sacrifices: with blood, sweat and tears.

We should be proud that Indonesia's independence revolution has been one of the great revolutions of the 20th century that has helped to change the world. At the end of World War II, Indonesia was one of the earliest nations that proclaimed its independence. Subsequently, the flame of the independence revolution spread rapidly to all corners in Asia and Africa that led to the independence of India, Ghana, Algeria, Egypt, the Philippines, Myanmar, Laos, Viet Nam, Sri Lanka and many more. Consequently, the political and geopolitical map of the world in the 20th century has changed drastically. And our country, Indonesia, was the pioneer in these awesome waves of decolonization.

The 1945 Constitution, which was issued one day after the proclamation, incorporates our national aspirations and goals. Our founding fathers were determined to establish an "independent, united, sovereign, just and prosperous" state. In the Preamble to the 1945 Constitution, our nation's founding fathers were resolved to "protect all the people of Indonesia and the entire homeland of Indonesia as well as advance their general welfare, to promote the intellectual life of the nation and to participate in the establishment of a world order based on independence, abiding peace and social justice."

All of this reminds us that the Indonesian nation is a nation of fighters. Such true fighting spirit must not extinguish. On the contrary, in the context of the present era of democracy and globalization, this very fighting spirit becomes even more relevant in our common endeavor to create an advanced and superior Indonesia in the 21st century. We must continue to preserve this fighting character and bequeath it to the coming generations.

We also have to continue the preservation of the most important asset of our independence revolution: namely the unity of Indonesia. As far as we are concerned, unity is the precursor of awakening. Unity is strength. And unity is the main prerequisite for the preservation of *Bhinneka Tunggal Ika* that we are all upholding together. Ever since independence, irrespective of the seriousness of challenges confronting our nation, we have always succeeded to overcome them as long as we maintained unity and cohesion. This is the reason, therefore, that the principle we have been consistently adhering to is: In crucial things, unity!

Indonesia's independence has also produced our country's ideology and foundation, namely Pancasila. After going through numerous historic ups and downs, and after overcoming various challenges and trials, the Indonesian nation became increasingly convinced about the significance of Pancasila for the Indonesian nation. We are growingly convinced that Pancasila is the final ideology and state foundation, it is unchangeable and undisputable. We must continue to value Pancasila as an open and living ideology, and not as a static and frightening dogma. Pancasila must continue to be the source of inspiration and solution to the process of nation-building of Indonesia in the future.

Ladies and Gentlemen,

After the independence proclamation and the liberation from colonialism, our journey as a nation has been very colorful and imbued with the romanticism of life. The Republic which was still young at that time must look for the harmonization of the various colors of democracy that would be the most suitable to our character as a nation. In the search of democracy, which sometimes had its ups and, not infrequently, its downs too. The experience of this search took stock of the ups-and-down of democracy in our beloved country. In fact, there was even a time when the adoption of a certain type of democracy was more like an exercise of trial and error, which definitely could not last and could easily fail, because it was subjected to the various problems in our life as nation and state that we deal with.

History has noted that, since the beginning of independence until the era of our present life as a state, we have once adopted various models of democracy. From 1945 till 1959, the parliamentary democracy was born. At that time, governments came and gone in rapid succession, without really having the chance neither to consolidate nor to implement its programs. Eventually, starting in 1959, as marked by the issuance of the 5th of July 1959 Presidential Decree, the Guided Democracy came into being. The decision and the life as state were centralized and almost dominated by the President. The checks and balances mechanism was ineffective. Since 1966, a model of democracy with similar nuances, albeit with a different name, presented itself in the New Order era. Democracy embracing the noble name Pancasila, but its application was not in its entirety, in fact, it even deviated. What actually emerged was an authoritarianism that was definitely in contrary to the very principles and values of democracy itself.

Indeed, we understand why President Soekarno, through the Presidential Decree, decided to return to the 1945 Constitution, because the Constituent Assembly, that was mandated to draw up a constitution did not manage to complete its task, whereas the political situation was very unstable, which made the government unable to function properly. In the meantime, we also understand why President Soeharto has opted for a semi-authoritarian democracy, so as to allow economic development to proceed satisfactorily. The merit and the demerit of these two types of democracy, which could not also be separated from the context of challenges and problems in the life as a state during that time, drove us to find and choose the most appropriate model of democracy for us to apply.

Ladies and Gentlemen,

In the aftermath of reformasi, starting in 1998, we have worked very hard to embark again on a long journey to purify democracy. After 10 years of reformasi, what came to the fore was a democratic presidential multiparty system. Namely, a presidential government on the basis of a not-too-simple multiparty system. Such a system, although it was a correction to the democracy that we have embraced during the New Order period, inherently brought about not-too-light challenges. Because in the midst of the diverse interests of political parties, the effective operation of the government must still be assured.

This historic journey during more than six decades has certainly produced the awareness that whatever is our choice of democracy, it has its own problems and challenges, it has its respective advantages and disadvantages. However, we must be certain that the democracy we choose must be consistently congruent with the universal values of democracy. On the other hand, the application of democracy must still take into account the local values as well as the basic nature of our diverse nation. Only with such a consistent choice that the nation

will become even stronger in the path of maturation process of democracy, that we now, and will continue to, undertake.

In the future, the maturation of our democracy, must be consistent with the basic principles of constitutionalism. The democracy must grow egalitarian, namely a democracy that increasingly consolidates the checks and balances mechanism in the practice of our political life. A democracy founded on the respect to and application of impartial and dignified rule of law. A democracy that further guarantees and protects freedom and human rights. Furthermore, a democracy whose existence continue to guarantee political stability and order. Thus, God willing, insya Allah, the democracy we embrace and apply will constantly be in line and congruent with the demand and progress of our nation's civilization.

Fellow Countrymen,

Ten years ago, it is still fresh in our memories that our country suffered a devastating crisis. Maybe the majority of us who are present in this room still recall the state address of the President of the Republic of Indonesia in that year. The year of 1999 was replete with problems and challenges. Many quarters, both at home and abroad, were concerned about the future of our country, including our survival as a country.

At least, during that time, there were five scenarios of what could have happened to the future of the Republic of Indonesia. The first one predicted that Indonesia would undergo a Balkanization, splintered into many small states due to the emergence of strong regional sentiments all over the place. The second scenario predicted that Indonesia would be transformed into a hard-line Islamic state, on account of the rise of religious sentiments which eventually would marginalize the Pancasila ideology. The third scenario predicted that Indonesia would change into a semi-authoritarian state with unclear direction. The fourth scenario, conversely, saw Indonesia backtrack, to return to a strong authoritarian state. And only few predicted that Indonesia would be able to apply the fifth scenario, namely becoming into a democratic state, let alone a stable and consolidated democratic state.

Thank God, Alhamdulillah, Ladies and Gentlemen, we were able to go through those difficult years safely. In this year of 2009, ten years after reformasi, Indonesia is not only standing upright, but also glorious, from Sabang to Merauke, from Miangas to Rote Island. Today, we can be proud that our country is an advanced democratic country in Southeast Asia, a country which highly upholds the principle of the people's sovereignty in the life as nation and state.

We must express our respect and highest appreciation to President BJ Habibie, President Abdurrahman Wahid, and President Megawati Soekarnoputri, my predecessors, for their leadership and hard work during those difficult times, during the first five years of reformasi.

I would also like to convey my heartfelt thanks and appreciation to all elements of the nation, which during the second five years of reformasi, have contributed and assisted me in managing, safeguarding, and continuously pursuing the path of our reformasi. During these five years, as we are all aware and feel, our country also has faced challenges and trials, both from inside the country and from abroad. God willing, Insya Allah, the reformasi which we are, and we will be, going through shall truly bring about benefits and advantages to our nation and country.

Ladies and Gentlemen,

We also still remember the spirit and goals of reformasi that were ablaze at that time. We want our democracy to grow and bloom in this republic. We want to present constitutionalism and checks and balances in our life as state. We want to materialize a country that highly upholds human rights without discrimination. We long for a country that guarantees the rights of every citizen to associate, to assemble and to voice opinion, including freedom of the press. We dream of a safe, peaceful, honest and fair general election. We hope that law and justice can be upheld and corruption, collusion and nepotism can be continuously eradicated. We are determined to create a country that is managed by good governance. Furthermore, we also want to realize an inclusive development with decentralization and regional autonomy, so that all Indonesian people in the regions may reap the benefits from the development in an

equitable and dignified manner. At the same time, we also demand a more inclusive and just economic development.

In the last ten years, we have made, and in the process of making, a number of major changes. We have carried out constitutional reform by making four amendments to the 1945 Constitution, in which one of the objectives is to strengthen our parliament. Reformasi has also produced new state institutions such as the Regional Representatives Council, the Constitutional Court, the Corruption Eradication Commission, and many others, inter alia to enhance the checks and balances mechanism in our civil system. We have revised various laws and government regulations, so as to be in line with the spirit and ideals of reformasi. We have also reformed the general elections system, in order to maximize the accountability of representatives to their constituents. In this country, the President and Vice President, the Governors and Vice Governors, the Regents and Vice Regents, the Mayors and Vice Mayors are all directly elected by the people.

The world has also acknowledged that Indonesia has been able to carry out large-scale democratization. Including reform of the Indonesian Military (TNI) through the abolition of the Dual Function of the TNI and their socio-political roles. God willing, Insya Allah, this year, we will finalize the transfer of TNI businesses to the state which often draws controversy. Thus, TNI can fully concentrate on carrying out their main duty and appear professionally, so they can defend every inch of our homeland. In overcoming security disturbances at home, we have also adopted more dignified, democratic and peaceful methods, while at the same time, continue to maintain the sovereignty and integrity of the Unitary State of the Republic of Indonesia (NKRI). These are policies and ways of solving this kind of conflict which were unheard of in the past. Above all, in the execution of governance, we have applied good governance principles and aggressive corruption eradication indiscriminately. In this country, no one is immune to the law.

Ladies and Gentlemen,

The implementation of all those reformasi agendas has not always been easy. Our reformasi has been full of ups and downs and often faced resistance, there were also some who have overdone it. Nevertheless, all those things are normal in the reformasi process, in large-scale changes. We should neither be concerned nor frustrated. In executing the reformasi agendas, let us continue what are considered as good and appropriate. On the contrary, what are considered inappropriate and, in fact, can cause further damage, let us correct and rectify them. We must bear in mind that reformasi is essentially a change and continuity.

Fellow Countrymen,
Distinguished Ladies and Gentlemen,

Having observed the historic milestones of sixty four years ago, when we just proclaimed our independence; of fifty years ago, when the historic milestone of the shift of democracy models from the Parliamentary Democracy to the Guided Democracy occurred; and of ten years ago, when we just commenced a large scale reformasi, we ought to draw an invaluable lesson, so that we do not move from one tip of the pendulum to the other, from one extreme to the other. Let us together see to it that our step towards the future continues to be within the correct corridor, so that we can also reach together a bright future.

There are probably some critical questions we ought to ask. What kind of Indonesia do we expect in the next ten years, fifteen years, or in the medium term?

We also have a question, in this 21st century then, what kind of Indonesia do we strive ---say--- in the next thirty years, fifty years, even in a longer span of time?

Ladies and Gentlemen,

During the centennial commemoration of the National Awakening last year, I delivered my address, that in the next thirty years, fifty years of this twenty first century, we were certain that Indonesia would be an advanced, dignified, and prosperous country. We should be able to create such Indonesia when we can reinforce the three pillars of our life as state comprising:

Self-reliance, Competitiveness, and superior Civilization. Yes, those are the three pillars that we need to reinforce together.

The first pillar, we have to maintain and consolidate our self-reliance, because it is the foundation of our strength, resilience, and competence to keep moving forward as a nation. We cannot be heavily dependent on other countries, let alone on the world. In the longer future, with our resources and cultural strength at our disposal, we want to be able to enhance continuously our self-reliance as a nation. We have to be able to become a nation which can meet most of its basic needs. A nation that is not ensnared with burdened debt. A nation which is not dictated, whether politically, economically or militarily by any country whatsoever.

The second pillar, we must also have an increasingly high competitiveness. In this era of globalization full with competition and challenges, the winning and superior nation is productive and innovative, mastering science and technology, smart in seizing opportunities, and brave to address changes.

And, the third pillar, we ought to be able to build and to have a matchless and noble civilization. This is the reason why we have to keep preserving the value, identity, and character of our nation, which are noble and honorable. We have to keep on enhancing the spirit and work ethics as a powerful and persevering nation. We continue to develop civilization that produces national brotherhood and harmony, as well as maintaining natural conservation. In addressing and solving problems, we are demanded to always prioritize peaceful, civilized, and democratic measures, and not by resorting to violent ways and disregarding social and legal institutions.

With these three pillars of life as a state ---self-reliance, competitiveness as well as superior and noble civilization--- I am confident that Indonesia will be able to confront various challenges and ordeals, irrespective of its severity, form and origin. And when we can strengthen these three pillars, we will become an advanced and successful country in the present and subsequent centuries as well. Undoubtedly, Ladies and Gentlemen, the prerequisite is that we have to build our country with unity, smart thinking, and untiring hard work of all elements of the nation.

In order to execute all of these, our nation needs great ideas, as well as grand national masterpieces. The great ideas I have in mind are, among other things, that it is about time for us to choose and then implement a more relevant paradigm and grand strategy of our economic development. We should draw a lesson from the major economic crises taking place at present, and produce great ideas on the direction and strategy of our economic development.

Ladies and Gentlemen,

The Paradigm and Grand Strategy of Economic Development I mentioned earlier are:

First, Indonesia's economic development in the future has to integrate even more the approaches of resources, knowledge, and culture at our disposal. Indonesia's economy, the economy of 230 million people, the number of which will continue to increase, economy of homeland covering an area of 8 million square kilometers, should also be sustainable. The economic growth which we have selected and pursued is growth with equity, in order to really bring about a sense of fairness. In the future we have to strengthen the domestic economy, the domestic market and we should never be dependent on export potentials as the source of our growth. Obviously, therefore, the strategy which is export-oriented is not our choice. On the other hand, the national economy should have a territorial dimension, with an economic growth spreading throughout the entire homeland. The regions should become the local economic asset. We must also reinforce the domestic investment and financing. We must continue to consolidate the self-reliance and resilience of certain economic fields or sectors, particularly food and energy. The national economy must be promoted on the basis of comparative advantage and, at the same time, competitive advantage. And finally, a national economy is needed, which is based on market mechanism for efficiency and also for providing space for the proper government role aimed at ensuring justice.

Ladies and Gentlemen, these are precisely the paradigm and grand strategy of economic development that we have to adopt and reinforce. In essence, we must not be ensnared, surrender to and held hostage by fundamental global capitalism, that often times create injustice to us all.

On the other hand, a superior nation is a nation capable of coping with the situation and contributing to problems of humankind. The key is innovation, including and in particular technological innovation, which we should fundamentally and continuously carry out. Only an innovative, adaptive and productive nation which will be able to secure its survival and be glorious on this planet. Herein lies the prominent role of research, development and application of excellent technology and culture, as well as entrepreneurship.

In the meantime, looking into the future, it is a certainty for Indonesia to continue to build both culture of excellence and great civilization. From the two matters, we develop the character, spirit, and perseverance of our nation. This is also how our national identity is being molded. In this connection, the role of education, in the widest sense of the word, is extremely important. This is the reason that we must continue to secure the successful reform of education.

Ladies and Gentlemen,

The above-mentioned description is our projection for the next thirty-fifty years, after we have looked back to fifty years ago. Meanwhile, if I invite to see a shorter span of time, the next ten years, where our historic mission is more other than to execute the second wave reform. The primary agenda of the second wave reform is completing the reform agendas I have previously elaborated on, and then intensifying them. Once again, everything remains in the framework of change and continuity.

This second wave reform, if I may say, is basically to liberate Indonesia from the impact and aftermath of the crisis that took place 10 years ago, and then in 2025 our country will be in a phase that will really move forward towards an advance country. This is our vision for the year 2025, Indonesia Vision 2025. We can share the opinion that, God willing, Insha Allah, in the coming 2025, our life as nation and state will be in a much better condition. The main goals that we want to reach in 2025 are:

First, an increasingly strong Unity and Social Harmony. We are determined to develop a united, just and prosperous Indonesia within a harmonious social order. *Bhinneka Tunggal Ika* (unity in diversity). Let us not repeat the dark history of conflicts that occurred in Poso, Ambon, Sampit and Aceh;

Second, our national stability must be consolidated further. During the last few years, our national security situation, thank God, *Alhamdulillah*, has been improving. During the last five years, our economy has continued to grow, while poverty level has gone down and the unemployment has also declined. Unfortunately, this improving security stability was compromised by the terrorist acts last month.

The terrorist acts of bombing public places are truly inhumane. The victims are innocent people, either citizens of friendly countries or Indonesians themselves. These terrorists want us to be gripped by fear and, subsequently, to stop our daily activities. We are thankful that Indonesia is a great nation, a strong nation that can withstand all kinds of challenges, including terrorism. Today, we can see that the value of rupiah and our stock price index are conversely stronger than before. A variety of economic as well as social activities remain vigorous.

In the terrorist acts this time around, there is a new phenomenon, namely the terrorist acts were aimed directly against their own country, including the plan to assassinate its head of state. Before this honorable session, I would like to emphasize that the country must not, and will not, be defeated by terrorism. The Government that I lead will continue to perform its due functions, protecting the people, serving the people and enhancing the welfare of the whole Indonesian nation.

In this opportune occasion, I would like to express my heartfelt thanks and highest appreciation to all files and ranks of the National Police of the Republic of Indonesia who untiringly and persistently strive to fight terrorism in this homeland. I request that the members of the Police and other security personnel to remain constantly on the alert. Continue to raise your vigilance and prevent and eradicate terrorist acts down to its roots, wherever they may be, whoever they are, and whatever their motivations are.

To the whole of the Indonesian people, let us collectively unite in the fight against the acts of terrorism. Let us protect our citizens and youth from misleading and extreme ideas that may lead them to commit acts of terrorism. Lend a helping hand to the security apparatus by providing information on perpetrators of terrorism who hide in the midst of our community.

We are well aware that the acts of terrorism are motivated by a number of main root causes, such as poverty and backwardness, injustice in various parts of the world and the very roots of radicalism. In this regard, the development we are implementing is precisely aimed at alleviating poverty, backwardness and also injustice. Therefore, the strategy we have adopted still has two-fold objectives: first, to overcome the root cause; and second, to take incentive measures to prevent and eradicate acts of terrorism whenever and wherever they occur.

Whereas the third objective, Ladies and Gentlemen, we must continuously consolidate Democracy and Transparency. We must continue to promote and advance democracy and transparency in the life of our nation. We will continue to improve the checks-and-balances mechanism within the state administrators' circles. We will also continue to improve the quality of promoting political parties as the means of aggregation and articulation of public interests and political education for the people. The role and functions of the national press as the fourth pillar of democracy must continue to be solidified. We should be proud that today Indonesia is the third largest democratic country in the world.

Fourth, we must continuously maintain Law and Order. We will persistently enforce law in a consistent and impartial manner. In the future, the position of law as commander must grow stronger and more solid. The independence of judicial authority, further emphasized in the amendments to the 1945 Constitution, has led to the presence of judicial institutions that have greater independence in the adoption of rulings. As a matter of fact, through some monumental decisions, the Constitutional Court has even consolidated constitutional and legal supremacy in Indonesia.

Fifth, we must continue to maintain and intensify Economic Growth. We have to maintain a relatively high economic growth. The economic growth has to be sustained by our capacity in carrying out more productive and self-reliant economic activities. The high economic growth should capitalize on every available opportunity in the era of globalization. The high economic growth will, in turn, strengthen our economic security. During this current global financial crisis, while other countries suffer negative economic growth rate, thank God, Alhamdulillah, our economy continues to positively grow at a rate of above 4 percent, one of the highest in the world.

Sixth, we must continue to enhance the People's Welfare. The results of the productive economic development must be distributed to enhance the people's welfare and to raise their living standard. Our goals are the increasingly low poverty rate, lesser unemployment, and higher quality of welfare services, particularly education and health. We are thankful that the poverty rate has declined from 16.7 percent in 2004 to 14.1 percent in March 2009, while the unemployment rate has dropped from 9.9 percent in 2004 to 8.1 percent in February 2009.

Seventh, the management of Good Governance and Corruption Eradication must continuously be improved. We are resolved to create a government that protects the people, serves and effectively raises the people's living standard. We are also determined to establish clean and authoritative government. Even now, according to Transparency International, Indonesia's corruption perception index has continued to improve. In the year 2004, Indonesia was at the bottom 10 and in 2008 it was the 55th ranks from the bottom. In the future, the integrity pact will be the best practice standard in all lines of development. God willing, Insya Allah, in the future the Indonesian Government will be even more free from all forms of criminal acts of corruption, collusion and nepotism (KKN).

Eighth, it is imperative that Environmental Protection must be secured. We have suffered ourselves from the impact of natural degradation, resulting into various disasters such as landslides, floods, forest fires and so forth. We must continue the development in all sectors by prioritizing the principle of sustainable development, the environment-friendly development. We are determined to realize not only an advanced, just and secure but also environment-oriented development.

Ninth, the Regional Development all over the country must continue to be intensified. We will continue to undertake national development in equally distributed manner in all parts of the homeland. There must not be a single region left too far behind the others. In the last five years, the number of disadvantaged regions have fallen from 199 regencies in 2004 to 159 regencies in 2008. And in 2009 there are 10 more Regencies that hopefully could be taken out from the category of disadvantaged Regencies.

And tenth, we must continue to foster Global Partnership and Cooperation. International relations and cooperation must be set in the context of mutually beneficial and just principles. We must hold firmly to these principles, both in the regional and global relations and cooperation. International cooperation and partnership must also put forward national interest. In the last few years, we have been elected to be member of world organizations, among others: UN Security Council, UN Human Rights Council, UN Peace Building Commission, Economic and Social Council (ECOSOC). We have also reactivated Asia-Africa cooperation in form of New Asia-Africa Strategic Partnership established in 2005 in Jakarta. Indonesia has also played an active role by hosting the World Islamic Economic Forum held in Jakarta last March. Recently, Indonesia has also hosted the World Ocean Conference, an initiative conceived by Indonesia and it had the broad support of the global community.

Ladies and Gentlemen,

These are our historic duties in the future. These are common our major challenges and tasks. I name them historic and major tasks. Why? Because we must collectively develop our homeland, in order to materialize the ideals of our proclamation and constitutional mandate.

Distinguished Ladies and Gentlemen,

In this auspicious occasion, there is an important issue that I would like to inform the Honourable House, namely regarding Indonesia's role, responsibility and contribution to the international world.

As we all know, it is mandate of the 1945 Constitution that Indonesia must actively participate in the creation of world order and peace. Indonesia will always contribute in the creation of a peaceful, just and prosperous world order. We continue to pursue an independent and active diplomacy in a comprehensive and consistent fashion. We continue establishing foreign relationship based on self-reliance, equality and mutually-beneficial principles. And we must strive to prevent from being trampled by the wheels of globalization but, on the contrary, we must gain advantages and benefits from it.

It is important to be aware that today Indonesia is facing a new and unique strategic environment. For the first time, there is no country that we regard as an enemy and, conversely, there is no country in the world that regards Indonesia as its enemy. This is a very rare situation in the annals of the Republic. This strategic environment has given a very ample opportunity to Indonesia's independent and active diplomacy to gain even greater prominence. In this 21st century, we must indeed be more observant in watching the international world, not as a scary thing or a threat, but as an opportunity, an asset, a part of the strength and superiority of the nation. Bear in mind: the most successful countries carrying out transformation in the last two or three decades, are the most astute countries that could seize the benefit from international world.

Nowadays, Indonesia can freely pursue an 'all directions foreign policy', whereby we can establish relationship with any parties to serve our national interest – whether it is the East, West, North, South. We can also freely adopt 'a million friends, and zero enemy' diplomacy,

because logically, the more countries we have as friends and close friends, the more secure and prosperous the Indonesian nation will be. These are definitely undertaken on the basis of self-reliance, sovereignty, equity, and mutually beneficial principles.

Obviously, Indonesia occupies today a different position in the international arena. We have expunged abysmal image, instability image and conflict image. Today, the world sees Indonesia as a role model, whether as the 3rd biggest democratic country in the world, as a bridge between Islam and the West, as the biggest economy in South-East Asia, as a successful country in its transformation, as well as a country that practices freedom, pluralism and tolerance. It is not surprising if there is an increasing number of countries in the world that are willing to establish friendship and cooperation with Indonesia, as we are also willing to establish friendship with them.

Indonesia will always participate in creating a more secure and peaceful world order. Therefore, Indonesia is actively pioneering the efforts and encouraging the realization of an ASEAN community. Indonesia will also consistently implement the ASEAN Charter that will transform ASEAN and strengthen the stability in South-East Asia. Indonesia will also work hard to establish a Strategic Partnership with a number of friendly countries, among others Australia, South Africa, Brazil, China, India, Japan, South Korea, Pakistan, and Russia.

Ladies and Gentlemen,

As mandated by the 1945 Constitution, we will always be active in keeping world peace that is still subjected to prolonged conflicts. On this auspicious occasion, I extend my heartfelt thanks and highest appreciation to the nation's best sons and daughters who are presently being assigned to peace-keeping duties in several international conflict areas, namely: in Lebanon, Congo, the Sudan, and Liberia, ---all under the United Nations' flag. We should be proud that for the very first time, the Indonesian ship KRI Diponegoro of the fleet of Navy of the Republic of Indonesia, is currently assigned to peace-keeping duty on the Lebanese waters.

With the end of conflict and military operation in a number of regions of our homeland, the assignment to international peace-keeping duty serves also as training grounds for TNI soldiers, to enhance their professionalism in compliance with international military standard.

Ladies and Gentlemen,

We will continue to contribute to the creation of a more just and democratic world. We will consistently encourage the reformation of the United Nations, including the UN Security Council, and the world financial institutions in order to reflect ever more the reality of global economic power changes. We continue to assist the Palestinian struggle to materialize its ideals of becoming an independent, sovereign and cohesive nation.

Indonesia will also continue to strive for a more prosperous world. Our membership in ASEAN, G-20, APEC, ASEM, D-8, and OIC, will always be beneficial for the promotion of international cooperation and prosperity. Through G-20, Indonesia continues to make efforts, together with other advanced and emerging economies, to find solutions of global financial crisis and to create a more just world economic order. Within the OIC forum, Indonesia participates in encouraging the reform of OIC and in upholding the Mecca Charter, as a historic political document for the Moslem world, particularly in promoting moderate Moslems and democratic values.

Indonesia also continue to actively involved in dealing with global issues, including climate change. In 2007, we have etched with golden ink our success of organizing the UN Conference on Climate Change, that has produced the Bali Road Map. Regardless of the various continued efforts, there is yet no guarantee that in the COP-15 meeting in Copenhagen next December, developed and developing countries will succeed in reaching a new consensus on the post-2012 climate change regime. In this process, Indonesia continues to serve as a bridge and to build a new consensus. We also continue, with full responsibility, to preserve tropical rain forest as an asset of the world by reducing the green house emission. We must succeed in this endeavor, not only because for the sake of Indonesia's national

interest, but also to serve a far greater interest, namely for the future of mankind and our planet earth.

Fellow Countrymen,
Distinguished Ladies and Gentlemen,

Basically-speaking, every nation has its own ideals and strategic mission. These ideals do not just suddenly descend from the sky, but we must reach them through a strenuous endeavour and hard work. As a Buginese proverb that goes “resopa temmangingi namalomo naletei pammase dewata”, which means that only persistent struggle and hard work will be rewarded with the blessings of God the Almighty. We will bequeath Indonesia to our children and grandchildren; a more advanced, dignified and prosperous Indonesia.

Finally, let us be grateful for the blessings bestowed by the Almighty on us, the Indonesian nation, that through our arduous struggle and hard work we have been standing on par with other nations in the world. We have travelled long distance as a nation, from just a mere colonized nation to a member of the G-20 countries, that take part in deciding the course of the world economy. Our journey indeed still has a long way to go. However, we remain convinced that with the spirit of one homeland, one nation and one language, we will continue to be united, awakened and advanced, towards a brighter future.

May God the Almighty bestow His blessings, grace and mercy on all of us, in building our nation and country to become a great, advanced, democratic, just and dignified nation.

Long live the Republic of Indonesia!

I thank you,

Wassalamu’alaikum warahmatullahi wabarakatuh.

Jakarta, 14 August 2009
THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Sgd.

DR. H. SUSILO BAMBANG YUDHOYONO