

# THE WEEK IN REVIEW

April 28-May 04, 5(1), 2008

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## 1. COUNTRY REVIEW

### IRAQ

- **Iraqi delegation visits Tehran over its alleged support to the insurgency inside Iraq; Turkish Army claims it killed 150 PKK rebels; Maliki: Special Forces deployed inside Sadr City to root out militias; Audit on Iraq reconstruction reveals that projects worth millions of dollars cancelled due to various reasons**

A delegation from the United Iraqi Alliance, the ruling bloc to which Prime Minister Nuri al-Maliki belongs, visited Tehran during the week to bring pressure on the Iranian government to stop aiding the Shiite militia. Maj. Gen. Qassim Moussawi, Iraqi security spokesman in Baghdad also revealed that Iraqi forces had seized Iranian-made missiles and heavy weapons during the past four weeks in the capital.<sup>1</sup> The US military has long accused Tehran of supporting the insurgency inside Iraq. On the prospects of a fourth round of talks with the US over the situation in Iraq, Tehran asserted that there would be no talks until US attacks on 'defenceless Iraqis' did not stop.<sup>2</sup>

The Turkish Air Force resumed its attacks against the PKK rebels inside northern Iraq during the week. The Turkish General Staff claimed that over 150 rebels have been killed in the raids directed against PKK camps in the Qandil area.<sup>3</sup> Reports noted that over 30 fighter aircraft took part in the raids. Turkey had earlier sent over 10,000 soldiers into Iraq in February.

In domestic developments, Prime Minister Maliki revealed that Special Forces have been deployed inside Sadr City to root out the militias operating there. Maliki reiterated that the siege of the area, launched jointly with American forces, would only be lifted if the militias handed over their weapons.<sup>4</sup> In continuing incidents of violence, US forces killed nearly 30 militants on April 28 in Baghdad and over 25 civilians were killed in Baghdad as well as in the southern city of Hillah in separate incidents during the week. Over 35 people were also killed in a town in Diyala province on May 1 in 2 suicide attacks.

In other developments, the special inspector general for Iraq reconstruction released an audit report on April 27 which revealed that over 850 contracts worth millions of dollars were cancelled by the US authorities before

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<sup>1</sup> "Iraqi delegation asks Iran to curb militia support," *Reuters*, May 1, 2008, at [http://in.news.yahoo.com/reuters\\_ids\\_new/20080501/r\\_t\\_rtrs\\_wl/twl-iraqi-delegation-asks-iran-to-curb-m-2186892.html](http://in.news.yahoo.com/reuters_ids_new/20080501/r_t_rtrs_wl/twl-iraqi-delegation-asks-iran-to-curb-m-2186892.html)

<sup>2</sup> "Iran won't talk to U.S. on Iraq till attacks stop - report," *Reuters*, May 3, 2008, at [http://in.news.yahoo.com/reuters\\_ids\\_new/20080503/r\\_t\\_rtrs\\_wl/twl-iran-won-t-talk-to-u-s-on-iraq-till-2186892.html](http://in.news.yahoo.com/reuters_ids_new/20080503/r_t_rtrs_wl/twl-iran-won-t-talk-to-u-s-on-iraq-till-2186892.html)

<sup>3</sup> "More than 150 Kurdish rebels killed in Iraq: Turkish Army," *IANS*, May 4, 2008, at [http://in.news.yahoo.com/indiaabroad/20080504/r\\_t\\_ians\\_wl\\_europe/twl-more-than-150-kurdish-rebels-killed-ef5d19c.html](http://in.news.yahoo.com/indiaabroad/20080504/r_t_ians_wl_europe/twl-more-than-150-kurdish-rebels-killed-ef5d19c.html)

<sup>4</sup> "Special forces deployed to root out militias: Iraqi PM," *IANS*, April 30, 2008, at [http://in.news.yahoo.com/indiaabroad/20080430/r\\_t\\_ians\\_wl\\_meast/twl-special-forces-deployed-to-root-out-ec7dfa8.html](http://in.news.yahoo.com/indiaabroad/20080430/r_t_ians_wl_meast/twl-special-forces-deployed-to-root-out-ec7dfa8.html)

their completion due to excessive delays, poor performance or other factors. The authorities had reviewed over 47,000 reconstruction projects.<sup>5</sup>

#### CHINA

- **Dalai Lama's representatives and the Chinese government hold talks on Tibet; China's longest sea-bridge opens; Rapid development of trade with Taiwan noted**

In a major development, representatives of the 14<sup>th</sup> Dalai Lama had a meeting with the Chinese government at Shenzhen on May 4. Though the meeting ended without any concrete result, the Chinese government appealed to the Dalai Lama to help resolve the current crisis in Tibet.<sup>6</sup> Reports noted that the Chinese government had held six meetings with the Dalai Lama's private representatives since 2002.

China's longest cross-sea bridge was inaugurated during the week. The bridge was built as part of the effort to boost economic integration and development in the Yangtze River Delta. Reports noted that the design of the bridge had more than 250 technological innovations and engineering breakthroughs.<sup>7</sup>

In developments relating to Taiwan, statistics from the Chinese General Administration of Customs noted that there has been a rapid development of trade with Taiwan in the first two months of the year. The trade volume between the two countries rose to \$20.5 billion, a growth of 23.8 percent.<sup>8</sup>

Taiwan's Vice-President has meanwhile decided to withdraw from the Democratic Progressive Party (DPP) and quite politics due to his alleged role in a fraud scandal worth \$30 million.<sup>9</sup> In other developments, the former National Security Council Secretary General Tan Sun Chen was sworn in as Secretary General of the Presidential Office by the out-going President Chen Shui-bian, just 15 days to go before the end of his term.

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<sup>5</sup> "Investigators: Millions in Iraq contracts never finished," *AP*, April 28, 2008, at [http://news.yahoo.com/s/ap/20080428/ap\\_on\\_go\\_ca\\_st\\_pe/iraq\\_reconstruction;\\_ylt=Ap5P\\_f3qF4J2U7P5fwX9ToJI2ocA](http://news.yahoo.com/s/ap/20080428/ap_on_go_ca_st_pe/iraq_reconstruction;_ylt=Ap5P_f3qF4J2U7P5fwX9ToJI2ocA)

<sup>6</sup> "Dalai Lama should comply with tide of history," *People's Daily*, May 5, 2008, at <http://english.people.com.cn/90001/90780/91342/6404232.html>

<sup>7</sup> "World's longest sea bridge opens in east China," *People's Daily*, May 2, 2008, at <http://english.people.com.cn/90001/90776/90882/6402293.html>

<sup>8</sup> "Trade between Chinese mainland, Taiwan grows more rapidly," *People's Daily*, May 2, 2008, at <http://english.people.com.cn/90001/90776/90884/6402404.html>

<sup>9</sup> "Vice Premier quits DPP, political arena over diplomacy scandal," *The Central News Agency*, May 5, 2008, at <http://www.cna.com.tw/cnaeng/EnglishTopNews/TopNewsDetail.aspx?TopNewsSerialnum=977&strTopNewsDate=20080505&strTopNewsID=200805050010>

## JAPAN

- **Japan expresses concerns about Pakistani missile tests, offers 47.9 billion yen in loans; Hu to visit Japan**

The Japanese Foreign Minister Masahiko Komura, during his meeting with his Pakistani counterpart Shah Mehmood Qureshi on May 3 in Islamabad expressed his concerns about the tests of medium-range ballistic missiles conducted by Pakistan in April. Tokyo also offered 47.9 billion yen in loans for infrastructure development to Pakistan during Mr. Komura's visit.<sup>10</sup>

Ahead of the Chinese President Hu Jintao's visit to Japan this week, reports noted that the Japanese government had deployed some 6,600 police officers to ensure security of the Chinese President due to the risks of protests from the Japanese right-wing groups over a recent food-poisoning incident in Japan and due to the ongoing Tibetan crisis.<sup>11</sup>

## MYANMAR

- **Myanmar's PM visits Bangkok; Thai PM: Myanmar working towards '50 percent democracy'; UNSC urges to ensure 'fundamental political freedoms' are respected; US places more firms under sanctions**

Myanmarese Prime Minister Gen. Thein Sein paid a three-day visit to Thailand during the week during which both countries signed an agreement on promotion and protection of investments.<sup>12</sup> Thai Prime Minister Samak Sundaravej told reporters that Myanmar was working towards attaining '50 percent democracy.'<sup>13</sup> Sundaravej also stated that Thailand had no issues with the ongoing house arrest of pro-democracy leader Aung San Suu Kyi.<sup>14</sup> Thein Sein also met King Bhumibol Adulyadej and senior government officials.

On the issue of the referendum on the new constitution, the UNSC urged the military government to ensure that 'fundamental political freedoms' were respected.<sup>15</sup> The United States has also been very critical of the referendum and President Bush stated that Myanmar's referendum "will not be free, fair or

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<sup>10</sup> "Japan expresses concern to Pakistan over missile tests," *Japan Today*, May 4, 2008, at <http://www.japantoday.com/category/politics/view/japan-expresses-concern-to-pakistan-over-missile-tests>

<sup>11</sup> "6,600 police officers to be on hand for Hu's visit," *Japan Today*, May 5, 2008, at <http://www.japantoday.com/category/national/view/6600-police-officers-to-be-on-hand-for-hu-visit>

<sup>12</sup> "Myanmar PM leaves for Thailand on official visit," *Xinhua*, April 29, 2008, at [http://news.xinhuanet.com/english/2008-04/29/content\\_8073524.htm](http://news.xinhuanet.com/english/2008-04/29/content_8073524.htm)

<sup>13</sup> "Thai PM jokes that neighbor Myanmar's draft constitution offers a '50 percent democracy'," *The Associated Press*, April 30, 2008, at <http://www.iht.com/articles/ap/2008/04/30/asia/AS-GEN-Thailand-Myanmar.php>

<sup>14</sup> "Thai PM says Myanmar's Suu Kyi detention is 'OK'," *Reuters*, April 30, 2008, at <http://www.iht.com/articles/reuters/2008/04/30/asia/OUKWD-UK-MYANMAR-THAILAND.php>

<sup>15</sup> "UN calls for Myanmar referendum to be inclusive," *The Associated Press*, May 3, 2008, at <http://ap.google.com/article/ALeqM5gpi9eSFK6JZFeUEyHaO56CI94EmgD90DS7LG0>

credible."<sup>16</sup> Bush also added more sanctions against state-run Myanmarese firms, charging them of helping fund the military junta.<sup>17</sup>

#### US ELECTION REVIEW

- **Clinton releases a plan to protect service men from mortgage crisis; Clinton, McCain support plan to suspend federal excise on gasoline in the travel season, Obama opposes the proposal; Obama breaks his relationship with pastor Jeremy Wright; Clinton, Obama endorse Fair Currency Act, an anti-China trade legislation**

Senator Hillary Clinton released a plan to protect service men from foreclosures and help them achieve the security of stable, affordable, fixed-rate mortgages. Her plan includes the call to enforce an absolute moratorium on foreclosures while service members are on overseas combat tours of duty and also has provisions to improve foreclosure protections for veterans who were returning home.<sup>18</sup>

Clinton also attempted to reinforce her position in contrast to her Democratic rival Senator Barack Obama in appealing to the middle-class families and the older Americans. She accused Obama of being out of touch with ordinary Americans who were struggling to meet their mortgages and pay for their energy bills. Along with Sen. McCain, she endorsed a plan to suspend the federal excise tax on gasoline (which was 18.4 cents a gallon) for the summer travel season. Obama on his part opposed the proposal and averred that it would not lead to any consumer saving or help in curtailing oil consumption or oil imports, a view which was shared by environmentalists and many independent energy analysts.<sup>19</sup>

Mr. Obama also defended his support of secular and liberal values by breaking his relationship with his former pastor Jeremy Wright. Obama denounced remarks which Wright had made in a series of televised appearances during the week. Mr. Wright had suggested among other things that the United States was attacked because it had engaged in terrorism on other people and that the government was capable of having used the AIDS virus to commit genocide against minorities.<sup>20</sup>

Clinton and Obama joined hands later in the week to endorse the anti-China trade legislation. Clinton signed up as a cosponsor of the Fair Currency

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<sup>16</sup> "Bush condemns Myanmar vote," *Aljazeera*, May 2, 2008, at <http://english.aljazeera.net/NR/exeres/473694A4-69A7-4B20-B438-CD159B307ECF.htm>

<sup>17</sup> "Bush unveils new US sanctions on Myanmar," *Associated Foreign Press*, May 1, 2008, at [http://afp.google.com/article/ALeqM5hS0JHeqPqtwb-\\_ebl6YRwDYJ2ARA](http://afp.google.com/article/ALeqM5hS0JHeqPqtwb-_ebl6YRwDYJ2ARA)

<sup>18</sup> "Hillary Clinton's Plan to Protect America's Servicemembers from Foreclosure," *Hillary Clinton.com*, April 28, 2008, at <http://www.hillaryclinton.com/news/release/view/?id=7336>

<sup>19</sup> "Democrats divided over gas tax breaks," *The New York Times*, April 29, 2008, at [http://www.nytimes.com/2008/04/29/us/politics/29campaign.html?\\_r=1&th=&adxnnl=1&oref=slogin&emc=th&pagewanted=print&adxnnlx=1210075804-wfaHDOMR9oYyQ0ihoFjNpA](http://www.nytimes.com/2008/04/29/us/politics/29campaign.html?_r=1&th=&adxnnl=1&oref=slogin&emc=th&pagewanted=print&adxnnlx=1210075804-wfaHDOMR9oYyQ0ihoFjNpA)

<sup>20</sup> Jeff Zeleny and Adam Nagourney, "Angry Obama renounces ties with ex-pastor," *The New York Times*, April 30, 2008, at <http://www.nytimes.com/2008/04/30/us/politics/30obama.html?th&emc=th>

Act on April 30, a bill intended to crack down on countries that manipulate their currencies in order to gain an edge in international trade, a step which Obama took on May 1. Both the candidates in the past had expressed the need to address the American fiscal deficit with China.<sup>21</sup>

## **SOUTH ASIA**

### **AFGHANISTAN**

- **Karzai escapes attempt on his life; Intelligence Chief blames militants with ties to Al Qaeda inside Pakistan; NYT: Pentagon debating deploying another 7,000 troops**

Afghan President Hamid Karzai escaped an assassination attempt on his life during the Afghan National Day parade in Kabul on April 27. 3 people were killed in the attack. Reports indicated that the attackers had fired from a nearby hotel. Afghanistan's intelligence chief Amrullah Saleh told reporters that the militants who had carried out the attacks had infiltrated the country's security forces and had ties to groups linked to Al Qaeda in Pakistan's tribal areas.<sup>22</sup> Kabul's Defence Ministry has meanwhile again called on Islamabad to stop 'terrorists' from using its territory to attack targets inside Afghanistan.<sup>23</sup>

Reports indicated that the US was contemplating deploying another 7,000 troops to Afghanistan, in addition to the 33,000 already present in the country. This was seen as necessary to offset the lack of forces being provided by NATO.<sup>24</sup> There were about 62,000 foreign troops in the country.

In other developments, 17 Taliban were killed in operations in Zabul province, southern Afghanistan while a NATO soldier was also killed in Helmand province, also in the south.

### **PAKISTAN**

- **Coalition government in crisis over the restoration of judiciary; Peace talks with militants discontinued**

The issue of restoration of judges threatened the existence of the newly elected democratic government. PML-N's Nawaz Sharif went to Dubai to meet the PPP co-chief, Asif Zardari to resolve the deadlock in view of the approaching deadline of April 30.<sup>25</sup> Zardari on his part maintained that the reinstatement of

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<sup>21</sup> "Obama joins Clinton in backing Anti-China trade bill," *Wall Street Journal*, May 1, 2008, at <http://blogs.wsj.com/washwire/2008/05/01/obama-joins-clinton-in-backing-anti-china-trade-bill/?mod=WSJBlog>

<sup>22</sup> "Afghans See Link to Qaeda in Plot to Shoot Karzai," *The New York Times*, May 1, 2008, at [http://www.nytimes.com/2008/05/01/world/asia/01afghan.html?\\_r=1&ref=todayspaper&oref=slogin](http://www.nytimes.com/2008/05/01/world/asia/01afghan.html?_r=1&ref=todayspaper&oref=slogin)

<sup>23</sup> "Taliban quits peace talks with Pak Government," *ANI*, May 4, 2008, at [http://in.news.yahoo.com/ani/20080504/r\\_t\\_ani\\_wl\\_asia/twl-taliban-quits-peace-talks-with-pak-g-774093f.html](http://in.news.yahoo.com/ani/20080504/r_t_ani_wl_asia/twl-taliban-quits-peace-talks-with-pak-g-774093f.html)

<sup>24</sup> "Pentagon Considers Adding Forces in Afghanistan," *The New York Times*, May 3, 2008, at <http://www.nytimes.com/2008/05/03/world/asia/03military.html?ref=todayspaper>

<sup>25</sup> Amir Wasim and Amjad Mahmood, "Nawaz in last-ditch attempt to avert coalition collapse," *Dawn*, April 30, 2008, at <http://www.dawn.com/2008/04/30/top1.htm>

judges would be done through a constitutional package.<sup>26</sup> The crisis could be averted after two rounds of talk between the parties of the ruling coalition in Islamabad, after which reports noted that the judiciary was likely to be reinstated on May 12 by a resolution of the National Assembly.<sup>27</sup>

In a related development, an official spokesperson speaking on behalf of President Musharraf affirmed that the President would oppose the process of restoration of judges and seek a stay order to that effect from the Supreme Court.<sup>28</sup>

Meanwhile, the peace talks initiated by the Pakistani government with the militants suffered a setback as the supreme commander of the Tehrik-i-Taliban (TTP), Baitullah Mehsud decided to discontinue the talks with the tribal Jirga. Reports noted that he was unhappy with the federal and the NWFP governments and that he had termed their efforts towards peace as being not genuine.<sup>29</sup>

## NEPAL

- **Madhesi leaders want demands to be met, favour a national foreign policy based on principles of panchsheel; Future role of the UNMIN being debated; Sood: India willing to help Nepal's transition to peace, stability, democracy**

**M**adhesi leaders demanded that their two key demands relating to delimitation of constituencies and the formation of a commission to probe into incidents during the Terai agitation should be met urgently.<sup>30</sup> Upendra Kumar Yadav also called on the Maoists to seek a consensus over the formation of a new government. Yadav reiterated that an autonomous Madhes was one of the key demands of his party and that any party which supported these demands would get the backing of the Madhesis. On the Indo-Nepal Peace and Friendship Treaty of 1950, Yadav stated that Madhesis were in favour of a national foreign policy based on the principles of panchsheel.<sup>31</sup>

The political parties meanwhile were debating the future role of the UNMIN. UNMIN chief Ian Martin also met Prachnada over the issue of the integration of the Nepali army and the PLA. Reports noted that a majority were in favour of downsizing the role of the UNMIN after the conduct of the CA

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<sup>26</sup> "Asif insists on constitutional package: Reinstatement of judges," *Dawn*, April 29, 2008, at <http://www.dawn.com/2008/04/29/top2.htm>

<sup>27</sup> Babar Dogar, "Judges to be restored on 12th: Nawaz," *The News*, May 3, 2008, at [http://www.thenews.com.pk/arc\\_default.asp](http://www.thenews.com.pk/arc_default.asp)

<sup>28</sup> Tariq Butt, "Presidency set to block return of judges," *The News*, May 2, 2008, at [http://www.thenews.com.pk/arc\\_default.asp](http://www.thenews.com.pk/arc_default.asp)

<sup>29</sup> "Mehsud suspends peace talks," *The News*, May 4, 2008, at [http://www.thenews.com.pk/arc\\_default.asp](http://www.thenews.com.pk/arc_default.asp)

<sup>30</sup> "Madhesi Leaders Want Issues Solved Before Polls," *The Himalayan Times*, May 1, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0vdqzpa5a4Ta3pa.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20070501>

<sup>31</sup> "Maoists Justified to Seek Govt Leadership: MJF," *The Himalayan Times*, April 29, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0va3qzpc3Sa2ta.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20080429>



polls.<sup>32</sup> Sources indicated that the term for UNMIN might expire after July 2008. UNMIN on its part has reduced its arms monitors to 82 from 186.<sup>33</sup> In the final election count, the Maoists bagged 100 seats, followed by NC at 73 seats and the CPN-UML with 70.<sup>34</sup>

The new Indian Ambassador to Nepal Rakesh Sood expressed India's willingness to support the new government in the drafting of the constitution. He also stated that India would render all possible cooperation in assisting Nepal's transition to peace, stability, democracy and development.<sup>35</sup>

In other developments, it was reported that China would invest around Rs. 320 million in Nepal to build a research centre.<sup>36</sup> World Bank officials also met Prachanda and Girija Prasad Koirala to discuss programmes regarding alleviation of poverty and for developing hydro-power potential of the region.<sup>37</sup>

## BANGLADESH

- **PAF Chief visits Bangladesh; India-Bangladesh sign a draft document on border demarcation in the Habiganj-Tripura sector; Foreign Adviser calls for a readjustment of Bangladesh's foreign policy**

The Chief of the Pakistan Air Force, Air Chief Marshal Tanvir Mahmood Ahmed paid a five-day official visit to Bangladesh from April 27. During his meetings with President Iajuddin Ahmed, Chief Adviser Fakhruddin Ahmed, as well as the services chiefs, the defence secretary and the principal staff officer of the armed forces division, both the sides expressed a commitment to further strengthen bilateral ties.<sup>38</sup>

Bangladesh and India meanwhile signed a draft document on border demarcation in the Habiganj-Tripura sector on April 27.<sup>39</sup> In a border incident, Bangladesh Rifles (BDR) personnel and troops of the Border Security Force (BSF)

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<sup>32</sup> "Parties to decide UNMIN fate: Baidya," *The Himalayan Times*, April 30, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0sa2qzpc3a8a3a8a.axamal&folder=aHaoamW&Name=Home&slImageFileName=>

<sup>33</sup> "UNMIN may leave Nepal after term expires," *Nepal News*, May 4, 2008, at <http://www.nepalnews.com/archive/2008/may/may04/news05.php>

<sup>34</sup> "Parties submit final PR list," *Nepal News*, May 2, 2008, at <http://www.nepalnews.com/archive/2008/may/may02/news10.php>

<sup>35</sup> "India Looking Forward to Work With New Govt: Sood," *The Himalayan Times*, May 1, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0vgqzpc3a8a3ua.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20080501>

<sup>36</sup> "China to help build research center," *Nepal News*, May 5, 2008, at <http://www.nepalnews.com/archive/2008/may/may05/news02.php>

<sup>37</sup> "World Bank Directors Meet PM Koirala, Prachanda," *The Himalayan Times*, April 29, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=6a1Va7tfo2am8&folder=aHaoamW&Name=Home&slImageFileName=>

<sup>38</sup> "Pak air chief arrives in city," *The Daily Star*, April 28, 2008, at <http://www.thedailystar.net/story.php?nid=34174>

<sup>39</sup> "Joint border survey in Habiganj-Tripura ends," *The Daily Star*, April 28, 2008, at <http://www.thedailystar.net/story.php?nid=34120>

exchanged fire at the Sharsha border of Benapole after the BSF killed a Bangladeshi farmer on April 29.<sup>40</sup>

Noting that countries like China, Japan, South Korea, ASEAN, India, and the Gulf States were the power players of contemporary times, Foreign Adviser Iftexhar Ahmed Chowdhury called for a readjustment of Bangladesh's foreign policy according to the changing times.<sup>41</sup> Chowdhury also conveyed to the new Charge d' Affairs of Iraq, Mohammad Sabri Rashid that Bangladesh supported Iraq's territorial integrity and that it wanted closer ties with Baghdad.<sup>42</sup> The outgoing British High Commissioner Anwar Choudhury on his part again reiterated on April 28 that Britain would not support martial law or military rule in Bangladesh and also called for the lifting of emergency so that preparations for elections could be made.<sup>43</sup>

In domestic developments, the High Court asked the Election Commission on April 30 to inform it through an affidavit as to when the preparations of the voter list would be completed so that the EC will be prepared to hold the next parliamentary election.<sup>44</sup>

#### SRI LANKA

- **Tehran to provide \$450 m for developing hydro-power projects and refineries; UNP vows to pass an Act to disarm armed groups if he came to power**

**D**uring the visit of the Iranian President Mahmoud Ahmadinejad to Colombo, the two countries signed comprehensive cooperation agreements on issues ranging from developmental assistance, political consultation and on sports development. Tehran would also be providing \$450 million dollars for developing hydro-power projects and oil refineries in Sri Lanka.<sup>45</sup>

In domestic developments, UNP's Ranil Wikremsinghe has vowed to pass an Act in parliament towards disarming the armed groups, if he wins the forthcoming elections.<sup>46</sup> The UNP has also urged the Election Commission to

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<sup>40</sup> "Bangladeshi shot dead on Sharsha border," *The Daily Star*, April 30, 2008, at <http://www.thedailystar.net/story.php?nid=34484>

<sup>41</sup> "Need for readjusting foreign policy stressed," *The Daily Star*, April 28, 2008, at <http://www.thedailystar.net/story.php?nid=34169>

<sup>42</sup> "Bangladesh wants closer relations with Iraq," *Xinhua*, May 4, 2008, at [http://news.xinhuanet.com/english/2008-05/04/content\\_8101342.htm](http://news.xinhuanet.com/english/2008-05/04/content_8101342.htm)

<sup>43</sup> "Britain won't back military intervention," *The Daily Star*, April 29, 2008, at <http://www.thedailystar.net/story.php?nid=34315>

<sup>44</sup> "HC seeks to know when EC holds polls," *The Daily Star*, May 1, 2008, at <http://www.thedailystar.net/story.php?nid=34592>

<sup>45</sup> "Sri Lanka and Iran respect their territorial integrity, says Iran President," *Colombo Page*, April 29, 2008, at [http://www.colombopage.com/archive\\_08/April29112208JR.html](http://www.colombopage.com/archive_08/April29112208JR.html)

<sup>46</sup> "Parliamentary act against armed groups once PC polls won," *Colombo Page*, May 1, 2008, at [http://www.colombopage.com/archive\\_08/May131828JR.html](http://www.colombopage.com/archive_08/May131828JR.html)

take action in order to disarm illegal armed groups in the East. This issue has been seen as critical towards the conduct of free and fair elections.<sup>47</sup>

The International Independent Group of Eminent Personnel (IIGEP) has meanwhile clarified its initial charge that the Sri Lankan government lacked political will to probe into human rights violations. P.N Bhagwati explained that the panel had emphasized on institutional and political will to investigate human rights violations.<sup>48</sup>

## MALDIVES

- **UN sends a fact-finding mission in context of its first multi-part elections in October 2008**

The United Nations on May 4 sent an inter-agency fact-finding mission to Maldives in the context of its first multi-party presidential elections in October 2008, which will be followed by the parliamentary elections. The UN mission was to assess the possibility of providing assistance during the elections.<sup>49</sup>

## II. PAKISTAN-OCUPIED KASHMIR REVIEW

- **Gilani visits POK and insists full cooperation in development process; President of POK calls on the Federal Minister of Defence; GBUM asks China to stop investment in the disputed regions**

Pakistani Prime Minister Gilani visited Pakistan-occupied Kashmir on April 30. He inaugurated the District Government Complex in Muzaffarabad.<sup>50</sup> Later addressing the joint session of the Legislative Assembly and the PoK Senate Council, Gilani reiterated the need of peaceful dialogue with the Indian government on the Kashmir issue.<sup>51</sup> He promised that the elected members of the PoK region would be given representations in Pakistani delegations. He also announced the allocation of Rs. 5 million to each member in the upcoming federal budget.<sup>52</sup>

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<sup>47</sup> "Sri Lanka's main opposition requests Election commissioner to disarm armed groups in the East," *Colombo Page*, May 4, 2008, at [http://www.colombopage.com/archive\\_08/May4150318JR.html](http://www.colombopage.com/archive_08/May4150318JR.html)

<sup>48</sup> "IIGEP clarifies its stance over political will of the government on ACF investigations," *Colombo Page*, April 29, 2008, at [http://www.colombopage.com/archive\\_08/April29164440JV.html](http://www.colombopage.com/archive_08/April29164440JV.html)

<sup>49</sup> "UN team to conduct fact-finding visit to Maldives," *Xinhua*, May 3, 2008, at [http://news.xinhuanet.com/english/2008-05/03/content\\_8093938.htm](http://news.xinhuanet.com/english/2008-05/03/content_8093938.htm)

<sup>50</sup> "Gilani inaugurates distt. govt. complex," at [http://www.app.com.pk/en\\_/index.php?option=com\\_content&task=view&id=36892&Itemid=2](http://www.app.com.pk/en_/index.php?option=com_content&task=view&id=36892&Itemid=2)

<sup>51</sup> "Pak PM ready for meaningful talks with India on Kashmir," *Thaindian News*, April 30, 2008, at [http://www.thaindian.com/newsportal/india-news/pak-pm-ready-for-meaningful-talks-with-india-on-kashmir\\_10043770.html](http://www.thaindian.com/newsportal/india-news/pak-pm-ready-for-meaningful-talks-with-india-on-kashmir_10043770.html)

<sup>52</sup> "Pakistan will continue backing Kashmiris' stance, says Gillani," *Daily Times*, May 1, 2008, at [http://www.dailytimes.com.pk/default.asp?page=2008%5C05%5C01%5Cstory\\_1-5-2008\\_pg7\\_25](http://www.dailytimes.com.pk/default.asp?page=2008%5C05%5C01%5Cstory_1-5-2008_pg7_25)

In another development, the President of the POK, Raja Mohammad Zulkarnain called on the Pakistani Federal Minister of Defence, Ch. Ahmed Mukhtar on his taking charge in the new office in Islamabad.<sup>53</sup>

Meanwhile, the Chairman of the Gilgit-Baltistan United Movement (GBUM), Manzoor Hussain Parwana asked China to refrain from investing in the disputed regions of the PoK. Parawna stated that Gilgit-Baltistan was not a part of Pakistan and that fell outside the jurisdiction of the Pakistani constitution. He was reportedly talking in the context of the Diamer-Bhasha Dam and the broadening of the Karakoram highway.<sup>54</sup>

In other developments, the leader of the PPP unit in the PoK, Chaudhary Abdul Majeed Advocate expressed concern over the forthcoming elections in J and K and charge that the electoral exercise was unfair. Advocate urged for international intervention on the issue in order to preserve the right of self determination of the people of Kashmir.<sup>55</sup>

### III. INTERNAL SECURITY REVIEW

#### JAMMU AND KASHMIR DEVELOPMENTS

- **Violence going down significantly in J&K, says A.K. Antony; Sajjad Afghan, the J&K's commander-in-chief of HuM killed in encounter**

Defence Minister A.K. Antony told the Army Commanders' Conference in New Delhi on April 27 that the ground situation in J and K had shown signs of improvement and that incidents of violence in the state had registered a significant drop. Mr. Antony noted that the "relatively peaceful conditions" had created a conducive environment for the Assembly elections due to be held later in the year. He further stated that the situation has been made possible mainly due to the 'commendable dedication, sacrifices and commitment of the Army.'<sup>56</sup>

Meanwhile, a team of the state police shot dead Sajjad Afghani, the J&K's commander-in-chief of the Harkat-ul-Mujahideen (HuM) in an encounter at Sopore town in Baramulla district on April 29. Afghani, a Pakistani, had been active in the Kupwara-Sopore belt for the last 10 years. Afghani's death is being seen as a remarkable achievement for the state police and an equally significant setback for militants. Separately, the Baramulla Police arrested four persons,

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<sup>53</sup> "President AJK calls on minister F.P.Report," *The Frontier Post*, April 29, 2008, at <http://www.thefrontierpost.com/News.aspx?ncat=hn&nid=980&ad=29-04-2008>

<sup>54</sup> Sarwar Kashani, "Gilgit leaders ask China not to invest in 'disputed' region," April 29, 2008, at [http://www.thaindian.com/newsportal/india-news/gilgit-leaders-ask-china-not-to-invest-in-disputed-region\\_10043318.html](http://www.thaindian.com/newsportal/india-news/gilgit-leaders-ask-china-not-to-invest-in-disputed-region_10043318.html)

<sup>55</sup> "PPP AJK seeks Int'l cooperation," *The Frontier Post*, April 29, 2008, at <http://www.thefrontierpost.com/News.aspx?ncat=hn&nid=988&ad=29-04-2008>

<sup>56</sup> "Ground situation in J&K improved significantly: Antony," *Daily Excelsior*, April 28, 2008, at <http://www.dailyexcelsior.com/web1/08apr28/news.htm#11>

including a branch manager of J & K Bank Ltd, for allegedly having transferred Euros worth Rs 18 Lakh to militants of the Lashkar-e-Toiba (LeT).<sup>57</sup>

#### NORTH-EAST INSURGENCY

- **Manipur government decides to arm villagers to fight militants**

The Manipur government announced on May 2 that it will issue licensed guns to people of two villages – Heirok in Thoubal district and Chajing in Imphal West district, to help protect themselves against the militants. This was for the first time in the insurgency-afflicted northeastern state that such a decision had been taken.<sup>58</sup> Under the plan, the state would recruit as many as 500 Special Police Officers from among the youths of Heirok and Chajing, with a remuneration of Rs. 300 each and also arm them with 303 rifles.

Several civil society groups including the Apunba Lup, and the United Committee Manipur (UCM) have slammed the cabinet's decision. They termed the move as an attempt to trigger 'bloodshed' among the Manipuri people.<sup>59</sup>

Separately, at least six Manipur-based People's United Liberation Front (PULF) militants including the outfit's general secretary were arrested from a hotel in Mysore, Karnataka on April 27.<sup>60</sup>

#### MAOIST INSURGENCY

- **A high-powered committee suggests holding peace talks with the Maoists; Reports allege that Maoists were grooming teenagers in Orissa**

Admitting that the rise of Naxalism was a 'political movement with a strong base among poor peasantry and Adivasis', a high-powered committee set up by the Planning Commission in 2006, has ascribed its growth to people's discontent and complete failure of the system. It has also asked for the immediate winding up of the Salwa Judum. The committee asked the government to first deal with the problem of landlessness, ensure livelihood and have an effective land acquisition, rehabilitation and resettlement policy. It also asked the government to hold peace talks with the Naxalites. The committee further recommended that the tribal sub-plan be brought under the Fifth Schedule and forest produce be provided protection of minimum support price.<sup>61</sup>

The government of Orissa has reacted sharply to reports that the Maoist outfit - Bal Sangam, was grooming teenagers as cadres in Malkangiri district. The

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<sup>57</sup> "JKB Manager among 4 held in Euro-Rupee scam, HuM chief Sajjad Afghani gunned down in Sopore," *Daily Excelsior*, April 30, 2008, at <http://www.dailyexcelsior.com/web1/08apr30/news.htm#1>

<sup>58</sup> "Manipur to arm villagers to fight militants," *The Hindu*, May 4, 2008, at <http://www.hindu.com/2008/05/04/stories/2008050455171000.htm>

<sup>59</sup> "Mixed reactions to Ibobi move," *Telegraph*, May 4, 2008, at [http://telegraphindia.com/1080504/jsp/frontpage/story\\_9223034.jsp](http://telegraphindia.com/1080504/jsp/frontpage/story_9223034.jsp)

<sup>60</sup> "Mysore hotel raid yields 6 PULF rebels," *Telegraph*, April 28, 2008, at [http://telegraphindia.com/1080428/jsp/northeast/story\\_9196739.jsp](http://telegraphindia.com/1080428/jsp/northeast/story_9196739.jsp)

<sup>61</sup> "Talk to Naxalites, says govt panel," *Times of India*, April 28, 2008, at [http://timesofindia.indiatimes.com/India/Talk\\_to\\_Naxalites\\_says\\_govt\\_panel/rssarticleshow/2989145.cms](http://timesofindia.indiatimes.com/India/Talk_to_Naxalites_says_govt_panel/rssarticleshow/2989145.cms)

matter gained prominence following a TV channel which showed video clippings of a recent Bal Sangam rally in which about 2,000 children between 8-10 years had participated. Sources said the rebels were training children to collect information, handle sophisticated weapons like AK-47's and SLRs and plant mines. They were also being taught Maoist and Leninist ideology and the history of the Maoist movement. The recruits have also reportedly been engaged to collect intelligence inputs, deliver messages and procure food from the market.<sup>62</sup>

#### IV. NUCLEAR REVIEW

##### INDIA

- **UPA-Left Committee on nuclear deal to meet on May 6; Dr. Singh-Ahmedinejad discuss nuclear issue, reaffirm right to peaceful uses of nuclear energy**

The UPA-Left Committee on the Indo-US nuclear agreement is slated to meet on May 6 to discuss the future course of action. Reports indicate that the main point of discussion would be the agreement with the IAEA.<sup>63</sup>

In other developments, Prime Minister Manmohan Singh and Iranian President Mahmoud Ahmadinejad discussed Iran's nuclear programme during their meeting in New Delhi. Both the countries reaffirmed their right to peaceful uses of atomic energy. New Delhi however asked Tehran to cooperate with the IAEA on its nuclear programme. Foreign Secretary Shiv Shankar Menon stated that Iran had "the right to peaceful use of nuclear energy while fulfilling her various obligations, and that the right way to do that is through the IAEA."<sup>64</sup>

##### IRAN

- **Heinonen visits Tehran for discussions; Iran says new round of talks to begin by end of next week**

Olli Heinonen, the IAEA deputy chief, again visited Tehran on April 29 for a day-long meeting with top Iranian officials about Iran's alleged nuclear weapons programme. He had led an IAEA team for discussions on April 21-23 during which Tehran had assured the IAEA about answering questions about its nuclear programme.<sup>65</sup>

In other developments, Iran's ambassador to the IAEA announced that Iran and the UN nuclear watchdog would resume their talks by the end of next

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<sup>62</sup> "Teen 'rebels' to face action," *Telegraph*, April 29, 2008, at [http://telegraphindia.com/1080429/jsp/frontpage/story\\_9201154.jsp](http://telegraphindia.com/1080429/jsp/frontpage/story_9201154.jsp)

<sup>63</sup> "UPA-Left committee to discuss Indo-US civil nuclear deal on Tuesday," *Yahoo News*, May 4, 2008, at [http://in.news.yahoo.com/ani/20080504/r\\_t\\_ani\\_nl\\_general/tnl-upa-left-committee-to-discuss-indo-u-99cbaa1.html](http://in.news.yahoo.com/ani/20080504/r_t_ani_nl_general/tnl-upa-left-committee-to-discuss-indo-u-99cbaa1.html)

<sup>64</sup> "India urges Iran to work with UN nuclear watchdog, says official," *AFP*, May 1, 2008, at <http://afp.google.com/article/ALeqM5hUSS1Ynxpv2Hdt2FXyI7FEZ1EwBg>

<sup>65</sup> "Top UN nuclear official in Iran for more talks," *AFP*, April 29, 2008, at <http://afp.google.com/article/ALeqM5gWJHX26BI8v05MAGTEysScC-jOdw>

week. Reports indicate that the talks will focus on pressing Iran over allegations that it conducted studies on how to design a nuclear weapon.<sup>66</sup>

#### NORTH KOREA

- **Bush administration comes in for criticism for not sharing information on the Syrian issue with IAEA earlier; Syrian President refutes US's claims, says Israel hit military target, not a nuclear facility; North Korea agrees to blow up cooling tower within 24 hours of being removed from U.S. list of state sponsors of terrorism**

Speculation surrounding the Syrian nuclear reactor continued during the week. The Bush administration came in for criticism for not sharing the crucial intelligence with the IAEA earlier. Sen. Diane Feinstein, a member of the Senate Select Committee on Intelligence expressed 'surprise' that information about the Syrian programme had not been given to the IAEA earlier.<sup>67</sup>

Syrian President Bashar al-Assad on his part denied claims made by the US and Israel that the site raided by Israel in September 2007 was a nuclear reactor under construction. He asserted that Israel had hit a military site under construction, not a nuclear site. Taking on the claims made by the US, Assad pointed out that it did not make sense to build a nuclear facility in the desert and not protect it with anti-aircraft defences. He added that Syria did not want a nuclear bomb even if Iran acquired one.<sup>68</sup>

CIA Director Michael Hayden meanwhile claimed that the alleged Syrian nuclear reactor destroyed by an Israeli air strike would have produced enough plutonium for one or two bombs within a year of becoming operational.<sup>69</sup> However, other reports quoting independent experts indicated that the Syrian facility was nowhere near completion. Experts pointed out that for a plutonium reactor, one needed a processing plant, but the destroyed site did not even have any proper roads connecting to it. Further, the Yongbyon reactor technology was over 40 years old, and that Syria could lay its hands on much better and advanced technology.<sup>70</sup>

In other development, North Korea agreed to blow up the cooling tower attached to its Yongbyon nuclear facility within 24 hours of being removed from the US list of state sponsors of terrorism. Pyongyang has also tentatively agreed to release thousands of pages of documents, dating back to 1990, concerning the

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<sup>66</sup> "Iran, IAEA to resume nuclear talks: envoy," *AFP*, May 1, 2008, at <http://afp.google.com/article/ALeqM5jH1uhD06AmxD2yveVG1BBmvGfdJQ>

<sup>67</sup> "US should have shared Syria nuclear intel earlier: legislators," *AFP*, April 29, 2008, at <http://afp.google.com/article/ALeqM5gkw-a65ADPSs6LwdkjtUWEwFvDg>

<sup>68</sup> "Syria president denies building nuclear reactor," *AFP*, April 27, 2008, at <http://afp.google.com/article/ALeqM5iC5pGjIKSgAt9o8v3vs4aW23xgMQ>

<sup>69</sup> "Hayden: Syrian site could have produced fuel for 2 weapons," *AFP*, April 30, 2008, at <http://ap.google.com/article/ALeqM5gwu1N6Ndb17MThXmiNHvFH-ZMHYgD90B8VU00>

<sup>70</sup> "Atomic expert questions US' Syrian reactor claim " *Khaleej Times*, April 26, 2008, at [http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/theworld/2008/April/theworld\\_April974.xml&section=theworld](http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/theworld/2008/April/theworld_April974.xml&section=theworld)

daily production records of the facility. The records were intended to help US experts determine how much plutonium was produced at the facility and thus verify the North Korean claims. North Korea on its part claims that it has produced more than 30 kgs of plutonium as opposed to Washington's claim that Pyongyang produced about 50 kilograms of plutonium.<sup>71</sup>

## V. ENERGY SECURITY REVIEW

### ALTERNATIVE SOURCES OF ENERGY

- **Bush attributes rising food prices to India's middle class; Congress: India is a net food exporter; Bush also calls for increased ethanol use**

US President George Bush attributed rising food prices to India's burgeoning middle class. Domestic political parties have reacted strongly to Bush's assertions with the Congress noting that it was a "completely erroneous" analysis and pointed out that India was a net food exporter. The CPI(M) on its part charged that the food crisis was a result of "the diversion of food grains for bio-fuels by America."<sup>72</sup>

Senior scientists at CGIAR (Consultative Group on International Agricultural Research), a global network that uses science to alleviate hunger, meanwhile have called for a halt to food based bio-fuel production in order to stem the global rise in food prices. According to them, putting a moratorium on corn etc.-based ethanol would cut global food prices by 20 per cent. President Bush on the other hand has urged the opposite and declared that the United States should increase ethanol use to meet energy security goals and high gas prices.<sup>73</sup>

Alternative sources of energy were also the focus of the annual session of the UN Economic and Social Commission for Asia and the Pacific (ESCAP) held in Bangkok during the week. Countries of the Asia-Pacific reached an agreement to boost their collaboration on developing renewable energy in a bid to decrease reliance on fossil fuels and enhance their long-term energy security. Representatives from 50 countries attended the session, which also adopted resolutions on boosting resilience to disasters, the Millennium Development Goals (MDGs), and decided on eight anti-poverty targets to be met by 2015.<sup>74</sup>

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<sup>71</sup> Glenn Kessler, "N. Korea Agrees to Blow Up Tower at Its Nuclear Facility," *Washington Post*, May 2, 2008, at [http://www.washingtonpost.com/wp-dyn/content/article/2008/05/01/AR2008050103719\\_pf.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/05/01/AR2008050103719_pf.html)

<sup>72</sup> "Bush gets it Left, Right and Centre," *Hindustan Times*, May 4, 2008, at [http://in.news.yahoo.com/hindustantimes/20080504/r\\_t\\_ht\\_nl\\_general/tnl-bush-gets-it-left-right-and-centre-7244580\\_1.html](http://in.news.yahoo.com/hindustantimes/20080504/r_t_ht_nl_general/tnl-bush-gets-it-left-right-and-centre-7244580_1.html)

<sup>73</sup> "Food scientists say biofuels to fight world hunger," *Forums. Narutonfan.com*, April 30, 2008, at <http://forums.narutonfan.com/showthread.php?t=366111>

<sup>74</sup> "At UN gathering, Asia-Pacific nations agree to cooperate on renewable energy," *UN.org*, May 1, 2008, at <http://www.un.org/apps/news/story.asp?NewsID=26528&Cr=escap&Cr1=development#>



## GEOPOLITICS

- **Tehran completes deals with Chinese, Malaysian, and Swiss companies, sanctions regime under threat**

American-backed sanctions regime against the Iranian republic seems to be under threat after a string of important gas deals with European and other Countries. Tehran has concluded gas deals with Chinese and Malaysian companies which have reinvigorated its energy sector. Tehran has also alarmed Washington by reaching an agreement on natural gas with a Swiss group worth \$42 billion. US fear that this would encourage other deals despite American calls for more stringent sanctions against Iran.<sup>75</sup>

## MARKET

- **Oil prices on an upward trend due to a strengthened dollar**

Oil prices registered an upward trend after the dollar strengthened and a workers' strike in Nigeria ended, to be followed soon by a resumption of oil production. US crude meanwhile fell for the third day, dropping by \$2.53 to \$110.95 a barrel. It was at \$110.46 in the previous days, the lowest since April 14.<sup>76</sup>

## NATURAL GAS

- **Menon: IPI Pipeline 'doable'; Ahmadinejad welcomes proposal to include China in project; Christine Fair: IPI Pipeline "absolutely infeasible"**

Foreign Secretary Shivshankar Menon after talks between the visiting Iranian President Mahmoud Ahmadinejad and Prime Minister Manmohan Singh on April 29, reiterated India's stand that the Iran-Pakistan-India gas pipeline was 'doable.' Mr. Menon however also stated that the pipeline required a lot of work in order to ensure its commercial viability, security and assured supply. Both Pakistan and Iran have expressed similar sentiments.

Meeting his Pakistani counter part, Pervez Musharraf in Islamabad on April 28, Mr. Ahmednihad hoped that the IPI agreement "will be finalized soon." He also welcomed the proposal that China join the project.

Meanwhile, a senior political expert at Rand corporation Christine Fair speaking to the *Economic Times* stated that the proposed IPI pipeline was "absolutely infeasible" in the foreseeable future because financial, political, legal and security circumstances did not support it. She averred that none of the three countries involved in the talks had "the resources to fund the pipeline" that there were "serious security concerns," especially as it passed through Baluchistan in

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<sup>75</sup> "US feels the heat after Iran-Switzerland \$42b gas deal," *Tehran Times*, May 3, 2008, at [http://www.tehrantimes.com/index\\_View.asp?code=167664](http://www.tehrantimes.com/index_View.asp?code=167664)

<sup>76</sup> "Oil prices slips below \$111 a barrel," *Economic Times*, May 2, 2008, at [http://economictimes.indiatimes.com/Economy/Oilslips\\_below\\_111\\_a\\_barrel/articleshow/3003149.cms](http://economictimes.indiatimes.com/Economy/Oilslips_below_111_a_barrel/articleshow/3003149.cms)

Pakistan. Fair also asserted noted that no public or private consortium would agree to build due to the issue of Iran's nuclear quest.<sup>77</sup>

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<sup>77</sup> "India-Iran gas pipeline 'infeasible' for now: US expert," *Economic Times*, May 3, 2008, at [http://economictimes.indiatimes.com/News\\_by\\_Industry/India-Iran\\_gas\\_pipeline\\_infeasible\\_for\\_now\\_US\\_expert/articleshow/3006835.cms](http://economictimes.indiatimes.com/News_by_Industry/India-Iran_gas_pipeline_infeasible_for_now_US_expert/articleshow/3006835.cms)