

THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

- **Gates reviews plans ahead of a major offensive against Taliban in Kandahar; Gates: US forces may start handing over security responsibilities to Afghan authorities before July 2011; 30 dead in four suicide attacks in Kandahar; US House of Representatives rejects plans to recall troops by year end; Karzai visits Pakistan, meets with Zardari and Gilani; New UN chief in Afghanistan Staffan de Mistura takes over**

US Defense Secretary Robert Gates met with President Karzai and Gen. McChrystal ahead of the launch of a major offensive in Kandahar in summer. Gen. McChrystal told reporters that it would take several more months before coalition and Afghan forces would be able to mount a full-fledged assault on Kandahar. He however added that the Kandahar offensive would be different from the Marja campaign.¹

Secretary Gates also met with US troop divisions in southern Afghanistan which had to encounter heavy losses in the fight against the Taliban. Gates told them that they will soon be part of a "decisive phase" in the war, with the offensive against the Taliban stronghold of Kandahar to be undertaken.²

Visiting an Afghan Army training center outside Kabul accompanied by Afghan Defense Minister Abdul Rahim Wardak, Gates stated that US forces may start handing over security responsibilities to Afghan authorities before July 2011. He added that any decision on speeding up the handover will have to be based on conditions on the ground.³

The situation in Kandahar deteriorated further with the death of more than 30 people in four suicide bomb attacks on March 14. The targets that were attacked included a new prison complex and the local police headquarters.⁴

The US House of Representatives meanwhile on March 10 rejected a proposal to withdraw American troops by the end of the year. While five Republicans joined 60 Democrats in support of pulling out, 189 Democrats and 167 Republicans opposed the move.⁵

¹ 'Gates and Afghan Leader Review Plan for a Kandahar Offensive', *The New York Times*, March 8, 2010 at <http://www.nytimes.com/2010/03/09/world/asia/09military.html>

² 'Gates Rallies US Troops in Afghan South', *VOA News*, March 9, 2010 at <http://www1.voanews.com/english/news/asia/Gates-says-US-Troops-in-Southern-Afghanistan-to-Lead-New-Fight-Against-Taliban-87103032.html>

³ 'Gates: US Forces in Afghanistan May Speed Up Security Handover', *VOA News*, March 10, 2010 at <http://www1.voanews.com/english/news/asia/Gates-US-Forces-Afghanistan-May-Speed-Up-Security-Handover-87228792.html>

⁴ 'Afghanistan suicide bombers kill 30 in failed jailbreak attempt', *The Guardian*, March 14, 2010 at <http://www.guardian.co.uk/world/2010/mar/14/afghanistan-kandahar-suicide-bombings>

⁵ 'House Rejects Plan to Leave Afghanistan by Year's End', *The New York Times*, March 10, 2010 at <http://www.nytimes.com/2010/03/11/world/asia/11cong.html>

President Karzai on a visit to Pakistan held meetings with President Zardari, PM Gilani, Army Chief Gen. Kayani, and members of Pakistan's Parliamentary Standing Committee on Foreign Affairs.⁶

In other developments, the newly-appointed head of the UN mission to Afghanistan Staffan de Mistura took over his new assignment on March 13. De Mistura had previously led the UN mission in Iraq. The new UN chief stated that the UN will focus on ensuring stability and socio-economic improvement in Afghanistan, adding that the effort should be "Afghan-led and Afghan-owned."⁷

PAKISTAN

- **Series of bomb attacks in Lahore kill nearly 100; 16 militants killed in Orakzai air strikes by PAF in response to Lahore blasts; Karzai visits Islamabad, says Pakistan and Afghanistan are "conjoined twins" with "linked destinies"; Lt. Gen. Shuja Pasha's tenure as ISI Chief extended for another year**

Twin bomb blasts in Lahore killed at least 57 people including 8 soldiers on March 11. The incident in a busy market place in the Cantonment area left over 90 injured. The Taliban claimed responsibility for the attacks.⁸ Earlier on March 9, an explosives-laden vehicle rammed against the offices of the Special Investigation Agency (SIT) in the city. 12 people were killed in that particular attack for which the Tehrik-i-Taliban claimed responsibility.⁹

Meanwhile, in continuing operations, 16 militants were reportedly killed in Orakzai when the Pakistan Air Force (PAF) targeted militant hideouts in the area. The PAF action was in response to the Lahore suicide bombings.¹⁰

Afghan President Hamid Karzai visited Islamabad on March 10. Addressing a joint press conference with PM Gilani, he referred to the two sates as "conjoined twins" with "linked destinies" and urged better bilateral ties between the two countries.¹¹ President Zardari on his part remarked that a

⁶ 'Karzai Meets With Top Officials in Pakistan', *The New York Times*, March 11, 2010 at <http://www.nytimes.com/2010/03/12/world/asia/12karzai.html>

⁷ 'New UN Envoy to Afghanistan Takes Over Troubled Mission', *VOA News*, March 13, 2010 at <http://www1.voanews.com/english/news/asia/New-UN-Envoy-to-Afghanistan-Takes-Over-Troubled-Mission-87593842.html>

⁸ Muhammad Aayan, 'Taliban dare Lahore', *Daily Times*, March 13, 2010 at http://www.dailytimes.com.pk/default.asp?page=2010\03\13\story_13-3-2010_pg1_1

⁹ Muhammad Faisal Ali, '12 killed, 89 injured', *Dawn*, March 9, 2010 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/12-killed%2C-89-injured-taliban-claim-responsibility-terrorists-strike-at-safe-house-in-heart-of-lahore-930>

¹⁰ 'Sixteen militants killed as jets pound Orakzai hideouts', *Dawn*, March 14, 2010 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/news/pakistan/04-orakzai-taliban-qs-11>

¹¹ 'No proxy wars on Afghan soil, says Karzai', *Daily Times*, March 12, 2010 at http://www.dailytimes.com.pk/default.asp?page=2010\03\12\story_12-3-2010_pg1_1

package similar to the Marshall plan would be useful in eliminating militancy from the region.¹²

In other developments, Lt. Gen. Shuja Pasha's tenure as a three-star general and as chief of the ISI was extended by another year on the recommendation of Army Chief Kayani.¹³

BHUTAN

- **Domestic revenues exceed revised target; Hydro-power projects, domestic taxes, tourism among top revenue generators; Union Cabinet Secretary visits Bhutan; Bhutan agrees to withdraw advisory issued in 2003 barring its citizens from traveling to Assam; New envoy to Maldives assumes responsibilities**

The National Revenue Report stated that domestic revenues in Bhutan for the year 2008-09 amounted to Nu 14.049 bn, exceeding the revised target by more than Nu 200 mn. While revenues from the Tala hydel project contributed to 19 percent of total revenues, tax generated revenues contributed almost 23.8 percent. The domestic revenue base increased due to Personal Income Tax and Corporate Income Tax, contributing almost 46 and 29 percent respectively. The Tourism Council of Bhutan was the fourth highest revenue generator, contributing 4.5 percent of the total revenues.¹⁴ Reports noted that the expansion of the domestic revenue base was significant, given the huge external debt of \$694.74 million.

The UN Framework for Climate Change accepted the 114 MW Dagachu Project as a Clean Development Mechanism (CDM) project. The 500,000 metric tones of certified emission reduction (CER) would be sold to an Austrian agency, and the money earned would be used to pay the loans of the Asian Development Bank. The Managing Director of Druk Green Power Corporation stated that all projects with India would be developed along the lines of CDM projects.¹⁵

K.M. Chandrashekhar, Union Cabinet Secretary visited Bhutan from March 5-7, 2010. During the visit, ways through which India could help Bhutan in strengthening the role and responsibilities of the office of Cabinet Secretary were discussed.¹⁶

¹² 'Pakistan, Afghanistan need Marshall Plan to curb militancy: Zardari', *Daily Times*, March 11, 2010 at http://www.dailytimes.com.pk/default.asp?page=2010\03\11\story_11-3-2010_pg1_5

¹³ Shakil Shaikh, 'Lt-Gen Pasha given one-year extension', *The News*, March 10, 2010 at http://thenews.jang.com.pk/arc_default.asp

¹⁴ 'Domestic revenue exceeds previous year's by Nu 1.7 billion', *The Kuensel*, March 8, 2010 at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=14850>

¹⁵ 'Dagachu qualifies', *The Kuensel*, March 6, 2010 at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=14838>

¹⁶ 'His Majesty grants audience to Indian Cabinet Secretary', *Bhutan Observer*, March 5, 2010 at <http://www.bhutanobserver.bt/2010/bhutan-news/03/indian-cabinet-secretary-calls-on-his-majesty-and-prime-minister.html>

Bhutan agreed to withdraw its advisory issued in 2003 barring its citizens from traveling to Assam. Assam Chief Minister Tarun Gogoi on his part assured the Bhutan Consul General in Kolkata who came to meet him of all possible help and cooperation for further strengthening the bilateral relationship. Mr. Gogoi also noted Assam's potential in sectors such as tourism and food processing.¹⁷

In other developments, the BSF meanwhile has been vested with special powers of search, arrest and seizure in order to check illegal activities along the border areas.¹⁸ Dasho Bap Kesang was appointed as the new envoy to Maldives. Keshang met President Nasheed on March 5 to discuss ways of strengthening bilateral relations.¹⁹

MALDIVES

- **Nasheed visits Germany, seeks assistance in training police forces; Maldives to contest for a seat at UN Human Rights Council**

President Nasheed visited Germany and among other issues, sought the assistance of German police in training the Maldivian police force. Nasheed told his German counterpart Angela Merkel that the main areas of concern in his country were religious radicalism, juvenile delinquency and drug-related offences. He emphasized on the importance of making the police force more people and community friendly.²⁰

Reports also indicated that Mr. Nasheed sought German assistance to amend 'Sharia law' as enforced in the Maldives. Nasheed was quoted as saying that he was "quite aware of the amount of German discourse in Islamic jurisprudence."²¹

Foreign Minister Dr. Ahmed Shaheed meanwhile inaugurated a campaign in Geneva promoting Maldives' decision to contest for a seat at the UN Human Rights Council. Maldives is campaigning for one of the four Asian seats in the Council. Shaheed stated that the "views of small nations would be represented in the Human Rights Council if Maldives gets elected."²²

¹⁷ 'Gogoi for strengthening of ties with Bhutan', *Zee News*, March 9, 2010 at <http://www.zeenews.com/news609893.html>

¹⁸ 'India boosts SSB powers', *Republica*, March 8, 2010 at http://www.myrepublica.com/portal/index.php?action=news_details&news_id=16007

¹⁹ 'New Envoy presents credentials to the Maldivian President', *Bhutan News Service*, March 5, 2010 at <http://www.bhutannewsservice.com/main-news/resettled-bhutanese-missing-in-colorado/>

²⁰ 'President seeks German support to train Maldives police', *Asian Tribune*, March 10, 2010 at <http://www.asiantribune.com/news/2010/03/10/maldives-brief-president-seeks-german-support-train-maldives-police>

²¹ 'Maldives seeks German assistance to amend Sharia Law', *Haveeru Online*, March 11, 2010 at http://www.haveeru.com.mv/english/details/29354/Maldives_seeks_German_assistance_to_amend_Sharia_Law:_Report

²² 'Maldives campaigning for Human Rights Council membership', *Haveeru*, March 8, 2010 at <http://www.haveeru.com.mv/english/details/29307>

SRI LANKA

- **Gen. Fonseka to be produced for Court Martial on charges levied under the Army Act; India to set up a Consul office in Jaffna; Line of Credit Agreement for \$67.4 million signed with EXIM Bank; China to fund two developmental projects worth \$290 million, including construction of the island's second airport in Mattala**

Military spokesman Prasad Samarasinghe stated that Gen. Sarath Fonseka would soon be produced for Court Martial on various charges levied under the Army Act. Fonsenka has been detained at a naval base since February 8, 2010.²³

Following high-level talks between Foreign Secretary Nirupama Rao and Sri Lankan authorities, India announced that it would soon set up a Consul office in Jaffna.²⁴ Among other agreements, a Line of Credit Agreement for \$67.4 million was signed between the Sri Lankan Government and the Export-Import Bank of India. The Line of Credit will fund the second phase of the up-gradation of southern railway line from Colombo to Matara.²⁵

In other developments, China will fund two developmental projects worth \$290 million in Sri Lanka. These include construction of the island's second airport in Mattala at a cost of \$190 million. This was agreed during the visit of Dr. P. B. Jayasundera, Sri Lankan Finance Secretary to Beijing from March 3-5.²⁶

B. EAST ASIA

SOUTH KOREA

- **North Korea to return to Six-Party talks in April; US State Department: North Korea's human rights record remains "deplorable" under an "absolute" dictatorship; South Korea and ASEAN to work towards further trade liberalization; South Korea and Denmark to enhance bilateral partnership in renewable energies and bio-science; South Korea and Turkey sign joint declaration to expand cooperation on nuclear power development; North Korea gives Russia right to use Rajin seaport for 50 years**

South Korean media reported that North Korea has decided to return to long-stalled six-nation talks in early April, citing an unnamed source from the North.²⁷

²³ 'Sri Lanka's ex-Army chief to be court martialled this week', *People's Daily*, March 10, 2010 at <http://english.people.com.cn/90001/90777/90851/6913920.html>

²⁴ 'Sri Lanka gives green light to Indian consul office in Jaffna', *Asian Tribune*, March 11, 2010 at <http://www.asiantribune.com/news/2010/03/11/sri-lanka-gives-green-light-indian-consul-office-jaffna>

²⁵ 'India extends US\$ 67.4 m. Line of Credit to Sri Lanka for Colombo - Matara rail upgradation', *Asian Tribune*, March 11, 2010 at <http://www.asiantribune.com/news/2010/03/11/india-extends-us-674-m-line-credit-sri-lanka-colombo-matara-rail-upgradation>

²⁶ 'China assures continued assistance for Sri Lanka's Development efforts', *Asian Tribune*, March 10, 2010 at <http://www.asiantribune.com/news/2010/03/10/china-assures-continued-assistance-sri-lanka%E2%80%99s-development-efforts>

²⁷ 'N. Korea may join six-party talks in April', *Reuters*, March 13, 2010 at <http://www.reuters.com/article/idUSTRE62C09S20100313>

Reports also noted that US WMD experts were taking part in a military exercise simulating an attack by North Korea on the South. The exercises were criticized by Pyongyang as US-South Korean preparations ahead of a nuclear attack. It also vowed to respond to any aggression with atomic arsenal.²⁸

The US State Department has maintained that North Korea's human rights record remained "deplorable" under an "absolute" dictatorship by the reclusive leader Kim Jong-il.²⁹

South Korea and Germany are set to launch their first round of talks aimed at signing a new maritime cooperation deal. The negotiations will take place at the headquarters of Korea's maritime affairs ministry in Gwacheon, Seoul.³⁰

South Korea and the 10-member Association of Southeast Asian Nations (ASEAN) have agreed on work towards further trade liberalization starting from 2011. A free trade agreement between Korea and ASEAN on merchandise took effect in January 2010. Similar deals on services and investments also came into effect.³¹

South Korea and Denmark pledged to advance global cooperation to fight climate change and enhance bilateral partnership in renewable energies and bio-science. This was agreed during the visit of President Prime Minister Lars Rasmussen to Seoul and his meetings with President Lee Myung-bak.³²

Reports note that South Korea and Turkey have signed a joint declaration to expand cooperation on nuclear power development, raising the prospects that Seoul could bid to build commercial nuclear reactors in Turkey.³³

In other developments, North Korea gave Russia the right to use its Rajin seaport for 50 years and is considering extending China's 10-year contract at the seaport, signed in 2008, by another 10 years. Reports noted that China was investing tens of millions of yuan in modernizing the Rajin pier.³⁴

SOUTHEAST ASIA

- **6,377 people participated in the UDD led anti-government rally in Thailand demanding dissolution of the Parliament; Abhisit is ready to dissolve the parliament if it could serve the country's national interest,**

²⁸ 'Experts on WMD taking part in US - S. Korea war games', *Associate Foreign Press*, March 12, 2010 at http://www.google.com/hostednews/afp/article/ALeqM5h49s89w8_-5TVtBg2tRNFuveFZtg

²⁹ 'N. Korea's human rights record remains deplorable: State Dept', *Yonhap News*, March 11, 2010 at <http://english.yonhapnews.co.kr/national/2010/03/12/65/0301000000AEN20100312000500315F.HTML>

³⁰ 'Korea, Germany to launch talks on maritime cooperation', *Korea Herald*, March 14, 2010 at http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2010/03/14/201003140008.asp

³¹ 'Korea, ASEAN agree to further liberalize trade', *Korea Herald*, March 12, 2010 at http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2010/03/12/201003120082.asp

³² 'Korea, Denmark to push climate deal', *Korea Herald*, March 12, 2010 at http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2010/03/12/201003120037.asp

³³ 'Korea, Turkey make joint declaration on nuclear cooperation', *Korea Herald*, March 10, 2010 at http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2010/03/10/201003100095.asp

³⁴ 'N. Korea opens port to China, Russia', *Korea Herald*, March 9, 2010 at http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2010/03/09/201003090047.asp

but denies the possibility of a military coup; Suu Kyi urged the Burmese people to stand against the 'unjust' election law; Singapore, Thailand and the US air forces concluded their trilateral air exercise 'Cope Tiger'

More than 45,000 people participated in the March 14 anti-government rally led by the United Front for Democracy against Dictatorship (UDD) in Bangkok.³⁵ The UDD vowed to increase the level of their protests if Thai Prime Minister Abhisit Vejjajiva failed to dissolve Parliament.³⁶ PM Abhisit had earlier pledged to dissolve Parliament if it could bring about political stability. He however added that such a decision will have to be made depending on national interest.³⁷ He also assured the parliament that the government would respect the UDD demonstrators' right to assemble peacefully but will take necessary measures to prevent the situation from getting out of hand. The Thai PM also denied the possibility of a military coup.³⁸

Burma's pro-democracy leader Aung San Suu Kyi urged the people to stand against the 'unjust' election law that was recently announced by the military junta. Under the new law, Suu Kyi as a serving prisoner has not only been banned from contesting the upcoming national election but also faces exclusion from her own party, the National League for Democracy.³⁹ In the face of world wide criticism on account of the new election law, the authorities finally allowed the NLD to reopen its offices which were closed since 2003.⁴⁰

In other developments, Singapore, Thailand and the US Air Forces concluded the trilateral air exercises 'Cope Tiger' at the Korat Air Base in Thailand on March 12. Being conducted since 1994, the exercises aim to enhance the interoperability and professionalism of the three forces and foster better understanding among their personnel.⁴¹

³⁵ 'Dispute begins over rally numbers', *Bangkok Post*, March 14, 2010 at <http://www.bangkokpost.com/breakingnews/171523/ministry-46000-people-attend-udd-rally>

³⁶ 'PM ignores UDD threat', *Bangkok Post*, March 12, 2010 at <http://www.bangkokpost.com/breakingnews/171193/pm-ignores-udd-threat>

³⁷ 'Abhisit: Can dissolve House, resign', *Bangkok Post*, March 11, 2010 at <http://www.bangkokpost.com/breakingnews/171152/abhisit-can-dissolve-house-resign>

³⁸ 'PM adamant: No coup', *Bangkok Post*, March 11, 2010 at <http://www.bangkokpost.com/breakingnews/171104/pm-stands-firm-against-coup>

³⁹ 'Suu Kyi urges response to 'unjust' law', *Bangkok Post*, March 11, 2010 at <http://www.bangkokpost.com/breakingnews/171146/burma-suu-kyi-urges-response-to-unjust-law>

⁴⁰ 'Suu Kyi's party allowed to open offices', *Bangkok Post*, March 11, 2010 at <http://www.bangkokpost.com/breakingnews/171113/under-fire-burma-allows-suu-kyi-party-to-open-offices>

⁴¹ 'Singapore, Thailand, US conclude Air exercise', *Bernma.com*, March 12, 2010 at http://www.bernama.com/bernama/v5/news_lite.php?id=481997

C. WEST ASIA

IRAN

- **Ahmadinejad on a visit to Afghanistan says “regional countries know much better how to establish their own peace and security ...”; Iran-US trade almost doubles in January 2010**

President Ahmadinejad visiting Afghanistan stated that foreign forces should leave the country and added that “regional countries know much better how to establish their own peace and security and make progress ...” He also noted that the best way to fight terrorists was not on the battlefield but through the use of intelligence.⁴²

In other developments, Iranian news agency ISNA cited latest US Census Bureau reports indicating that trade between Iran and the US almost doubled in January 2010, compared to December 2009. Bilateral trade was worth more than \$37 million in January 2010, of which \$31 million were US exports to Iran and \$6 million were goods exported to the US from Iran. In December 2009, US exports to Iran were \$11.3 million while Iran exported \$7.5 million worth of goods.⁴³

IRAQ

- **Maliki’s coalition heading towards majority to form the government in Iraq but opposition complained for fraud**

Iraq’s national election commission rejected the charges of Intisar Allawi, a senior member of the main secular opposition bloc that general elections were rigged in favour of PM Nuri al-Maliki. The Commission stated that the charges were either politically motivated or fuelled by lack of understanding of the counting procedures.

In initial counting, a coalition led by PM al-Maliki was winning in Baghdad and a Shiite province in the south. Al-Maliki was also ahead in five of the nine provinces where early results have been released. The Iraqiya coalition headed by al-Maliki's rival Ayad Allawi was leading in two provinces, while the Iraqi National Alliance was ahead in one province.⁴⁴

⁴² ‘Foreign forces should leave Afghanistan: Ahmadinejad’, *Tehran Times*, March 11, 2010 at http://www.tehrantimes.com/index_View.asp?code=215781

⁴³ ‘Iran-US trade doubles in Jan’, *Tehran Times*, March 14, 2010 at http://www.tehrantimes.com/index_View.asp?code=215940

⁴⁴ ‘Iraq opposition alleges ‘flagrant’ election fraud’, *Khaleej Times*, March 12, 2010 at http://www.khaleejtimes.com/DisplayArticle09.asp?xfile=data/middleeast/2010/March/middleeast_March259.xml§ion=middleeast