

THE WEEK IN REVIEW

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I. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

- **US Vice President Joe Biden: United States will continue helping Afghanistan even after pullout; Suicide blast kills two in Kabul; US Official: Efforts to improve governance in Afghanistan are bearing fruit**

The Vice President of the United States Joe Biden who was on a visit to Afghanistan and Pakistan, has stated that US will not cut and run in 2014, when the US-led military coalition plans to hand over control of security to Afghan forces. Speaking after a meeting with Afghan President Hamid Karzai in Kabul, Biden said training and aid will continue even after responsibility for security is handed over to Afghans.¹

Meanwhile, a suicide bomber killed at least two Afghan security personnel and wounded four in an attack near the country's parliament in Kabul, Ministry of Interior spokesman Zemari Bashary said. The attack in the Afghan capital targeted a minibus carrying Afghan security forces, he added.²

However, a top US official responsible for four key southern provinces in Afghanistan, including the traditional Taliban stronghold of Kandahar, noted that efforts to improve governance in Afghanistan are bearing fruit in areas where a troop surge has driven back the Taliban however he stressed that more work is needed to sustain progress as the United States prepares to cut troops next year. He also added that a great deal of progress has been made in security scenario over time.³

PAKISTAN

- **Sardar Latif Khosa appointed Punjab Governor; US Vice President arrives in Pakistan for talks; US Admiral Mike Mullen terms Pakistan as 'epicenter' of global terrorism; Zardari visits the United States for talks; Zardari-Obama talks to focus on Pakistan's economic reforms**

¹ "Biden says US will help Afghanistan after pullout", *Dawn*, January 11, 2011 at <http://www.dawn.com/2011/01/11/biden-says-us-will-help-afghanistan-after-pullout.html>

² "Suicide blast kills two in Kabul", *Dawn*, January 12, 2011 at <http://www.dawn.com/2011/01/12/suicide-blast-kills-two-in-kabul.html>

³ "US sees better governance in some Afghan areas", *Dawn*, January 14, 2011 at <http://www.dawn.com/2011/01/14/us-sees-better-governance-in-some-afghan-areas.html>

Sardar Muhammad Latif Khan Khosa has been appointed as Punjab Governor on advice of Prime Minister Yusuf Raza Gillani. His appointment comes after the assassination of erstwhile Governor Salman Taseer. A notification has been issued in this regard, a private TV channel reported. According to official sources, the Governor-designate will take oath at the Governor's House on Wednesday. Lahore High Court Chief Justice Ijaz Ahmed Chaudhary will administer the oath.⁴

US Vice President Joe Biden arrived in Pakistan on Wednesday for talks with President Asif Ali Zardari, as the United States seeks to pressure Islamabad to pursue militants while avoiding straining the relationship further. The Vice President is scheduled to meet the Pakistan's President, Prime Minister and members of Pakistan military regiment to discuss the issues of terrorism and stability in the region.⁵ Meanwhile, the Chairman of the Joint Chiefs of Staff, Admiral Mike Mullen has called Pakistan the "epicentre" for global terrorism and noted that he was "confident" that the Pakistani military knows what it has to do to eliminate the threat.⁶

However, reports noted that Pakistani President Asif Ali Zardari is visiting United States. He will attend the memorial of Richard Holbrooke, who was the US special representative to Afghanistan and Pakistan until his sudden death last month.⁷ Meanwhile according to reports, US President Barack Obama will have a closed-door meeting with President Asif Ali Zardari on Friday. According to the White House sources, proposed economic reforms for Pakistan would be on top of their agenda. These reforms have been proposed by the IMF and World Bank, aimed at speeding up economic recovery. It has been strongly supported by the United States along with support for democracy and good governance and joint efforts to combat terrorism.⁸

SRI LANKA

- **More than one million people affected by worst flood of the century in Sri Lanka; India provides assistance to the flood victims of Sri Lanka; Sri Lanka provides relief assistance to the flood victims of Australia;**

⁴ "Latif Khosa appointed Punjab governor", *Daily Times*, January 12, 2011 at http://www.dailytimes.com.pk/default.asp?page=2011\01\12\story_12-1-2011_pg1_5

⁵ "US vice president arrives in Pakistan for talks", *Dawn*, January 12, 2011 at <http://www.dawn.com/2011/01/12/us-vice-president-arrives-in-pakistan-for-talks.html>

⁶ "Pakistan 'epicentre' for global terrorism: Mike Mullen", *Dawn*, January 13, 2011 at <http://www.dawn.com/2011/01/13/pakistan-%E2%80%98epicentre%E2%80%99-for-global-terrorism-mike-mullen.html>

⁷ "Zardari heads to US for talks, meetings", *Dawn*, January 13, 2011 at <http://www.dawn.com/2011/01/13/zardari-heads-to-us-for-talks-meetings.html>

⁸ "Zardari-Obama talks to focus on economic reforms", *Dawn*, January 14, 2011 at <http://www.dawn.com/2011/01/14/obama-to-meet-pakistans-zardari-on-friday.html>

India's External Affairs Ministry and RITES Limited for Consultancy Services sign an agreement for rehabilitation of the Kankesanthurai Harbour in Sri Lanka; One Indian fisherman killed as Sri Lankan Navy opens fire; Shooting on Indian fishermen; The Indian Air Force Chief visits Sri Lanka; Sri Lankan Parliamentary delegation visits Pakistan; MoU between Sri Lanka and Libya; Sri Lanka ranks 19th out of 41 countries in the Asia-Pacific region in the '2011 Index of Economic Freedom'

The worst ever floods in a century, which is second to the tsunami of 2004 have affected more than one million people or one-twentieth of the population of Sri Lanka.⁹ The Indian government dispatched twenty-five tonnes of relief material, including food, drinking water, sleeping mats, blankets, bed sheets to Colombo material for the flood-affected people in Sri Lanka.¹⁰ While, Sri Lanka itself is affected by torrential rain, Government of Sri Lanka as a mark of solidarity with the people of Australia, donated a consignment of black tea as relief assistance for the victims of the floods in the State of Queensland which has caused immense damage to over 200,000 people.¹¹

The Indian External Affairs Ministry and RITES Limited for Consultancy Services signed an agreement to prepare Detailed Project Report (DPR) and the conduct of geo-technical investigations for the rehabilitation of the Kankesanthurai Harbour in Sri Lanka. The cost of preparation of the DPR and geo-technical investigations (approximately SLR 70 million) will be met by the Government of India.¹²

Meanwhile, reports noted that one fisherman was killed and another was injured when Lankan navy opened fire at sea at fishermen from Tamil Nadu. However, Sri Lankan Government has denied it when New Delhi registered a formal complaint to Colombo.¹³ However, in another report four Indian fishermen

⁹ "At least One million affected by floods", *Daily Mirror*, January 14, 2011 at <http://print.dailymirror.lk/news/front-page-news/32897-at-least-one-million-affected-by-floods.html>

¹⁰ "India to Dispatch Flood Relief", *News Line*, January 13, 2011 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201101/20110113india_dispatch_flood_relief.htm

¹¹ "Minister of External Affairs, Prof. G.L. Peiris handed over a donation of tea to the Actg. High Commissioner for Australia for the victims of the recent flash floods in the State of Queensland", *Ministry of External Affairs, Sri Lanka*, January 10, 2011 at http://www.slmfa.gov.lk/index.php?option=com_content&task=view&id=2630&Itemid=75

¹² "India to commence restoration of KKS harbour", *Daily Mirror*, January 12, 2011 at <http://print.dailymirror.lk/news/news/32664.html>

¹³ "Sri Lankan Navy Denies Shooting Fishermen, India Lodges Formal Complaint", *NDTV*, January 13, 2011 at <http://www.ndtv.com/article/india/sri-lankan-navy-denies-shooting-fishermen-india-lodges-formal-complaint-79058?pfom=home-India>

along with their fishing boat were handed over to Indian authorities at the Indo-Sri Lanka Maritime Boundary on January 9, 2011.¹⁴

The Indian Air Force Commander, Air Chief Marshal P.V. Naik along with a delegation visited Sri Lanka on January 16, 2011.¹⁵ However, a Sri Lankan parliamentary delegation headed by Speaker of Parliament Chamal Rajapakse visited Pakistan and met the Pakistani President Asif Ali Zardari. During the meeting, President stressed for enhancing economic cooperation between the two countries. President has also intended to train police and intelligence officers of Sri Lanka. Meanwhile, Minister Chamal Rajapakse highly appreciated Pakistan's support extended to Sri Lankan army for combating against terrorism in the peninsula.¹⁶

In other developments, three Memoranda of Understanding have been signed between Sri Lanka and Libya to provide assistance for infrastructure development in the North East, development of highways and communication and tourism were granted approval by the Government of Sri Lanka.¹⁷ In other developments, Sri Lanka is ranked 19th among 41 countries in the Asia-Pacific region in the '2011 Index of Economic Freedom' conducted by the Wall Street Journal and the Heritage Foundation, a Washington based pre-eminent think tank.¹⁸

MALDIVES

- **India's NTPC conducts feasibility study to set up solar power projects in the Maldives; Reports: Existence of eight Tamil Tiger (LTTE) ships outside Sri Lanka could contribute to piracy and drug trafficking in Maldives; Maldives ranked as one of the world's most economically repressed countries; Top Chinese and Maldivian legislators hold meeting**

Reports noted that India's largest state-owned power producer National Thermal Power Corporation (NTPC) is conducting feasibility study in Maldives for

¹⁴ "Navy repatriates Indian fishermen", *Daily Mirror*, January 12, 2011 at <http://print.dailymirror.lk/news/news/32654.html>

¹⁵ "Indian Air Chief arrives", *Daily Mirror*, January 16, 2011 at <http://www.dailymirror.lk/news/9075-indian-air-chief-arrives.html>

¹⁶ "Pakistan to Train Lankan Spies", *Daily Mirror*, January 10, 2011 at <http://www.dailymirror.lk/news/8926-pakistan-to-train-lanka-ops-.html>

¹⁷ "Three MoUs with Libya", *Daily Mirror*, January 14, 2011 at <http://print.dailymirror.lk/news/news/32877.html>

¹⁸ "Sri Lanka climbs 2011 Economic Freedom Index", *News Line*, January 13, 2011 at http://www.priu.gov.lk/news_update/Current_Affairs/ca201101/20110113sl_climbs_2011_economic_freedom_index.htm

setting up solar power projects.¹⁹ Meanwhile, according to intelligence reports, the existence of eight Tamil Tiger (LTTE) ships outside Sri Lanka could contribute to piracy and drug trafficking in Maldives. The Maldivian Coastguard has joined hands with Sri Lankan and Indian Navy to eradicate piracy, drug trafficking in the Indian Ocean.²⁰

According to the 2011 Index of Economic Freedom report produced by the Wall Street Journal and Washington based think-tank the Heritage Foundation, Maldives is one of the world's most economically-repressed countries which has been ranked at 154th position out of the 183 countries across the globe and 34th out of 41 countries in the Asia Pacific regions.²¹

In other developments, Chairman of the Standing Committee of the National People's Congress (NPC) of China, Wu Bangguo met with his Maldivian counterpart Abdulla Shahid in Beijing on January 10, 2011. They called for closer relations between China and the Maldives at all levels aimed at enhancing mutual trust as well as economic and trade cooperation in fields such as fisheries, tourism, and infrastructure construction between the two nations.²²

BHUTAN

- **Bhutanese Prime Minister Thinley visits Bangladesh, discusses a number of issues relating to transit and trade; PM Thinley: Bhutan is currently over capacitated in producing hydro-power for Bangladesh; Prime Minister Thinley assures Bangladesh of all cooperation in the power sector; PM Thinley expresses hope for enhancement of bilateral trade between Bhutan and Bangladesh up to US \$ 100 million; Bhutanese refugees in Nepal withdraw hunger strike after four days; Wikileaks reveals Nepal's frustration towards Bhutanese on the lack of progress in repatriating refugees; Violent clashes between pro-Gorkhaland supporters and opponents causes security concern to Bhutan**

Bhutan's Prime Minister Lyonchhen Jigme Y. Thinley was on a four day visit to Bangladesh from January 10-13, 2011. Bangladesh and Bhutan are expected to sign a fresh agreement that will allow Bhutan to use Mongla port of Bangladesh.

¹⁹ "India Eyes Maldives for Setting up Solar Power Projects", *Asian Tribune*, January 10, 2011 at <http://www.asiantribune.com/news/2011/01/10/india-eyes-maldives-setting-solar-power-projects>

²⁰ "Reports Suggest Sri Lanka's Vanquished Terrorists could Contribute to Piracy in Maldives", *Haveeru*, January 13, 2011 at <http://www.haveeru.com.mv/english/details/34230>

²¹ "Maldives One of the World's Most Economically-Repressed Countries: Report", *Minivan News*, January 13, 2011 at <http://minivannews.com/politics/maldives-one-of-the-worlds-most-economically-repressed-countries-report-15052>

²² "China vows to step up parliamentary cooperation with Maldives", January 10, 2011 at http://news.xinhuanet.com/english2010/china/2011-01/10/c_13684368.htm.

It would be noteworthy that Bangladesh and Bhutan had earlier signed a transit agreement in 1980, but it did not come into effect, as Bangladesh and India failed to reach an agreement on giving Bhutan a corridor, and to allow it use a strip of the Indian territory. While now India has agreed to provide rail and road access to Bhutan through its territory to Bangladeshi ports, Bangladesh has agreed to give Bhutan access to its Chittagong and Mongla port facilities.²³

However, visiting Bhutanese Prime Minister Thinley noted that Bhutan is currently over capacitated in producing hydro-power for Bangladesh as Indian-financed 10 mega hydro-power projects in Bhutan are expected to be implemented by 2020. He stated, "We are now over capacitated in producing power to address the problem in the field of energy security of Bangladesh...".²⁴

Meanwhile, Prime Minister Thinley assured Bangladesh of all cooperation in the power sector in which the land-locked Himalayan country has got huge potentials. Thinley also said that as an upstream country, Bhutan would protect the interests of downstream Bangladesh regarding free flow of river water. After the talks, Bangladesh and Bhutan signed an agreement on cultural exchange and a Memorandum of Understanding (MoU) on cooperation in health sector. It was decided that both the countries could jointly work towards the proper management of natural resources, biodiversity and ecology.²⁵ The Prime Minister also expressed interest in increasing the bilateral trade between both countries, hoping that it could go up to US \$ 100 million from current US\$ 30 million in the next few years.²⁶

Meanwhile, Bhutanese refugees in Nepal were on a hunger strike in the refugee camps in East Nepal. The grievance primarily revolved around issues pertaining to status and identity. For instance, around 3190 refugees have been denied registration, refugee identity cards and ration in UN-monitored various seven camps of Jhapa and Morang districts. Agitating Bhutanese refugees finally

²³ "Bhutan to sign deal to access Bangladesh's Mongla port," *Sify News*, January 7, 2011 at <http://www.sify.com/news/bhutan-to-sign-deal-to-access-bangladesh-s-mongla-port-news-international-lbhnOkbecid.html>

²⁴ "Bhutan hard put to offer hydro-power now: Thinley," *The Financial Express*, January 14, 2011 at http://www.thefinancialexpress-bd.com/more.php?news_id=122877&date=2011-01-14

²⁵ "Thimphu assures Dhaka of all cooperation in power sector," *The Financial Express*, January 14, 2011, at http://www.thefinancialexpress-bd.com/print_view.php?news_id=122664

²⁶ "Dhaka, Thimphu trade to go up to \$100m, hopes Bhutanese PM," *Daily Star*, January 13, 2011 at <http://www.thedailystar.net/newDesign/news-details.php?nid=169803>

agreed to withdraw their protest as the government assured them to meet their demands in the next 15 days.²⁷

According to the leaked diplomatic cables, former Foreign Minister of Nepal, Ramesh Nath Pande, expressed frustration towards the Bhutanese on the lack of progress in repatriating refugees. The cable states that the Minister claimed that lack of political will on part of Bhutan, would force him to internationalize the issue.²⁸

In other developments, reports noted that the violent clashes on January 16, 2011 between pro-Gorkhaland supporters and those opposed to the movement at Jaigaon could be of some security concern to Bhutan, as Jaigaon thrives on trade with Bhutan through its border town, Phuentsholing.²⁹

B. EAST ASIA

CHINA

- **US Defense Secretary Robert Gates's visit to China restores military exchanges; The General Staff Headquarters issues directives regarding military training in 2011; The General Armaments Department promulgates the table of Military Standard Systems; The general political department presents its report on the fight against corruption in the army; The Chinese naval taskforce carries out a late-night military exercise in the Gulf of Aden; A NATO delegation visits the Chinese naval taskforce in the Gulf of Aden**

The United States Defense Secretary Robert Gates paid a four-day visit to China. The visit was aimed at improving military ties after frictions last year. During the visit, he met Chinese President and Chairman of China's Central Military Commission Hu Jintao, Vice President and Vice Chairman of the commission Xi Jinping, Vice Chairman of the commission Xu Caihou, Foreign Minister Yang

²⁷“Bhutanese refugees withdraw hunger strike after four days,” *Nepal News*, January 14, 2011, at <http://www.nepalnews.com/archive/2011/jan/jan14/news05.php>

²⁸ “US embassy cables: 'Nepal could become another Burma, US warned,’” *The Guardian*, January 14, 2011, at <http://www.guardian.co.uk/world/us-embassy-cables-documents/47745>

²⁹“Curfew in Dooars after clash,” January 17, 2011, *Times of India*, <http://timesofindia.indiatimes.com/city/kolkata-TNNCurfew-in-Dooars-after-clashViolence-erupts/articleshow/7300510.cms>

Jiechi and his Chinese counterpart Liang Guanglie separately.³⁰ During his meeting with Gates, Chinese Defense Minister Liang Guanglie remarked that China's military hardware development is not targeting any country. It does not pose threat to any country either. He made these remarks at a joint press conference with visiting United States Defense Secretary Robert Gates on Monday. He was responding to a U.S. reporter who asked if China wanted to counter the U.S. military engagement in Asia by developing weapons. Liang admitted that China had made progress in building its military might and developed weapons to meet its sovereignty and security requirements, however, it still lagged far behind developed nations in terms of weaponry.³¹ During Gates's visit, the two countries agreed to restore high-level military exchanges.³² Gates also visited the Second Artillery Force of the Chinese People's Liberation Army (PLA) on Wednesday.³³

The General Staff Headquarters (GSH) of the PLA has issued a directive to deepen reform of military drill, to press ahead with training on mission subjects, to intensify troops' basic training, to attach importance to the joint training of arms and services, to deepen education reform of military academies, to improve training support in the year 2011.³⁴

The General Armaments Department (GAD) of the PLA, recently, promulgated the Table of Military Standard Systems recently to advance the national defense and military modernization drive, strengthen unified management of military standards, and to promote military-civilian integration in the field of standardization. Reports noted that the table unifies and coordinates the national, departmental and industrial standards for military use, covering operation command, political work, logistics support, armaments development, defense technology and other areas concerning national defense and military modernization drive. It has included standards for new equipment and new

³⁰ "U.S. defense chief starts China visit aiming to get military ties back on track", *PLA Daily* (Online), 10 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/10/content_4365888.htm

³¹ "China's military development poses no threat: defense minister", *PLA Daily* (Online), 11 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/11/content_4366602.htm.

³² "China, U.S. resume high-level military exchanges, agree to avoid misunderstanding", *PLA Daily* (Online), 11 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/11/content_4366566.htm

³³ "U.S. defense chief visits PLA Second Artillery Force", *PLA Daily* (Online), 13 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/13/content_4368187.htm

³⁴ "GSH deploys military training work for 2011", *PLA Daily* (Online), 14 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/14/content_4369555.htm

technologies and highlighted the standards for general-purpose products, common technologies and information technology.³⁵

The General Political Department (GPD) of the PLA and the Discipline Inspection Commission of the CMC jointly organized a working conference of the PLA on military discipline inspection in Beijing on 9 January 2011. At the conference, Tong Shiping, Deputy Director of the GPD and secretary of the CMC Discipline Inspection Commission, delivered a report entitled “Recognize the Situation and Tasks and Increase Prevention Efforts to Effectively Promote Anti-corruption and Clean Army Building of the People’s Liberation Army” at the conference. According to the report, the Party committees, discipline inspection commissions and political institutions of the PLA at all levels firmly implemented the decisions and arrangements made by the Central Committee of the Communist Party of China (CPC), the CMC and President Hu Jintao in 2010 to curb the corruption in the army. They enhanced administrative supervision in order to ensure a favorable situation and positive development of the anti-corruption and clean army building in the military.³⁶

The special operation force of the “Zhoushan” warship and the “Qiandaohu” warship of the 7th Chinese naval escort taskforce, stationed in the Gulf of Aden, carried out a live-firing drill at the night of January 10, 2011 in the Gulf. The exercise was undertaken when the visibility was less than 10 meters over the less sea.³⁷

In other developments, a 9-member delegation from the NATO Task Force 508 visited the “Zhoushan” warship of the 7th Chinese naval escort taskforce. The visiting delegation held talks and exchange with Rear Admiral Zhang Huachen, commander of the Chinese taskforce. The two sides discussed the security situation in the Gulf of Aden and the waters off the Somali coast.³⁸

JAPAN

- **Japan and South Korea agree on inter-Korean dialogue first to be followed by direct talks between Japan and North Korea; Top diplomats**

³⁵ “Table of Military Standard Systems promulgated”, *PLA Daily* (Online), 10 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/10/content_4366312.htm

³⁶ “Working conference on military discipline inspection held in Beijing”, *PLA Daily* (Online), 10 January 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/10/content_4366310.htm.

³⁷ “7th Chinese naval escort taskforce in night live-firing drill”, *PLA Daily* (Online), 13 January 2011 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/13/content_4368704.htm

³⁸ “Chinese naval escort taskforce commander meets NATO counterpart”, *PLA Daily* (Online), 10 January 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2011-01/10/content_4366322.htm

of South Korea and Japan insist that North Korea must prove its seriousness about giving up its atomic ambitions before new round of disarmament talks; Reports: Japan and South Korea are moving toward closer defense cooperation; Russia rules out resolving dispute with Japan over the sovereignty of islands off Hokkaido in the near term; Reports: Japan considers buying a fleet of F-35 stealth jet fighters from United States

On the regional front, Japan and South Korea have agreed that the inter-Korean dialogue should be held first to repair bilateral ties and defuse tensions on the Korean Peninsula. This should be followed by direct talks between Japan and North Korea that would address Pyongyang's abductions of Japanese nationals.³⁹ Meanwhile, top diplomats of South Korea and Japan showed North Korea a tough, unified face. They stated that North Korea must prove that it is serious about giving up its atomic ambitions before they will allow a new round of aid-for-nuclear disarmament talks.⁴⁰ On the other hand, according to reports, Japan and South Korea are moving toward closer defense cooperation. But there are a large number of problems involved. The most prominent among them is the Japanese pacifist Constitution and public opinion in South Korea as lingering resentment over its colonial rule remains strong.⁴¹

On the other hand, Russia has declared that resolving the long-standing dispute with Japan over the sovereignty of islands off Hokkaido in the near term is not possible. It was stated that "Settlement is impossible for now," and that enhancing bilateral relations through measures such as economic cooperation should come first.⁴²

Reports noted that Japan is considering buying a fleet of F-35 stealth jet fighters to boost its airforce, the US Defence Secretary has said. This was declared just after a day China unveiled its own stealth fighter.⁴³ There are also reports that Japan's Trade Minister has expressed interest in cooperating with Iraq on nuclear energy.⁴⁴

³⁹ "Japan, S. Korea eye inter-Korean talks preceding Tokyo-Pyongyang meet" *Mainichi Japan*, January 16, 2011 at <http://mdn.mainichi.jp/mdnnews/news/20110116p2g00m0in010000c.html>

⁴⁰ "South Korea, Japan continue hard line on NKorea" *News on Japan*, January 15, 2011 at <http://newsonjapan.com/html/newsdesk/article/86515.php>

⁴¹ "ANALYSIS: Japan, S. Korea in defense push" *Asahi*, January 12, 2011 at <http://www.asahi.com/english/TKY201101110268.html>

⁴² "Territory settlement 'impossible' now: Russia" *Japan Times*, January 14, 2011 at <http://search.japantimes.co.jp/cgi-bin/nn20110114a7.html>

⁴³ "Japan should buy F-35 stealth fighters, US says" *Telegraph*, January 12, 2011 at <http://www.telegraph.co.uk/news/worldnews/asia/japan/8254675/Japan-should-buy-F-35-stealth-fighters-US-says.html>

⁴⁴ "Japan, Iraq talk nuclear energy: minister" *Associated Press*, January 11, 2011 at <http://www.google.com/hostednews/afp/article/ALeqM5hGcktFg2AWeYQtleKPdTQ4mVUNZA?docId=CN.G.a81c9d50361e315701650323ff7a1aba.511>

In another important revelation, it is known that the Japanese government in the 1970s approved the US forces' dropping of mock nuclear weapons on Okinawa. This was approved after the Japanese demand for cancellation of such training was rejected by the US side.⁴⁵

SOUTHEAST ASIA

- **Foreign Ministers of ASEAN-China to meet on January 25; ASEAN+3 to intensify tourism cooperation; Indonesia to donate US\$ 1 million to Australia; Indonesia supports East Timor's membership bid; Ethnic parties of Myanmar call for end to sanctions; Myanmar's Than Shwe,s draws up a draft outlining his lineup of the future ruling hierarchy**

China and ASEAN foreign ministers will meet January 24-25, 2011 in Southwestern China's Yunnan province to discuss the progress on China-ASEAN dialogue. The Chinese Foreign Minister Yang Jiechi and his counterparts from ASEAN countries will exchange views on cementing China-ASEAN strategic cooperation.⁴⁶

The Association of Southeast Asian Nations (ASEAN)+3 (China, Japan and South Korea) tourism officials met in Pnom Penh on January 16 to discuss ways to promote tourism cooperation. It is understood that the three countries, especially China, have helped ASEAN a lot in developing tourism through human capacity building and promotions through exhibitions.⁴⁷

The Indonesian President Susilo Bambang Yudhoyono has ordered the donation of US\$1 million to help victims of the recent floods in Queensland, Australia. The government wanted to help the people of Queensland after Australia donated more than AUS\$7 million (US\$6.92 million) to help Indonesia after a tsunami killed hundreds in Wasior and Mentawai Islands regencies last year.⁴⁸

Indonesia has voiced support for East Timor's bid to join the Association of Southeast Asian Nations. There has been no formal discussion between the two

⁴⁵ "Japan ``Approved Dropping of Mock Nuclear Weapons on Okinawa``" *Panorient News*, January 9, 2011 at <http://www.panorientnews.com/en/news.php?k=646>

⁴⁶ "China-ASEAN FMs to meet on ties", *China Daily*, 16 January, 2011 at http://www.chinadaily.com.cn/china/2011-01/16/content_11861299.htm

⁴⁷ "Senior officials of ASEAN+3 pledge to intensify tourism cooperation", *Xinhua*, 16 January, 2011 at http://news.xinhuanet.com/english2010/world/2011-01/16/c_13693180.htm

⁴⁸ "Indonesia to donate \$ 1 m to Australia flood victims", *The Jakarta Post*, 11 January, 2011 at <http://www.thejakartapost.com/news/2011/01/16/indonesia-donate-1m-australia-flood-victims.html>

countries, but the Indonesian officials are willing to support the case of Timor Leste, as the relationship between the two countries has improved in recent years.⁴⁹

Myanmar's main ethnic political parties called upon the Western nations to lift economic sanctions on the country as its new parliament prepares to convene for the first time. The parties, in a joint statement issued on January 16, 2011 said that the US and EU countries are causing difficulties to the country.⁵⁰

In other developments, Burma's Senior General, Than Shwe, reportedly drawn up a draft outlining his lineup of the future ruling hierarchy, some two weeks ahead of the opening session of Parliament on January 31. However, the junta's No.2, Vice Snr-Gen Maung Aye, is reportedly set to retire from office for reasons of ill-health.⁵¹

C. CENTRAL ASIA & RUSSIA

CENTRAL ASIA

- **Kazak President Nazarbayev signs laws; Kazakhs and Turkmens agree to work on border issues; Kazakh makes strides in communications and information sector; Kyrgyzstan Prime Minister Atambayev's government hangs on a balance; Tajikistan's Muslim clerics condemn the holding of a Sudan split referendum; Turkmenistan President outlines ten priorities for 2011**

Kazakhstan President Nursultan Nazarbayev signed laws on the ratification of the convention of the Shanghai Cooperation Organization against terrorism and the law on ratification of the European agreement supplementing the Convention on road traffic.⁵² Meanwhile, the Kazakh transportation minister announced, on January 10 that Kazakhstan plans to complete its negotiations with neighboring Turkmenistan over their joint borders by the end of this year, reflecting the improving relations between the two energy-rich former Soviet republics of Central Asia. The borders were drawn ambiguously during the

⁴⁹ "Indonesia backs East Timor's membership bid", *Yahoo News*, 16 January, 2011 at <http://sg.news.yahoo.com/afp/20110116/tap-indonesia-timor-asean-diplomacy-elc7ca7.html>

⁵⁰ "Myanmar ethnic parties call for sanctions lift", *The Vancouver News*, 16 January, 2011 at <http://www.vancouvernews.com/news/Myanmar+ethnic+parties+call+sanctions+lift/4116556/story.html>

⁵¹ "Than Shwe chooses next president-himself", *Irrawaddy*, 14 January, 2011 at http://www.irrawaddy.org/highlight.php?art_id=20528

⁵² "Nazarbayev signed a number of laws", *Kazakhstan Today*, January 10, 2011 at <http://www.kt.kz/?lang=eng&uin=1133435176&chapter=1153530558>

Soviet rule in a bid to divide and foil the ethnic unity of the Central Asian countries like the rest of the former republics including the Balkans.⁵³

Kazakhstan's Minister of Communications and Information Askar Zhumagaliyev has noted that the "share of the information and communication technologies sector reached 3.72 percent in the total GDP volume against 3.16 percent in January-March, 2010", that is, it has increased by 107%. The Minister informed that there are 4.3 mln Internet users—out of which 41 % are urban residents which will help in the development of electronic business and attracting investments into Internet.⁵⁴ Reports noted that in Kyrgyzstan, the month old government of Prime Minister Atambayev in a way hangs on a balance and 'the stability of Kyrgyzstan's new democratic governing experiment rests largely on his ability to secure power where his predecessor President Kurmanbek Bakiev failed'.⁵⁵

Reports noted that Tajik Muslim clerics allegedly condemn the holding of a Sudan split referendum does not correspondent to the facts, according to the Islamic Council of Ulema, the country's highest Islamic institution.⁵⁶ It would be noteworthy that the 7 day referendum gives the option to the Southern Sudan, populated by majority of Christians, to break away from the Muslim north was concluded on January 15.

Turkmenistan's President Gurbanguly Berdimuhamedov has outlined ten priorities for 2011 at an enlarged meeting of the Cabinet of Ministers of Turkmenistan on January 10. Some of these are: search for new ways of Turkmenistan's development to ensure decent life for future generations; to continue the active foreign policy of the country in accordance with Turkmenistan's neutral status; further diversification of the economy and continuation of the intensive development of all sectors of the economy; to keep the pace of reforms in key areas such as culture and education; to improve the work of all government organizations, etc. In addition, the financial and banking system along with oil and gas industry, power industry, chemical industry, machinery, construction materials industry, light industry, agriculture, transport

⁵³ "Turkmens, Kazakhs work to repair Soviet-era border legacy", *Central Asia Newswire*, January 10, 2011 at <http://centralasianewswire.com/Turkmenistan/Turkmens-Kazakhs-work-to-repair-Soviet-era-border-legacy/viewstory.aspx?id=2895>

⁵⁴ "Kazakhstan has 4.3 mln Internet users", *KAZINFORM*, January 10, 2011 at <http://www.inform.kz/eng/article/2338805>

⁵⁵ "Kyrgyzstan must fix its electrical system or it's lights out on democracy", *Central Asia Newswire*, January 10, 2011 at <http://centralasianewswire.com/Energy/Kazakh-2010-GDP-outperforms-expectations/Kyrgyzstan-must-fix-its-electrical-system-or-it39s-lights-out-on-democracy/viewstory.aspx?id=2892>

⁵⁶ "Tajik religious organizations do not condemn holding of Sudan split referendum", *Asia-Plus*, January 10, 2011 at <http://www.asiaplus.tj/en/news/198/72882.html>

and communications, tourism and services will be further developed, he added.⁵⁷

RUSSIA

- **Russia-US Civilian Nuclear Deal comes into force; Rosneft and British Petroleum sign a strategic deal for exploration of oil and gas in the Arctic Sea**

In a major milestone in the 'reset' of relations between Russia and the US, a long stalled civilian nuclear cooperation agreement has now come into force. The agreement, signed in 2008 but shelved by the White House amid acrimony over Russia's war with Georgia, was revived by President Barack Obama as part of his campaign to improve ties and bolster trade and security cooperation. The agreement creates a legal framework for closer cooperation between the United States and Russia on civilian nuclear research, production and trade, and prevention of proliferation of nuclear weapons. It will also help the two nations to implement a deal signed last month calling for conversion of Russian research reactors to use low-enriched uranium fuel instead of high-enriched fuel. High enriched fuel can be processed to make nuclear weapons. The deal will allow joint nuclear energy ventures between Russian and U.S. companies and could potentially give Russia the right to reprocess spent nuclear fuel that originated in the United States.⁵⁸

Russia's state-owned oil powerhouse, Rosneft, has formed a strategic alliance with British Petroleum (BP) to develop Russia's energy-rich continental shelf in the Arctic Sea⁵⁹. Under a share swap partnership agreement signed in London, Rosneft will hold a 5 per cent stake in BP while BP's share of Rosneft will be 9.5 percent. The deal is worth about \$7.8 billion. The deal gives the British company access to regions which had been previously reserved for exploration for Russian oil companies.

BP and Rosneft plan to explore the Kara Sea in the Arctic Circle off Russia's North Coast. The two companies will develop the three blocks Rosneft had received as 'rights' to drill in the oil wells known as East Prinovozemelsk-1, 2 and 3. The companies will also establish an Arctic technology centre in Russia. It

⁵⁷ "President of Turkmenistan names 10 priority tasks for 2011", *Turkmenistan.Ru*, Jan. 10, 2011 at <http://www.turkmenistan.ru/en/articles/14483.html>

⁵⁸ "US-Russia Civilian Nuclear Agreement Enters into Force", *Radio Free Europe Radio Liberty*, January 11, 2011 at http://www.rferl.org/content/us_russia_nuclear_agreement/2272546.html

⁵⁹ "BP and Russia's Rosneft in share swap, Arctic pact", *Reuters*, January 15, 2011 at <http://www.reuters.com/article/idUSTRE70D5S420110115>

is estimated that the region could hold 5 billion metric tons of oil resources and 10 trillion cubic meters of natural gas.

It would be worth noting that BP and Rosneft are already partners in Sakhalin-5 project, where they are carrying out seismic exploration at the Kaigansko-Vasyukansky block. Some American legislators, on the ground that BP supplies oil to the US military and the Russian government owns 75% of Rosneft, and also environmentalists like Greenpeace have criticised the agreement. It is a win-win situation for both the parties. It allows BP to cover the US\$40 billion in damage claims arising from the massive oil spill in the Gulf of Mexico. Russia, on the other hand, will gain access to advanced Western technologies for deepwater Arctic drilling. Between them, BP and Rosneft account for 8 per cent of the daily global oil output.⁶⁰

D. WEST ASIA

IRAN

• 77 people killed and 33 injured as plane crashes in Iran

In a tragic development, 77 passengers were reportedly killed and 33 were injured as Iran Air Boeing 727 crashed near the city of Urmia in North-Western Iran. Fortunately, the airliner did not blow up after the crash, and some passengers managed to jump out of the plane and save their lives. Official announced that bad weather condition and poor visibility have been the main causes of the accident. Transport Minister Hamid Behbahani has asserted, "The number of plane incidents in Iran is low compared with the international average." He also added that "despite the spreading of propaganda against the Iranian airlines, the aviation safety of these airlines is high." The Iranian airline industry, which is profoundly dependent on the second-hand Russian planes, has suffered from a series of plane crashes in recent years due to its aging fleet of passenger jets seriously affected by the Western sanctions banning the sales of planes and spare parts to Iran.⁶¹

IRAQ

• Kuwait Prime Minister visits Iraq for the first time since 1990; Iraqi soldiers kill two US troops

⁶⁰ "BP and Russia's Rosneft in share swap, Arctic pact", *Reuters*, January 15, 2011 at <http://www.reuters.com/article/idUSTRE70D5S420110115>

⁶¹ "77 killed, 33 injured in Iran plane crash," *Tehran Times*, January 11, 2011, at http://www.tehrantimes.com/index_View.asp?code=233900

Reports noted that Kuwaiti Prime Minister Shaikh Nasser Mohammad al-Ahmad al-Sabah visited the Iraqi capital Baghdad. This is the first such visit since Saddam Hussein's forces invaded Kuwait in 1990. Abbawi also added that the visit was "to congratulate Prime Minister Nuri al-Maliki on the new government, and to confirm the depth of the relations between the two countries." The Deputy Iraqi Diplomatic Chief argued that "it will create a great opportunity to open the road for discussions about outstanding issues between the two countries." "It is also a very important political message confirming Iraq's preparations to host the coming Arab summit," which is planned for March, Abbawi added. The visit also comes two days after a clash between Kuwaiti coast guards and Iraqi fishermen in which a Kuwaiti was killed and an Iraqi fishing boat sunk.⁶²

However, according to Iraqi officials, two US soldiers have been killed when an Iraqi soldier opened fire on them during a training exercise in northern Iraq. The incident happened at al-Ghazlani training camp in the city of Mosul. The Iraqi soldier who opened fire was arrested, US military officials said. Attacks by Iraqi soldiers or police against US troops in northern Iraq are rare but not unparalleled. The US officially finished combat operations in Iraq last August, leaving fewer than 50,000 US troops in Iraq.⁶³

E. USA

- **Wikileaks revealed deepening American ambivalence toward the rule of Tunisian President Zine el-Abidine Ben Ali**

Reports noted that cables from American diplomats in Tunisia portray a deepening ambivalence of the United States toward the rule of President Zine el-Abidine Ben Ali, expressing alarm about popular resentment of the blatant corruption of the country's first family. However, there was also a sense of gratitude expressed for Ben Ali's cooperation against terrorism and the stability he long imposed.⁶⁴

⁶² "Kuwaiti PM visits Iraq for first time since war," *Khaleej Times*, January 12, 2011, at http://www.khaleejtimes.com/DisplayArticle09.asp?xfile=data/middleeast/2011/January/middleeast_January187.xml§ion=middleeast

⁶³ "Iraqi soldier guns down two US troops in Mosul drill," *BBC News*, January 15, 2011, at <http://www.bbc.co.uk/news/world-middle-east-12199578?print=true>

⁶⁴ "Cables From American Diplomats Portray U.S. Ambivalence on Tunisia" *New York Times*. January 15, 2011.