

# THE WEEK IN REVIEW

August 16-22, 8(2), 2010

**EDITOR:** SANJEEV KUMAR SHRIVASTAV

**REVIEW ADVISOR:** S. KALYANARAMAN

## CONTRIBUTORS

**PRANAMITA BARUAH** – Southeast Asia  
**LAXMAN BEHERA**- Defence Review

**MAHTAB ALAM RIZVI** – Iran, Iraq  
**KALYANI UNKULE**- Energy Review



**INSTITUTE FOR DEFENCE STUDIES AND ANALYSES,  
1, DEVELOPMENT ENCLAVE, RAO TULA RAM MARG, NEW DELHI – 110010**

	IN THIS ISSUE	PAGE
I. COUNTRY REVIEWS	A. EAST ASIA	3
	B. WEST ASIA	4
II. DEFENCE REVIEW		5
III. ENERGY REVIEW		6

## I. COUNTRY REVIEW

### A. EAST ASIA

#### SOUTHEAST ASIA

- **Thai PM Abhisit Vejjajiva expresses confidence of resolving Thai-Cambodia border dispute through diplomatic channels; Cambodia seeks help from ASEAN member states to resolve the border dispute with Thailand; United States and Vietnam step up defence cooperation**

Thai Prime Minister Abhisit Vejjajiva has expressed confidence of resolving the Thailand-Cambodia border dispute through diplomatic means. However, according to Abhisit, not only both the states must show their sincerity towards peaceful resolution of the dispute but also people of two nations must join hands in easing the tension along the disputed border.<sup>1</sup> In the meantime, Cambodia has sought help from the ASEAN member states in resolving the border dispute with Thailand. Vietnam, the current chair of the ASEAN, has already been discussing with fellow member states a proposal for their mediation over the dispute.<sup>2</sup>

Vietnam and the United States have stepped up their defence cooperation by holding first high-level defence dialogue. Increasing concerns over China's military build up seems to have pushed the two former enemies towards each other. While commenting on this development, Robert Scher, the US Deputy Assistant Secretary of Defence for South and Southeast Asia stated that after fifteen years of normalizing the bilateral relations between the two states, the recent talks represented "the next significant historic step" in their "increasingly robust defence relationship which is based on mutual trust, understanding and respect for independence and sovereignty." The cooperation will reportedly focus on bilateral issues including unexploded ordnance and herbicides left over from the Vietnam War. The two states are also hopeful about stepping up cooperation sectors like, search-and-rescue, humanitarian and disaster-relief operations, language training, etc.<sup>3</sup>

---

<sup>1</sup> "PM: Border row can be settled", *The Bangkok Post*, August 19, 2010, at <http://www.bangkokpost.com/breakingnews/191831/pm-border-row-can-be-settled>

<sup>2</sup> "Vietnam seeks Preah Vihear talk", *The Bangkok Post*, August 18, 2010, at <http://www.bangkokpost.com/breakingnews/191540/vn-seeks-preah-vihear-dispute-talks>

<sup>3</sup> "US, VN step up defence cooperation", *The Bangkok Post*, August 17, 2010, at <http://www.bangkokpost.com/breakingnews/191532/us-vn-step-up-defence-co-operation>

## B. WEST ASIA

### IRAN

- **Supreme Leader Khamenei: Negotiations with the United States possible if “sanctions and threats” against Iran dropped; Iran launches Bushehr nuclear power plant**

Iran's supreme leader Ayatollah Ali Khamenei has said that any talks with the US would only be possible if Washington drops “sanctions and threats” against Tehran. He also stated that “the respected president (Mahmoud Ahmadinejad) and others have said that we are ready for negotiations. It is right. But not with America...The reason is that America does not enter the field honestly as a normal negotiator. They should drop the face of a superpower, they should drop threats, they should drop sanctions and they should not set a goal for negotiations. Then we are ready.” However, earlier this month, President Ahmadinejad had urged the United States to join talks on a nuclear fuel swap deal for Iran. He also proposed talks with US President Obama on “global problems” at the UN General Assembly in September. But the United States rejected this proposal.<sup>4</sup>

Reports noted that Iran's Bushehr nuclear power plant has been launched on August 21, 2010 as engineers loaded the first of 163 fuel rods into the reactor under the supervision of the International Atomic Energy Agency. According to the reports, with this beginning Iran has joined 29 nations which are currently generating nuclear power. The nuclear power plant will produce 1000 megawatts of electricity once all the fuel rods are loaded into the core of the reactor. Iran plans to build enough plants so that 20,000 megawatts of power can be generated over the next 20 years.<sup>5</sup>

### IRAQ

- **Suicide bomber killed 57 and injured 123 in Baghdad**

In a massive suicide bomb attack at an army recruitment centre in Baghdad, at least 57 recruits and soldiers were killed while 123 others were injured. This was

---

<sup>4</sup>“Talks with US only if sanctions are dropped: Iran,” *Khaleej Times*, August 19, 2010, at [http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2010/August/middleeast\\_August337.xml&section=middleeast](http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2010/August/middleeast_August337.xml&section=middleeast)

<sup>5</sup>“Iran joins the world's nuclear club,” *Tehran Times*, August 22, 2010, at [http://www.tehrantimes.com/index\\_View.asp?code=225305](http://www.tehrantimes.com/index_View.asp?code=225305)

one of the bloodiest attacks this year. The suspected insurgents also launched an assassination campaign against judges in the Iraqi capital and a volatile province north of Baghdad. This attack has added to tensions that have simmered following an inconclusive election more than five months ago after which a new government is yet to be formed. Insurgents have been targeting Iraqi police and soldiers as Iraqi security forces plan to take full responsibility for security from September 1, when the US ends its combat mission. The number of US troop will be reduced to 50,000 which will be there for the training mission before a full withdrawal planned for next year.<sup>6</sup>

## II. DEFENCE REVIEW

### National

- **India to buy US Javelin ATGM through FMS route**

In a written reply in the Lok Sabha on August 16, the Union Defence Minister AK Antony informed that his Ministry is planning to issue a Letter of Request to the US for procurement of 3rd Generation Anti-Tank Guided Missile (ATGM), Javelin. The procurement is being planned under the US FMS route and would involve transfer of technology.<sup>7</sup> Under the FMS route, MoD of India would directly negotiate with the US government, without the involvement of the manufacturer of the missile system. India is required to pay the price which the US government pays to its contractors, plus a nominal fee as administrative charges.

### International

- **US DoD Releases China Military Report 2010**

After delay and pressure from some US Congress members, the US Department of Defence finally released its annual report on China's military capability for 2010. The Report, titled as "Military and Security Developments Involving the People's Republic of China 2010", notes among others that Beijing's move towards "compressive transformation" of its military, backed by the "great progress in its pursuit of economic growth." The report also notes that Beijing has entered in to a new "phase of military developments ... that go beyond China's immediate territorial interests." On transparency issue, the Report notes that although, it "has made some improvements ... the limited transparency ...

---

<sup>6</sup> "Bomber kills 57 Iraq army recruits; judges targeted," *Khaleej Times*, August 18, 2010, at [http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2010/August/middleeast\\_August318.xml&section=middleeast](http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2010/August/middleeast_August318.xml&section=middleeast)

<sup>7</sup> "India to approach US for anti-tank guided missile system", *DNA*, August 16, 2010 at [http://www.dnaindia.com/india/report\\_india-to-approach-us-for-anti-tank-guided-missile-system\\_1424249](http://www.dnaindia.com/india/report_india-to-approach-us-for-anti-tank-guided-missile-system_1424249)

[however] enhances uncertainty and increases the potential for misunderstanding and miscalculation.”<sup>8</sup>

### III. ENERGY REVIEW

- **Iran’s first nuclear reactor started; India and Japan discuss civil nuclear deal; GE-Hitachi and Westinghouse Electric await for the nuclear liability bill to pass in parliament before entering India’s nuclear energy sector**

In accordance with a billion dollar contract signed with Russia in 1995, Iran’s first nuclear reactor was started on August 21, 2010.<sup>9</sup> Reports noted that the long delayed launch of the Bushehr Power Plant has been a handy bargaining chip towards securing a softening of the Iranian stance on uranium enrichment.<sup>10</sup> While Israel has strongly condemned this development, the US State Department has stated that this nuclear reactor associates no proliferation risks.<sup>11</sup>

Foreign Ministers of India and Japan met for follow-up consideration on the civil nuclear cooperation agreement between the countries which was discussed earlier this year. Setting no specific timeline for conclusion of the deal, both parties have however, committed for a good working arrangement on nuclear issues.<sup>12</sup>

Reports noted that US based companies GE-Hitachi and Westinghouse Electric, a subsidiary of Japan’s Toshiba Corp., have been waiting for the liability bill to pass before entering India’s nuclear energy sector.<sup>13</sup>

---

<sup>8</sup> “Military and Security Developments Involving the People’s Republic of China 2010” Annual Report to Congress, Office of the Secretary of Defence, US Department of Defence, at [http://www.defense.gov/pubs/pdfs/2010\\_CMPR\\_Final.pdf](http://www.defense.gov/pubs/pdfs/2010_CMPR_Final.pdf)

<sup>9</sup> “Iran starts nuclear reactor, says intent peaceful”, Khaleej Times, August 21, 2010 at [http://www.khaleejtimes.com/DisplayArticle09.asp?xfile=data/middleeast/2010/August/middleeast\\_August410.xml&section=middleeast](http://www.khaleejtimes.com/DisplayArticle09.asp?xfile=data/middleeast/2010/August/middleeast_August410.xml&section=middleeast)

<sup>10</sup> “Iran’s first nuclear plant: A history of delays”, *The Times of India*, August 19, 2010 at <http://timesofindia.indiatimes.com/world/middle-east/Irans-first-nuclear-plant-A-history-of-delays/articleshow/6334826.cms>

<sup>11</sup> No ‘risk’ from Iran’s Russian-built nuclear plant: US, *The Economic Times*, August 21, 2010 at <http://economictimes.indiatimes.com/news/international-business/No-risk-from-Irans-Russian-built-nuclear-plant-US/articleshow/6389249.cms>

<sup>12</sup> “India-Japan talks from today, n-deal on agenda”, *Indian Express*, Aug 21, 2010 at <http://www.indianexpress.com/news/indiajapan-talks-from-today-ndeal-on-agenda/663132/>

<sup>13</sup> “India, Japan ministers discuss civil nuclear deal”, *Yahoo Finance News*, August 21, 2010 at <http://finance.yahoo.com/news/India-Japan-ministers-discuss-apf-775802666.html?x=0>