

has been a major issue. It has, of course, been in SBY's favour that he comes across as an untainted general, which is quite remarkable in Indonesia's history. So this may or may not be good news. But probably it is good news in that it might mean that as a stronger leader and former general he might be able to enforce some greater formal discipline on the military – something of course that needs to be done in Indonesia.

So overall, there are strong reasons for me to say I agree with all the other speakers that there are a lot of reasons for optimism regarding Indonesia's most recent experiences with democracy. Yet there are also many challenges. I want to very quickly go through a few in general and to focus narrowly on what I see as being one of the key ones that has not yet been mentioned.

The first one is corruption. This was what I perceived to be the strongest factor shaping the result of the election. It is endemic and widespread. And now even worse, it is decentralized. Because it is a result of decentralization, corruption is now allowing many more to dip into state's resources. It's a huge problem. It's going to be a huge challenge for SBY particularly, since the importance of this issue for both his own and his party's backing, there will be the huge expectations in terms of ending corruption.

The second great challenge was mentioned by other speakers, so I am not going to say much about it. This is the lack of clear division between the legislature and the president in terms of who has the authority to do what. Added to this is the fact that there is now a second chamber – the Regional Representative Council, or DPD - that has legitimacy to vote against decisions made in the first chamber. So there are now potentially several new layers of legitimacy that could pose problems for the legislative process. I think Indonesia is in for a rough time in terms of its ability to work out these kinds of administrative and legal issues.

Third, the emphasis on electoral representation has been very strong. Now of course the heads of the regencies and district heads are going to be directly elected as well. That is under the last minute voting of reforms to the decentralization law so there is a lot of emphasis here on electoral representation – that's good news for democracy - but at the same time there is a continuing weakness regarding legal clarity and the proper implementation of rules and legislation. This is a very significant challenge as it makes things very difficult for Indonesia at the moment.