

# THE WEEK IN REVIEW

January 14-20, 1(3), 2008

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## 1. COUNTRY REVIEW

### IRAQ

- *Iraqi Defence Minister: Iraqi forces may not be ready to defend the country at least till 2018; GAO criticizes Iraqi reconstruction efforts; Heavy fighting near Basra and Nassiriya*

Debates over the American troop levels continued with reports noting that a troop drawdown further than the pre-surge levels of 130,000 by the middle of the year would have a negative impact on the security situation.<sup>1</sup> The Iraqi Defence Minister Abdul Qadir on his part during a visit to the United States noted that Iraqi forces may not be able to take over full internal security duties till 2012 and not be able to protect Iraq's borders without help till at least 2018.<sup>2</sup> Democratic presidential candidate Hillary Clinton asserted that if she came to power, her administration would withdraw all American troops within 2 months.

Meanwhile, the Government Accountability Office (GAO), in a report released on January 15 noted that Iraq had spent only 4 per cent of its reconstruction budget till August 2007.<sup>3</sup> Iraqi reconstruction efforts, both those undertaken by the Iraqi government as well as by the United States, have been criticized regularly for having failed to deliver.

Sectarian violence continued with insurgents targeting a Shiite mosque in Diyala province on January 17 killing over 10 people. The previous day, a female suicide bomber had targeted another Shiite mosque killing 8 people. Militants also targeted Shiite pilgrims on the occasion of Ashura, killing over 15 people. Heavy fighting was also witnessed during the week in Basra and Nassiriya in the south of Iraq when Iraqi forces battled elements of a Shiite-cult group called 'Soldiers of Heaven', which left dozens killed.<sup>4</sup>

Among other developments, the Turkish armed forces revealed that over 60 PKK targets, including command posts and training areas were destroyed by raids across the border.<sup>5</sup>

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<sup>1</sup> "Gates seeks troop estimates," *The New York Times*, January 18, 2008, at <http://www.nytimes.com/2008/01/18/washington/18military.html?ref=todayspaper>

<sup>2</sup> "Minister sees need for U.S. help in Iraq until 2018," *The New York Times*, January 15, 2008, at <http://www.nytimes.com/2008/01/15/world/middleeast/15military.html?ref=todayspaper>

<sup>3</sup> "Iraqi spending to rebuild has slowed, report says," *The New York Times*, January 16, 2008, at <http://www.nytimes.com/2008/01/16/world/middleeast/16reconstruction.html?ref=todayspaper>

<sup>4</sup> "Iraqi forces battle cult gunmen, dozens killed," *Yahoo News*, January 18, 2008, at [http://in.news.yahoo.com/reuters\\_ids\\_new/20080118/r\\_t\\_rtrs\\_wl\\_us/twl-iraqi-forces-battle-cult-gunmen-doze-d4a870c.html](http://in.news.yahoo.com/reuters_ids_new/20080118/r_t_rtrs_wl_us/twl-iraqi-forces-battle-cult-gunmen-doze-d4a870c.html)

<sup>5</sup> "Turkish army says destroyed 60 PKK targets in raid," *Yahoo News*, January 18, 2008, at [http://in.news.yahoo.com/reuters\\_ids\\_new/20080118/r\\_t\\_rtrs\\_wl\\_us/twl-turkish-army-says-destroyed-60-pkk-t-d4a870c.html](http://in.news.yahoo.com/reuters_ids_new/20080118/r_t_rtrs_wl_us/twl-turkish-army-says-destroyed-60-pkk-t-d4a870c.html)

## CHINA

- *China-US Strategic Dialogue held; Dr. Singh: Major powers to be bound together in economic dependency in a multi-polar world*

The fifth round of strategic dialogue between China and the US was held during the week, co-chaired by Chinese Vice-Foreign Minister Dai Bingguo and US Deputy Secretary of State John Negroponte. Both the sides agreed to continue to implement the consensus reached by the two heads of state in their meetings earlier and discussed many sensitive issues like 'Taiwan independence' and 'UN Membership referendum'.<sup>6</sup> Negroponte meanwhile in a statement clarified US's position on Taiwan's planned referendum on UN membership, noting that it was a "mistake" and "provocative".<sup>7</sup>

Prime Minister Dr. Manmohan Singh in a speech to the Chinese Academy of Social Science (CASS) reiterated that both China and India would play an influential role in Asia and in the world. Dr. Singh noted that in the developing multi-polar world, major powers would be bound together by economic dependency with each other, which was rightly reflected in the growing economic ties between China and India.<sup>8</sup> On the most sensitive issue of environmental degradation, Dr. Singh stated that the historical pollution emission levels should be taken into account in burden-sharing by the international community.<sup>9</sup>

*Xinhua* reported that Frank Hsieh took charge as Chairman of the DPP after the crushing defeat suffered by the party in the "legislative" elections. Chen Shui-bian resigned his post as DPP chairman after the party was only able to win 27 in comparison to the Kuomintang (KMT)'s 81 seats out of the total 113 seats.<sup>10</sup>

## JAPAN

- *US, Japan agree on omitting Japanese fuel-verification steps; Japanese Foreign Minister: Its all-right as long as India and Japan get in to the UNSC*

*Kyodo News* reported that Japan and the United States will exchange a document about the maritime self-defence force's refueling mission in the

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<sup>6</sup> "China, U.S. conclude fifth strategic dialogue," *People's Daily*, January 19, 2008, at <http://english.peopledaily.com.cn/90001/90776/6341182.html>

<sup>7</sup> "Taiwan's referendum plan provocative: US," *People's Daily*, January 18, 2008, at <http://english.people.com.cn/90001/90776/6340559.html>

<sup>8</sup> "Indian PM confident of bigger roles India, China to play in world affairs," *People's Daily*, January 15, 2008, at <http://english.people.com.cn/90001/90776/90883/6338755.html>

<sup>9</sup> "Indian PM: Burden sharing must consider historical emissions," *People's Daily*, January 15, 2008, at <http://english.people.com.cn/90001/90776/90883/6338756.html>

<sup>10</sup> "Frank Hsieh sworn in as DPP chairman of Taiwan," *People's Daily*, January 16, 2008, at <http://english.people.com.cn/90001/90776/6339545.html>

Indian Ocean that will help omit requirements allowing Tokyo to verify how the fuel is used.<sup>11</sup> The US has however rejected a request from Japan to include fuel-use verification steps as that would affect its operations in the region.

Japanese Foreign Minister Masahiko Komura meanwhile, reacting to China's reported support for India's permanent membership of the UN Security Council during PM Dr. Singh's visit stated that "...It's alright as long as we (Japan and India) get in together."<sup>12</sup> Reports noted that China was willing to support India's case at the UN instead of pushing both India and Japan together.

## MYANMAR

- *Jairam Ramesh: India to develop Sitwe port*

India will rebuild the Sitwe port at a total cost of \$120 million on a 'Build, Transfer, and Use' (BTU) basis. Users will be charged for services to be offered by the port once it is redeveloped and handed over to Myanmar. Reports indicated that the final agreement will be signed in April. Announcing this before media-men in Chennai on January 7, Union Minister of State for Commerce, Jairam Ramesh stated that the project had been under discussion for almost six years. The minister noted that the Sitwe project assumed significance for development of India's north-east as it would provide an alternative route connecting the Northeast with South-East Asia, without transiting Bangladesh.<sup>13</sup>

## SOUTH ASIA

### AFGHANISTAN

- *Gates' comments on NATO troops functioning draws criticisms, apologises to Dutch Defence Minister;*

US Defence Secretary Robert Gates' comments of the previous week in which he questioned the role of NATO forces in the south of the country elicited strong reactions from the Dutch authorities, who have a strong contingent operating in the area. Dutch defense secretary, Eimert van Middelkoop asserted that his country's troops were operating in a professional manner.<sup>14</sup> Secretary Gates reacting to the criticism affirmed that NATO forces were playing a "significant and powerful role." Reports noted that he had also apologized to the Dutch Defence Minister.

The U.K. Defence Secretary Des Browne admitted that international troop commitment in Afghanistan could last 'for decades'. Prime Minister Gordon

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<sup>11</sup> "Japan to let U.S. omit verification of fuel usage," *Japan Times*, January 20, 2008, at <http://search.japantimes.co.jp/cgi-bin/nn20080120a2.html>

<sup>12</sup> "Japan cool about China's support for India on U.N. Security Council," *Japan Today*, January 16, 2008, at <http://www.japantoday.com/jp/news/425088>

<sup>13</sup> "India to develop Sitwe port in Myanmar," *The Hindu*, January 8, 2008, at <http://www.hindu.com/2008/01/08/stories/2008010856191200.htm>

<sup>14</sup> "Gates's comments on NATO's Afghan force anger Dutch," *The New York Times*, January 17, 2008, at <http://www.nytimes.com/2008/01/17/world/europe/17gates.html?ref=todayspaper>

Brown during his visit to Kabul the previous week had pledged British troop commitment for the 'next five years.'<sup>15</sup>

In other developments, a suicide bomb attack at Kabul's only 5-star hotel killed 6 people on January 14 and Japan resumed its refueling missions in the Indian Ocean in support of US operations in Afghanistan.

## PAKISTAN

- *NYT: ISI loosing control of militant groups; Scotland Yard: Al Qaeda responsible for Benazir Bhutto's assassination; Suicide bomber hits Peshawar; Swat Valley cleared of militants*

**T**he *New York Times* reported that the ISI had lost control of a number of militant groups that were at some point its protégé. These groups were dejected as the Pakistani military was targeting them in its ongoing operations.<sup>16</sup>

The security agencies meanwhile arrested an 18-year old boy named Aitzaz on January 19 at Dera Ismail Khan who is allegedly the key suspect in Benazir Bhutto's killing. The boy confessed to the interrogators that he had been trained in South Waziristan along with Sher Zaman who was also arrested with him.<sup>17</sup> Prior to this, the Scotland Yard in its report had confirmed the Al Qaeda connection in the killing of Bhutto.<sup>18</sup> In a related development, the PPP sent a petition to the UN to initiate a probe in the assassination of Benazir Bhutto.<sup>19</sup>

In other domestic political developments, the PML-N demanded some sort of a national government, a proposition which was rejected by President Musharraf earlier in the week.<sup>20</sup> Musharraf reiterated that the polls would be conducted as per the schedule.

Incidents of violence continued across the country. A suicide bomb attack in Peshawar killed 10 people and injured at least 25 on January 17.<sup>21</sup> Taliban militants took control of a fort in South Waziristan during the week which nonetheless was recaptured after a successful operation by the army.<sup>22</sup> The army

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<sup>15</sup> "Afghan war may take decades, says UK defence secretary," *Yahoo News*, January 15, 2008, at [http://in.news.yahoo.com/ani/20080114/r\\_t\\_ani\\_wl\\_europe/twl-afghan-war-may-take-decades-says-uk-d2443e4.html](http://in.news.yahoo.com/ani/20080114/r_t_ani_wl_europe/twl-afghan-war-may-take-decades-says-uk-d2443e4.html)

<sup>16</sup> Carlotta Gall & David Rohde, "Militants Escape Control of Pakistan, Officials Say," *The New York Times*, January 15, 2008, at <http://www.nytimes.com/2008/01/15/world/asia/15isi.html?ref=todayspaper>

<sup>17</sup> Irfan Mughal, "Boy, key suspect held in BB murder plot," *Dawn*, January 20, 2008, at <http://www.dawn.com/2008/01/20/top1.htm>

<sup>18</sup> "Al Qaeda assassinated Benazir: report," *Dawn*, January 14, 2008, at <http://www.dawn.com/2008/01/14/top2.htm>

<sup>19</sup> Shamim-ur-Rahman, "PPP sends plea to UN today," *Dawn*, January 16, 2008, at <http://www.dawn.com/2008/01/16/top4.htm>

<sup>20</sup> "Consensus govt only way out, says PML-N," *Dawn*, January 18, 2008, at <http://www.dawn.com/2008/01/18/top8.htm>

<sup>21</sup> Manzoor Ali Shah, "10 die in Peshawar imambargah blast," *Daily Times*, January 18, 2008, at [http://www.dailytimes.com.pk/default.asp?page=2008\01\18\story\\_18-1-2008\\_pg1\\_1](http://www.dailytimes.com.pk/default.asp?page=2008\01\18\story_18-1-2008_pg1_1)

<sup>22</sup> "Over 80 militants killed in clashes; army retakes fort: 22 paramilitary soldiers still missing," *Dawn*, January 19, 2008 at <http://www.dawn.com/2008/01/19/top1.htm>

also claimed success of 'Operation *Rah-e-Haq*' in the Swat Valley, which had been underway since several weeks and involved a large number of troops.<sup>23</sup>

#### BANGLADESH

- *Bangladesh may lift emergency, says chief adviser Ahmed; Hasina formally charged by a Dhaka court*

Addressing the nation on January 13, chief adviser Fakhruddin Ahmed announced that the caretaker government would initiate a dialogue with all the political parties on steps to be taken for transition to a democracy. Though he did not specify a time-frame for lifting the emergency, he stated that the emergency and the ban on indoor political activities would be lifted.<sup>24</sup> On January 17, the army chief of staff, Gen. Moeen Ahmed also asserted that the emergency would not be in place ahead of elections.

Meanwhile, on January 13, the election commission announced the new district-wise list of constituencies with 18 districts being affected, in the number of seats in parliament.<sup>25</sup>

Among other developments, detained former Prime Minister Sheikh Hasina was formally charged by a Dhaka court on January 13 with extortion of Tk 2.99 crore.<sup>26</sup>

#### NEPAL

- *UNMIN emphasizes need to accommodate rights of ethnic and marginalized groups; Apprehensions over the CA polls*

Stating that credible elections are the first step in Nepal's peace process, the Chief of the United Nations Missions in Nepal (UNMIN) Ian Martin emphasized taking into recognition the rights of ethnic and marginalized groups. He also asserted that the fate of election did not depend on the UNMIN as much as they did on the Nepali political leaders.<sup>27</sup>

Apprehensions are also being raised over the likely impediments that the CA polls, scheduled for April 10, 2008, would face. These included the lack of acknowledgment of the rights of Madhesis. Madhesis leaders Upendra Yadav

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<sup>23</sup> Amin Ahmed, "Army claims success in Swat operation: Militancy almost wiped out," *Dawn*, January 17, 2008, at <http://www.dawn.com/2008/01/17/top5.htm>

<sup>24</sup> "Bangladesh may lift emergency," *The Hindu*, January 14, 2008, at <http://www.hindu.com/2008/01/14/stories/2008011451081400.htm>

<sup>25</sup> "EC unveils new list of constituencies," *Daily Star*, January 15, 2008, at <http://thedailystar.net/story.php?nid=19306>

<sup>26</sup> "Hasina indicted in graft case," *New Age*, January 14, 2008, at <http://newagebd.com/front.html#1>

<sup>27</sup> "CA Polls Depend on Nepal's Political Leaders: Martin," *The Himalayan Times*, January 14, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=6a1Qa4wdo2am8&folder=aHaoamW&Name=Home&dtSiteDate=20080114>

and Rajendra Mahato have threatened to unleash “a decisive agitation” in a non-violent manner, if their demands were not met.<sup>28</sup>

Prachanda also has called for putting off the poll process, asserting that the Seven Party Alliance needed more time to execute the twenty-three point agreement signed about three weeks ago.<sup>29</sup> Meanwhile, CPN (M) leader Baburam Bhattarai has stated that the Maoists would revert back to the armed struggle, should the polls be further delayed. In their statement the leaders of the SPA have stated that the terai issue would be resolved “once the polls are held.”<sup>30</sup>

## SRI LANKA

- *Ban ki Moon stresses on dialogue to resolve impasse; SLMM: Military means cannot resolve the conflict; Norway's role as the facilitator of peace process emphasized*

As the civil war intensifies in Sri Lanka, international interlocutors including UN Secretary General Ban Ki Moon have emphasized on the power of dialogue between the two parties as the only way to resolve the impasse.<sup>31</sup> The confrontation between the LTTE and the Sri Lankan army has shifted from the North to the South East with the army intensifying a multi-pronged attack on the LTTE. The Sri Lanka Monitoring Mission (SLMM) on its part has stated that the conflict cannot be resolved through military means. It has specifically castigated the Tamil media in Sri Lanka for its failure to condemn the violent activities of the LTTE.<sup>32</sup> Japan's special envoy Yasushi Akashi has also called upon the Sri Lankan President to look for a political solution to the Sri Lankan conflict. Japan has also linked its aid package to the imperative of finding a political situation to the conflict.<sup>33</sup> Meanwhile, Norway, Japan, U.S. and the E.U. have publicly emphasized on the continuation of Norway's role as the official facilitator to the peace process. The quartet called for the “continued monitoring of the human rights situation by such means as to assure an appropriate role for the U.N.”<sup>34</sup>

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<sup>28</sup> “Madhesi Leaders Warn of Decisive Stir” *The Himalayan Times*, January 15, 2008, at: <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0vgqzpb8Ta1a8a.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20080115>

<sup>29</sup> “Prachanda for partially putting off poll process,” *The Himalayan Times*, January 15, 2008, at: <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0wkqzpb8Ta9ta.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20080116>

<sup>30</sup> “SPA Leaders Warn of Armed Struggle If April Poll Spiked,” *The Himalayan Times*, January 19, 2008, at: <http://www.thehimalayantimes.com/fullstory.asp?filename=6a1Qa5rco2am8&folder=aHaoamW&Name=Home&dtSiteDate=20080119>

<sup>31</sup> “Dialogue only way out in Sri Lanka: Ban,” *The Hindu*, January 18, 2008, at: <http://www.hindu.com/2008/01/18/stories/2008011853601600.htm>

<sup>32</sup> “SLMM, Japan for political means,” *The Hindu*, January 17, 2008, at: <http://www.hindu.com/2008/01/17/stories/2008011753991900.htm>

<sup>33</sup> “What the government does or does not do will be an important consideration,” *Colombo Page*, January 15, 2008, at [http://www.colombopage.com/archive\\_08/January15151258JV.html](http://www.colombopage.com/archive_08/January15151258JV.html)

<sup>34</sup> “Peace envoy arrives for talks with Colombo,” *The Hindu*, January 14, 2008, <http://www.hindu.com/2008/01/14/stories/2008011451121400.htm>.



In another development, a LTTE spy, Tambidurai Parameswaran was arrested in Tamil Nadu. Parameswaran was an intelligence wing operative of the LTTE.<sup>35</sup>

## 2. NUCLEAR REVIEW

### PAKISTAN

- *Musharraf: Pakistani nuclear and missile programme completely safe*

Pakistani President Pervez Musharraf, addressing a gathering of overseas Pakistanis at the start of his eight-day visit to Europe, stated that Pakistan's nuclear and missile assets were completely safe, and added that even a nuclear attack could affect those assets. Reiterating his administration's capability and intention to defend Pakistan's strategic assets, he charged that some forces were purposefully questioning Pakistan's nuclear programme.<sup>36</sup>

### INDIA

- *China, Britain and France support India's civil nuclear aspirations; Burns to resign, might be appointed as Special Envoy to nuclear deal; Karat: Nuclear agreement will not go forward; Australia reverses decision to sell uranium to India, remains undecided on NSG stand*

The week threw up some positives and negatives on the Indo-US nuclear agreement front. China supported India's civil nuclear aspirations and also agreed to promote bilateral cooperation in peaceful uses of nuclear technology.<sup>37</sup> There are indications also that China might support India in the Nuclear Suppliers Group (NSG) when the Indian case comes up for discussion.<sup>38</sup>

The new Australian Labour Government has reversed the decision taken during John Howard's administration to sell uranium to India. Explaining the decision, Foreign Affairs Minister Stephen Smith stated that it was "a long standing commitment of the Australian Labor Party" not to authorise the export of uranium to countries who were not parties to the Nuclear Non-Proliferation Treaty (NNPT).<sup>39</sup> However, the Australian government has made it clear that

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<sup>35</sup> "LTTE's spy in Tamil Nadu arrested," *Colombo Page*, January 18, 2008, at: [http://www.colombopage.com/archive\\_08/January18160809JV.html](http://www.colombopage.com/archive_08/January18160809JV.html)

<sup>36</sup> Khaleeq Kiani, "Nuclear assets completely safe, says Musharraf," *The Dawn*, January 22, 2008, at <http://www.dawn.com/2008/01/22/nat1.htm>

<sup>37</sup> N. Ram, "China is positive towards civilian nuclear cooperation with India," *The Hindu*, January 14, 2008, at <http://www.thehindu.com/2008/01/14/stories/2008011457770100.htm>

<sup>38</sup> "China supports India's civil nuke aspirations," *Economic Times*, January 15, 2008, at [http://economictimes.indiatimes.com/PoliticsNation/China\\_supports\\_Indias\\_nuke\\_deal/articleshow/2700484.cms](http://economictimes.indiatimes.com/PoliticsNation/China_supports_Indias_nuke_deal/articleshow/2700484.cms)

<sup>39</sup> "Govt reverses uranium deal with India," *ABC News*, January 15, 2008, at <http://www.abc.net.au/news/stories/2008/01/15/2139188.htm>

this decision did not necessarily mean that Australia would oppose the Indo-US nuclear deal at the NSG.<sup>40</sup>

In other news, it was reported that Nicholas Burns, the US Undersecretary for Political Affairs would resign from the US foreign service and join the private sector. Reports noted that Secretary of State Condoleezza Rice might appoint him as a Special Envoy to deal with the nuclear issue.<sup>41</sup>

Releasing the draft political resolution for the upcoming 19<sup>th</sup> party congress of the CPI (M), Prakash Karat reiterated that the Left parties would oppose any move to take the agreement forward. He noted that once the draft India-IAEA safeguards agreement was brought back to the UPA-Left committee, the committee would decide about it but it was not going beyond it.<sup>42</sup>

The Indo-US nuclear deal found another supporter in the form of the British Prime Minister, Gordon Brown. At the end of the Brown's recent visit to New Delhi, the two countries released a joint statement which stated that "the U.K. supports the India-U.S. civil nuclear co-operation initiative with all its elements, including an appropriate India specific exemption to the Nuclear Suppliers Group guidelines."<sup>43</sup> Britain was also interested in having civil nuclear cooperation with India. However, any such cooperation would have to wait till the finalisation of the India-IAEA safeguards agreement as well as the modification of the NSG Guidelines.<sup>44</sup>

Meanwhile, the upcoming visit of the French President Nicolas Sarkozy to New Delhi will in all probability be a positive development for the Indo-US nuclear deal. Reports indicated that the French President would build on the Indo-French 2005 joint statement. India and France have also successfully negotiated an agreement on civil nuclear cooperation. However, the agreement would not be signed during the current visit as the safeguards agreement as well as the NSG guidelines are still to be formalised.<sup>45</sup>

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<sup>40</sup> Nirmala Ganapathy, "Keen to increase trade with India: Australia," *Economic Times*, January 18, 2008, at [http://economictimes.indiatimes.com/News/PoliticsNation/NSG\\_stand\\_after\\_IAEA\\_outcome\\_Australia/articleshow/2709046.cms](http://economictimes.indiatimes.com/News/PoliticsNation/NSG_stand_after_IAEA_outcome_Australia/articleshow/2709046.cms)

<sup>41</sup> Chidanand Rajghatta, "Burns quits, to push nuke deal as special envoy," *Times of India*, January 18, 2008, at [http://timesofindia.indiatimes.com/Burnss\\_exit\\_bad\\_news\\_on\\_nuke\\_deal/articleshow/2712356.cms](http://timesofindia.indiatimes.com/Burnss_exit_bad_news_on_nuke_deal/articleshow/2712356.cms)

<sup>42</sup> "Karat: no forward movement on nuclear deal," *The Hindu*, January 21, 2008, at <http://www.thehindu.com/2008/01/21/stories/2008012155061200.htm>

<sup>43</sup> "Britain lends support to India-U.S. nuclear deal," *Reuters*, January 21, 2008, at <http://uk.reuters.com/article/oilRpt/idUKDEL25264620080121>

<sup>44</sup> "Britain seeks nuclear cooperation with India," *Khaleej Times*, January 19, 2008, at [http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/subcontinent/2008/January/subcontinent\\_January619.xml&section=subcontinent&col=](http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/subcontinent/2008/January/subcontinent_January619.xml&section=subcontinent&col=)

<sup>45</sup> Sandeep Dikshit, "Pact with France only after NSG clearance," *The Hindu*, January 22, 2008, at <http://www.thehindu.com/2008/01/22/stories/2008012259901200.htm>

## NORTH KOREA

- *Debate continues within Bush administration on position vis-à-vis the delay on the North Korea denuclearisation; Pyongyang blames Washington for the delay*

Debates continued as to whether the North Korean denuclearisation process was stalling. Reports indicated that the Bush administration was debating over how long it could wait for the North Korean nuclear declaration. The debate assumed significance as the fulfillment of the nuclear agreement would be a significant foreign policy victory for Bush administration which is on its way out. While several members of the Bush administration, including Vice President Dick Cheney, would like a more proactive role to be followed, the administration's lead negotiator on the denuclearisation agreement, Christopher Hill favoured a more restrained approach.<sup>46</sup>

North Korea on the other hand has accused the United States of failing to meet its commitment. It continued to blame Washington for the slow progress in the denuclearisation agreement.<sup>47</sup>

## IRAN

- *Angela Merkel: Pressure should be maintained on Tehran; Saeed Jalili to talk to Chinese official about Iran's nuclear programme; US lobbies for Chinese support for new round of sanctions; China opposes sanctions favours dialogue*

Iran's top nuclear negotiator, Saeed Jalili arrived in Beijing for talks with the Chinese leaders.<sup>48</sup> The talks assumed significance as the US was pushing for a new UN resolution at the Security Council. In light of Jalili's visit, the US has been lobbying China for support to its proposal for new sanctions on Iran.<sup>49</sup> Iran meanwhile has criticised the US move to garner support for a new resolution. Jalili on his part affirmed that both Iran and China were against sanctions.<sup>50</sup>

German Chancellor Angela Merkel has asserted that Germany would continue to pursue a "dual strategy" with Iran, while insisting on complete cooperation with the IAEA.<sup>51</sup>

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<sup>46</sup> Helene Cooper, "U.S. Sees Stalling by North Korea on Nuclear Pact," *The New York Times*, January 19, 2008, at [http://www.nytimes.com/2008/01/19/washington/19korea.html?\\_r=1&sq=nuclear&oref=slogin&scp=10&pagewanted=print](http://www.nytimes.com/2008/01/19/washington/19korea.html?_r=1&sq=nuclear&oref=slogin&scp=10&pagewanted=print)

<sup>47</sup> "N. Korea Media: US Not Meeting Commitments," *The New York Times*, January 22, 2008, at [http://news.yahoo.com/s/ap/koreas\\_nuclear](http://news.yahoo.com/s/ap/koreas_nuclear)

<sup>48</sup> "Iran nuclear negotiator in Beijing for talks," *Khaleej Times*, January 17, 2008, at [http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/middleeast/2008/January/middleeast\\_January261.xml&section=middleeast&col=](http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/middleeast/2008/January/middleeast_January261.xml&section=middleeast&col=)

<sup>49</sup> "US, Iranian envoys lobby Chinese leaders over proposed new sanctions on Tehran," *International Herald Tribune*, January 17, 2008, at <http://www.ihf.com/articles/ap/2008/01/17/asia/AS-GEN-China-US.php>

<sup>50</sup> "Iran slams US sanctions drive, China backs dialogue," *AFP*, January 18, 2008, at <http://afp.google.com/article/ALeqM5gPYNaSfzNiGBaJ3sJL0U4N9Fabw>

<sup>51</sup> "Merkel says pressure on Iran must be maintained despite US report," *Deutsche Presse-Agentur*, January 15, 2008, at

### 3. INTERNAL SECURITY REVIEW

#### NORTH-EAST INSURGENCY

- *New NSCN faction in Nagaland; NSCN-IM charges Union govt. of using vested interests*

Media reports stated a third National Socialist Council of Nagaland (NSCN) faction, calling itself NSCN-Unification has emerged in Nagaland. The faction is reportedly led by a former NSCN-IM leader, Azheto Chophy. One of its leader claimed that the idea of breaking away from the NSCN-IM was not to create another problem but to solve the ones that were already there.<sup>52</sup>

The NSCN-IM meanwhile has on January 11 alleged that the union government was handling the Naga unification issue in an unbecoming way and using vested groups of a particular tribe to befool it. In a statement, the outfit expressed strong reservation against the move for Naga unification in the present form, and accused the union government of "surreptitiously playing the communal card by using the vested groups of a particular Naga tribe to befool it".<sup>53</sup>

In other developments, on January 13, as many as seventeen persons, including six soldiers, were wounded in a grenade attack by suspected United Liberation Front of Asom (ULFA) militants in front of a police station near the Guwahati railway station.<sup>54</sup>

#### MAOIST INSURGENCY

- *Six Maoists killed in Bihar; Bangladeshis suspected of ISI links arrested*

As many as six Maoists were gunned down in a fierce encounter with the police in Bihar's Gaya district on January 13.<sup>55</sup>

Meanwhile, two Bangladeshis, with suspected links to Pakistan's Inter Services Intelligence were arrested from Shibpur in Howrah district of West Bengal on January 16. The duo identified as Shamim Akhtar and Sheikh Alamgir were engaged in recruiting ex-servicemen to extract strategic information.<sup>56</sup>

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<http://www6.lexisnexis.com/publisher/EndUser?Action=UserDisplayFullDocument&orgId=574&topicId=100021200&docId=l:728827021&start=7>

<sup>52</sup> "New NSCN keeps forces guessing," *Telegraph*, January 18, 2008, at [http://www.telegraphindia.com/1080116/jsp/northeast/story\\_8786150.jsp](http://www.telegraphindia.com/1080116/jsp/northeast/story_8786150.jsp)

<sup>53</sup> "IM points finger of accusation at Delhi, 'Unification group,'" *Imphal Free Press*, January 13, 2008, <http://e-pao.net/GP.asp?src=1..120108.jan08>

<sup>54</sup> "15 injured in blast," *The Hindu*, January 14, 2008, at <http://www.hindu.com/2008/01/14/stories/2008011457750100.htm>

<sup>55</sup> "Six naxalites killed," *The Hindu*, January 14, 2008, at <http://www.hindu.com/2008/01/14/stories/2008011454520100.htm>

<sup>56</sup> "Two suspected ISI activists arrested," *The Hindu*, January 17, 2008, at <http://www.hindu.com/2008/01/17/stories/2008011759690100.htm>

#### 4. ENERGY SECURITY REVIEW

##### RUSSIA-BULGARIA INK \$15 BILLION GAS PIPELINE DEAL

- *550-mile long South Stream pipeline, bypassing Turkey with a 50 per cent stake in construction and operation;*

During the two-day visit of President Vladimir Putin (January 16-17, 2008) to Bulgaria, Russia inked a gas pipeline deal that would further entrench the Gazprom's share in the European energy mix. Under the deal worth \$15 billion, the 550-mile long South Stream pipeline would traverse under the Black Sea to reach Bulgaria.<sup>57</sup> This would allow Russia to send gas to Europe bypassing Turkey, which is a crucial transit route for gas exports to Europe. The negotiations on the Bulgarian deal succeeded in ensuring a 50 per cent stake for the Russian company in the construction and operation of the pipeline. This was against a minority stake that the Russians were offering during the beginning of the negotiations.

The EU has not welcomed the project as was reflected in its spokesperson Ferran Tarradellas Espuny statement- "We don't consider the (South Stream) project a priority project in the same sense that we would Nabucco."<sup>58</sup> The South Stream project will undercut the long-stalled Nabucco pipeline backed by the U.S. and the E.U. The Nabucco pipeline, which was to source gas from Iran and Azerbaijan through Turkey into southern and western Europe aimed at reducing European dependence on Russian gas supplies. However, problems over routing, financing, and concerns over the Iranian nuclear program have prevented any concrete agreement over the Nabucco pipeline.

##### IRANIAN MINISTER DANESH MEETS DEORA

- *Iran welcomes Indian private and public sector participation in developing Iranian gas fields*

Iranian Minister of Economic Affairs and Finance Davood Danesh met Minister for Petroleum and Natural gas Murli Deora in New Delhi and welcomed Indian private and public sector participation in developing Iranian gas fields. Mr. Danesh also put forth the possibility of jointly setting up LNG facilities and an arrangement to export LNG to India. He also reiterated the Iranian stand that the Iran-Pakistan part of the IPI project should be finalized at the earliest.<sup>59</sup>

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<sup>57</sup> Matthew Brunwasser and Judy Dempsey, "Pipeline Cements Russia's Hold on Europe's Gas Supply," *The New York Times*, January 19, 2008, at <http://www.nytimes.com/2008/01/19/world/europe/19bulgaria.html?ref=business>

<sup>58</sup> Vladimir Isachenkov, "Bulgaria, Russia sign pipeline deal," *Houston chronicle*, January 18, 2008, at <http://www.chron.com/dispatch/story.mpl/ap/fn/5467174.html>

<sup>59</sup> "India and Iran discuss enhancing co-operation in Oil and Gas sectors," *Press Information Bureau of India*, January 16, 2008, at <http://pib.nic.in/release/rel-print-page1.asp?relid=34666>

## EAM ON A TWO-DAY VISIT TO OMAN

- *India eyes excess gas from Oman*

External Affairs Minister Pranab Mukherjee was on a two-day visit to Oman during the week to strengthen bilateral relations and pursue joint approach to energy projects. Official sources indicated that India might be the recipient of future excess gas from Oman.<sup>60</sup> Reports noted that Oman and Iran were negotiating the transfer of gas from Iran's Kish and Hengam gas fields while work was already progressing on the Dolphin Gas Project, which would bring natural gas from Qatar to the UAE and Oman. Another vital reason that enhanced Oman's position was due to its geographical location near the Arabian Sea, which offered the possibility of Indian hydrocarbon transits to bypass the vulnerable Straits of Hormuz.

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<sup>60</sup> Atul Aneja, "India and Oman to explore options in Oil and gas," *The Hindu*, January 15, 2008 at <http://www.thehindu.com/2008/01/15/stories/2008011554601500.htm>