

THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. EAST AND SOUTHEAST ASIA

CHINA

- **Wen calls for new rules to guide international financial system; Chinese Special Representative to Darfur appreciates Sudan's steps for resolving the issue**

Chinese Premier Wen Jiabao, at the Asia-Europe Meeting (ASEM) summit in Beijing, called for the establishment of new rules to guide the international financial system. Appealing to the International Monetary Fund (IMF) to step in and play a decisive role in tackling the global financial crisis, Premier Wen also proposed increasing the participation of developing countries in international financial organizations, as well as strengthening the supervisory mechanisms of the international financial system.¹

Liu Guijin, the Chinese government's special representatives for the Darfur issue, arrived in Khartoum in the previous week. This was Liu's fifth visit to Darfur, after his appointment to the present post in May 2007. Stating that his visit was a "follow-up" to the visit of Chinese Assistant Foreign Minister Zhai Jun to Sudan last month, Liu appreciated the Sudanese government's steps for resolving the Darfur issue.²

Chinese President Hu Jintao meanwhile expressed his desire to push the Sino-German relationship to a new level. While meeting German Chancellor Angela Merkel, Hu expressed satisfaction that ties between the two countries were progressing despite the global financial crisis. Merkel was in Beijing to attend the seventh Asia-Europe Meeting (ASEM).³

JAPAN

- **Dr. Singh visits Japan, security cooperation pact signed; Bill allowing continuation of Japan's refueling mission in support of Afghan operations passed in Lower House; PM Aso criticizes US for removing North Korea from terror blacklist**

Prime Minister Manmohan Singh visited Japan during the week. Much of the media attention was focused on a free trade deal the two sides failed to agree on, even as the two sides passed another pact that could have even greater consequences for the region. This was the security cooperation agreement under

¹ "Wen calls for restructuring of global system," *People's Daily*, October 27, 2008, at <http://english.peopledaily.com.cn/90001/90776/90785/6521604.html>

² "Chinese special representative for Darfur arrives in Sudan," *People's Daily*, October 25, 2008, at <http://english.people.com.cn/90001/90776/90883/6521207.html>

³ "China, Germany vow to push ahead healthy bilateral ties," *People's Daily*, October 24, 2008, at <http://english.people.com.cn/90001/90776/90883/6520825.html>

which India and Japan would hold military exercises, patrol the Indian Ocean and conduct military-to-military exchanges on fighting terrorism.⁴

Meanwhile, a House of Representatives panel passed a bill to continue Japan's refueling mission in support of US-led anti-terrorism operations in Afghanistan, paving the way for the lower house to approve it in a plenary session. The bill is expected to pass the Diet at the end of this month, as the lower house, controlled by the ruling parties, can hold a second vote to override the opposition-controlled House of Councillors' anticipated rejection of the bill, in line with constitutional provisions.⁵

In other developments, Japanese Prime Minister Taro Aso criticised the US for the removal of North Korea from a terrorist blacklist and refused to give aid to Pyongyang under a nuclear disarmament deal.⁶ Japan was also elected to the UN Security Council for 2009-2010, displacing a bid by Iran.⁷

During talks with Chinese Premier Wen Jiabao, Prime Minister Aso proposed that Tokyo and Beijing open a hotline. The two countries were expected to reach an agreement on the proposal soon.⁸

In other domestic developments, reports noted that Japanese Prime Minister Taro Aso might dissolve the lower house by the end of October and call for elections on November 30.⁹

MYANMAR

- **Australia extends sanctions on Myanmar; UN Chief says he's frustrated by lack of progress on Myanmar; ICG urges cooperation with Junta**

Australia extended financial sanctions against another 45 of Myanmar's military leaders on October 22 as a protest against the junta's lack of progress toward democracy. Its Foreign Minister Stephen Smith stated that the new list of 463 individuals singled out for sanctions included members of the ruling State Peace and Development Council, government ministers and military officers as well as the regime's business associates and relatives. The new list replaces a list of 418 people announced a year ago after the junta crushed pro-democracy protests led

⁴ "India, Japan in security pact; a new architecture for Asia?" *Reuters*, October 25, 2008, at <http://blogs.reuters.com/pakistan/2008/10/25/india-japan-in-security-pact-a-new-architecture-for-asia/>

⁵ "LEAD: Lower house panel passes bill to extend Japan's refueling mission," *Kyodo*, October 20, 2008, at <http://asia.news.yahoo.com/081020/kyodo/d93u44fg0.html>

⁶ "Japan PM says won't give energy aid to N. Korea," *The Associate Foreign Press*, October 14, 2008, at http://news.yahoo.com/s/afp/20081014/wl_asia_afp/nkoreanuclearweaponspoliticsjapan_081014171255

⁷ "Japan wins seat at UN Security Council; Iran fails," *Associate Foreign Press*, October 17, 2008, at http://news.yahoo.com/s/afp/20081017/ts_afp/undiplomacycouncil_081017212748

⁸ "LEAD: Japan, China to agree on setting up hotline: sources," *The Associate Press*, October 24, 2008, at http://www.breitbart.com/article.php?id=D940JVLG0&show_article=1

⁹ "Aso May Call Japan Lower House Elections Nov. 30, Yomiuri Says," *Bloomberg*, October 15, 2008, at <http://www.bloomberg.com/apps/news?pid=20601101&sid=anl1PG3qz3Xw&refer=japan>

by Buddhist monks. Australia has long banned defense exports to Myanmar and denies travel visas to members of the regime.¹⁰

UN Secretary-General Ban Ki-moon expressed his frustration at the Myanmar government's failure to take meaningful steps in response to appeals by the international community to democratise. Ban called for the release of all political prisoners as well as a time-bound dialogue which would include all stakeholders in Myanmar. Ban also stated that he would visit Myanmar only when he was sure of the possibility of achieving progress toward the goals the UN had set and when he was certain his visit would yield tangible results.¹¹

Meanwhile, on the eve of the 13th anniversary of Aung San Suu Kyi's arrest on October 22, the US State department stated that the release of pro-democracy leader Aung San Suu Kyi should be the first step towards the reintegration of Myanmar with the international community. The European Parliament also called on Asian and European leaders at the ASEM meeting in Beijing to launch a joint appeal to the military government for the release of all political prisoners.¹²

The Brussels-based International Crisis Group (ICG), in its report "Burma/Myanmar after Nargis: Time to Normalise Aid Relations" released on October 20, called on the international community to "build on the unprecedented cooperation between the Myanmar [Burmese] government and humanitarian agencies following Cyclone Nargis and reverse longstanding, counterproductive aid policies." The report noted that aid was essential for humanitarian reasons, and was also the best available opportunity for the international community to promote positive change in Myanmar. It pointed out that the recent cooperation had proved that it was possible to work with the regime on humanitarian issues and to deliver assistance in an effective and accountable way.¹³

In other domestic developments, reports noted that Win Mya Mya, a well-known pro-democracy activist and five other members of the opposition National League for Democracy (NLD), were sentenced to long prison terms on October 24.¹⁴

¹⁰ "Australia Extends Sanctions on Burma," *Irrawaddy*, October 23, 2008, at http://irrawaddy.org/article.php?art_id=14488

¹¹ "UN Chief Says He's Frustrated by Lack of Progress on Burma," *Irrawaddy*, October 22, 2008, at http://irrawaddy.org/article.php?art_id=14483

¹² "US, EU Call for Release of Suu Kyi," *Irrawaddy*, October 25, 2008, at http://irrawaddy.org/highlight.php?art_id=14492

¹³ "ICG Urges Cooperation with Junta," *Irrawaddy*, October 22, 2008, at http://irrawaddy.org/article.php?art_id=14481

¹⁴ "Burmese Junta Sentences NLD Activists," *Irrawaddy*, October 24, 2008, at http://irrawaddy.org/article.php?art_id=14501

B. WEST ASIA

IRAN

- **Suspected spy pigeons arrested near nuclear site; Tripartite meeting among Iran, Russia, and Qatar for cooperation in the energy sector; IAEA: Iran's nuclear material remains under the agency's containment and surveillance; US imposes sanctions on Iranian Bank; Reports: Iranian president suffering from exhaustion**

Reports noted that security forces in Natanz arrested two suspected 'spy pigeons' near Iran's uranium enrichment facility in the city of Kashan in Isfahan province. The report noted that some metal rings and invisible strings were attached to the bird. Earlier in the month, a black pigeon was caught bearing a blue-coated metal ring, with invisible strings.¹⁵

Iran, Qatar and Russia meanwhile began their first tripartite meeting for gas cooperation. The meeting, attended by Iran's Oil Minister Gholam Hossein Nozari, his Qatari counterpart Abdullah bin Hamad al-Attiyah and senior executive director of Russia's Gazprom Company, was aimed at developing trilateral cooperation, enhance the level of economic and political ties and make efforts to rationalize natural gas prices in the global market. The three sides studied ways to use the existing infrastructure for production, transport and export of natural gas. They proposed setting up a center for coordinating cooperation of the three countries in Doha, Qatar, a technical center in Tehran and a market survey center in Moscow, Russia.¹⁶

The International Atomic Energy Agency (IAEA) chief Mohammed el-Baradei meanwhile stated that Iran was far from developing nuclear weapons. El-baradei's remarks came even as the US, Israel and their European allies alleged that Iran, a signatory to the nuclear Non-Proliferation Treaty (NPT), was secretly developing nuclear weapons. In its latest report however, the IAEA had reported that the agency had been unable to continue to verify the non-diversion of declared nuclear material in Iran. The report also noted that the agency had conducted "seventeen unannounced inspections" at the country's nuclear plants, where Iran had managed to enrich uranium-235 to a level "less than 5 percent." It added that the agency had not discovered any "components of a nuclear weapon" or "related nuclear physics studies" in Iran, confirming that all nuclear material remained "under the agency's containment and surveillance."¹⁷

The US Treasury imposed sanctions on the Export Development Bank of Iran (EDBI), alleging that the bank helped with the Islamic Republic's disputed nuclear program. The sanctions freezes assets held by the bank under US jurisdiction and US citizens are barred from dealing with the institution. The

¹⁵ "Iran busts 'spy pigeons' near nuclear site," *Tehran Times*, October 21, 2008, at http://www.tehrantimes.com/Index_view.asp?code=180543

¹⁶ "Iran, Russia, Qatar discuss gas cooperation," *IRNA*, October 21, 2008, at <http://www2.irna.ir/en/news/view/line-24/0810219937134423.htm>

¹⁷ "ElBaradei: Iran Lacks Material For Atom Bomb," *Iran Daily*, October 22, 2008, at <http://www.iran-daily.com/1387/3251/html/national.htm#s339642>

Treasury's under secretary for terrorism and financial intelligence, Stuart Levey charged that Iran had adopted a strategy of using less prominent institutions, such as the EDBI, to handle its illicit transactions. The Treasury also stated that EDBI was providing or attempting to provide financial services to Iran's ministry of defense and armed forces logistics. Sanctions will also affect three companies controlled by EDBI - the EDBI Stock Brokerage Company and EDBI Exchange Company, based in Tehran, as well as Banco Internacional de Desarrollo, based in Caracas. EDBI was established in 1991 with the objective of increasing Iran's exports and developing trade with other countries.¹⁸

In other developments, the US imposed sanctions on 13 companies accused of aiding the weapons programmes of North Korea, Iran or Syria. The companies included firms based in Russia, South Korea, China, Sudan, Venezuela and the United Arab Emirates, as well as in the three targeted countries. State Department spokesman, Gordon Duguid asserted that the US had "credible information" that the companies made sales that could make a material contribution to weapons of mass destruction or cruise or ballistic missile systems. The companies that were affected included Russia's Rosoboronexport, South Korea's Yolin/Yullin Tech, Chinese firms Xinshidai Company, China Shipbuilding and Offshore International Corporation and Huazhong CNC, Venezuelan Military Industries Company, and UAE firm R and M International FZCO. Russian Foreign Minister Sergei Lavrov criticized the sanctions as a violation of international law, and warned that they would harm ties between the two countries. Under the sanctions, which remain in place until September 2010, no US government department or agency can have dealings with the affected companies. More than 50 companies have now been targeted for sanctions by the United States for arms dealings with Iran, Syria or North Korea.¹⁹

In other developments, aides of Iranian President Mahmoud Ahmadinejad stated that he was suffering from exhaustion, after Mr. Ahmadinejad cancelled several appointments recently, fuelling growing rumours about his health. Reports noted that reports about his health would increase speculation about his prospects for re-election in the presidential poll to be held next summer.²⁰

¹⁸ "US targets Iranian bank with sanctions," *Khaleej Times*, October 23, 2008, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2008/October/middleeast_October384.xml§ion=middleeast

¹⁹ "US sanctions 13 firms for arms sales to N. Korea, Iran, Syria," *Khaleej Times*, October 25, 2008, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2008/October/international_October1778.xml§ion=international

²⁰ "Iranian president is 'exhausted'," *BBC News*, October 26, 2008, at http://news.bbc.co.uk/2/hi/middle_east/7692173.stm

IRAQ

- **Efforts on to seal security agreement between Iraq and the US; Gates warns Iraq of negative consequences; 15 people die in tribal clashes**

A meeting of the Political Council for National Security was held to discuss the draft security pact which would see the US withdraw troops by 2011. Government spokesman Ali al-Dabbagh stated that no decision was taken at the meeting. While the Shia alliance in the Iraqi coalition government stated that it would seek to make changes to the agreement, radical Shiite factions led by al-Sadr also strongly opposed the deal. Thousands of Sadr supporters marched the streets of Baghdad on October 18, 2008 in protest against the agreement. The US and Iraqi governments had earlier stated that the pact was final and could not be amended. Iraqi Prime Minister Nouri al-Maliki postponed a planned trip to Australia to participate in the discussions. Maliki's efforts to gain official approval for the draft from the Political Council however appeared to have failed as the meeting ended without an agreement. The council is composed of the president, the two vice-presidents, speaker of parliament and leaders of the political factions. Dabbagh pointed out that the only groups to have endorsed the draft without any reservations were the main Kurdish parties - President Jalal Talabani's Patriotic Union of Kurdistan (PUK) and the Kurdistan Democratic Party (KDP). Among provisions in the draft being opposed included the mechanism for allowing Iraq to prosecute US troops and contractors accused of serious crimes. The current UN mandate for US-led coalition forces expires at the end of the year.²¹

Meanwhile, US Defence Secretary Robert Gates warned of "dramatic consequences" if Washington and Baghdad did not agree on a security deal regarding US forces in Iraq. He added that if there were no Status of Forces Agreement, the US would have to "basically stop doing anything." Gates also stated that the US had "great reluctance" to renegotiate.²²

In continuing violence, Iraqi officials stated that 15 people died in clashes between militants and Sunni tribesmen in Babil province in central Iraq. The violence came ahead of the transfer of security duties in the province from US to Iraqi troops, which was to take place on October 23. The militants fought members of two Sunni tribes who had formed an anti-al-Qaeda militia in the previous year. A number of people were also injured in the clashes. The province would be the 12th of 18 provinces to be handed back to the Iraqi security forces. Babil has seen much sectarian violence, including a suicide attack in Hilla in March 2007 that left more than 100 Shia pilgrims dead.²³

²¹ "New bid to seal Iraq troop deal," *BBC News*, October 20, 2008, at http://nes.bbc.co.uk/2/hi/middle_east/7678783.stm

²² "US warning on Iraq deal failure," *BBC News*, October 21, 2008, at http://news.bbc.co.uk/2/hi/middle_east/7683151.stm

²³ "Iraq tribal clashes leave 15 dead," *BBC News*, October 21, 2008, at http://news.bbc.co.uk/2/hi/middle_east/7682511.stm

Anxieties over the transfer of power rose earlier in the week when, the departure of US troops from Sakhreya, a disputed area between Babil and Anbar provinces, sparked a firefight between rival factions of the Sunni al-Bouisa tribe, one supporting the US and the other sympathetic to Al Qaeda.²⁴

In another development, a suicide car bomber in Baghdad drove into a convoy that included a vehicle carrying the minister of labor and social affairs. The blast killed 11 people and wounded 22 others. The minister was however unhurt but his nephew was killed. The attack on the Shiite labor minister, Mahmoud Muhammad al-Radhi, was the second in four months on a member of the 40-person cabinet, underlining the continued perils confronting Iraqis despite a sharp reduction in overall violence.

II. INTERNAL SECURITY REVIEW

JAMMU AND KASHMIR

- **Union Defence Minister: 58 ceasefire violations by Pakistan since 2003; PDP releases document on 'Self-Rule'**

Union Defence Minister A.K. Antony told the Lok Sabha on October 20 that Pakistan had violated the five-year-old border ceasefire as many as 34 times since January 2008. Mr. Antony added that the Indian Army had managed to thwart a majority of the infiltration bids across the Line of Control in the summer. The Minister pointed out that a total of 58 incidents of ceasefire violations by the Pakistani side had taken place since the ceasefire came into effect in November 2003 and that 4 Indian troops had died.²⁵

The Peoples Democratic Party (PDP) patron Mufti Mohammad Sayeed released a detailed document on 'Self Rule' on October 25. The 40-page document, titled 'The Self Rule Framework for Resolution of Kashmir Issue' called for a rollback of the central laws - including Articles 356 and 249 - that empower President of India to dissolve the State Assembly and the Indian Parliament to legislate on matters of the state jurisdiction. Other demands included the appointment of Governor by general elections and withdrawal of the Indian troops and personnel of the All India Services like IAS, IPS and IFS. Sayeed also demanded that only permanent residents of J&K should be qualified to contest elections.²⁶

Sayeed further added that though trade across the Line of Control was a good beginning, it was not enough and that it should move beyond symbolism.

²⁴ Katherine Zoepf and Alan Cowell, "Bomb Attack on Iraqi Official Kills 11," *The New York Times*, October 23, 2008, at http://www.nytimes.com/2008/10/24/world/middleeast/24iraq.html?_r=1&hp&oref=slogin

²⁵ "58 ceasefire violations by Pak since 2003: Antony," *Times of India*, October 21, 2008, at http://timesofindia.indiatimes.com/India/58_ceasefire_violations_by_Pak_since_2003_Antony/articlesh ow/3621845.cms

²⁶ "PDP wants elected Governor, rollback of Central laws, withdrawal of troops and All India Services," *Daily Excelsior*, October 26, 2008, at <http://www.dailyexcelsior.com/web1/08oct26/news.htm#3>

Laying emphasis on economic integration between the two parts of Kashmir across the LoC, Mr. Sayeed called for J and K to become a bridge in the SAARC region. The PDP leader also stated that regional councils could be formed by upgrading the Legislative Council and members from both sides could be accommodated.²⁷

MAOIST INSURGENCY

- **Maoists kill 12 CRPF personnel in Chhattisgarh**

At least 12 Central Reserve Police Force (CRPF) personnel were killed when Maoists set off landmine blasts and opened fire on a patrol party in a forested stretch in Chhattisgarh's in Bijapur district on October 20. The incident took place when heavily armed insurgents waiting at a turning on a hilly portion first triggered multiple landmine blasts and then opened indiscriminate fire on a search party that was on foot. Six CRPF men were also injured in the incident while a Maoist was killed.²⁸

NORTHEAST INSURGENCY

- **Bomb explosion killed 16 in Manipur, KCP(MC) claims responsibility**

16 people, mostly civilians, were killed and 27 others wounded in a powerful improvised explosive device (IED) blast at Pandon in Imphal on October 21. The place of the incident was about 50 meters away from the Imphal west district police commando complex.²⁹

The Kangleipak Communist Party-Military Council (KCP-MC) in a press release on October 22 claimed responsibility for the IED attack stating that the action was against security personnel who were taking part in gambling during Diwali festival.³⁰

In other developments, eight militants, including three KCP cadres, were killed in three different incidents around Imphal on October 23.³¹

²⁷ "PDP unveils 'self-rule framework' for Kashmir," *The Hindu*, October 26, 2008, at <http://www.hindu.com/2008/10/26/stories/2008102659841000.htm>

²⁸ "Maoists kill 12 CRPF personnel in Chhattisgarh," *Times of India*, October 21, 2008, at http://timesofindia.indiatimes.com/India/Maoists_kill_12_CRPF_personnel_in_Chhattisgarh/articleshow/3619437.cms

²⁹ "Blast toll rises to 16, only three were securitymen," *Imphal Free Press*, October 23, 2008, at http://kanglaonline.com/index.php?template=headline&newsid=43816&typeid=1&Idoc_Session=5a2103fc5348ba54116cc0bd2422f487

³⁰ "KCP(MC) says target was security sponsored Diwali gambling," *Imphal Free Press*, October 23, 2008, at http://kanglaonline.com/index.php?template=headline&newsid=43818&typeid=1&Idoc_Session=5a2103fc5348ba54116cc0bd2422f487

³¹ "8 rebels gunned down," *Telegraph*, October 24, 2008, at http://telegraphindia.com/1081024/jsp/northeast/story_10013103.jsp

OTHER DEVELOPMENTS

- **115000 posts lying vacant in state police forces**

The Press Trust of India quoting figures compiled by the Union Ministry of Home Affairs (MHA) reported that as many as 1,15,000 posts were lying vacant in state police forces across the country. Terrorism and left-wing extremism affected states such as Gujarat, Karnataka, Delhi, Jammu and Kashmir, Jharkhand, Chhattisgarh and Bihar had vacant posts ranging from 4,400 to 13,000 in the grade of constables, sub-inspectors (SIs) and deputy superintendents of police (DSP). On an average, 24.15 per cent DSP posts, 20.76 per cent SI posts and 10.87 per cent posts of constables were lying vacant across the country.

The MHA noted that Gujarat, which witnessed a series of bomb blasts recently, had a total sanctioned strength of 43,554 police personnel, out of which, 8,549 posts, including 7,418 posts of constables, were lying vacant. Karnataka, another state which witnessed terror attacks recently, out of a sanctioned strength of 59,442 personnel, 9,429 posts, including of 8,235 constables and 72 DSPs, were vacant.³²

³² "115000 posts lying vacant in State Police forces, says Union Home Ministry," *South Asia Terrorism Portal*, October 20, 2008, at http://satp.org/satporgtp/detailed_news.asp?date1=10/20/2008#14