

# THE WEEK IN REVIEW

October 27-November 2, 10(4), 2008

**EDITOR:** S. SAMUEL C. RAJIV

**REVIEW ADVISOR:** S. KALYANARAMAN

## CONTRIBUTORS

**MEDHA BISHT** – Bhutan, Maldives

**JAGANNATH PANDA** – China

**MAHTAB ALAM RIZVI** – Iran, Iraq

**RAJA SIMMAN** – Energy Security Review

**M. AMARJEET SINGH** – Internal Security Review,  
Myanmar

**GUNJAN SINGH** – Bangladesh

**PRIYANKA SINGH** - Pakistan



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

	<b>IN THIS ISSUE</b>	<b>PAGE</b>
<b>I. COUNTRY REVIEWS</b>		
	<b>A. SOUTH ASIA</b>	<b>3-7</b>
	PAKISTAN	
	BHUTAN	
	BANGLADESH	
	MALDIVES	
	<b>B. EAST AND SOUTHEAST ASIA</b>	<b>7-8</b>
	CHINA	
	MYANMAR	
	<b>C. WEST ASIA</b>	<b>8-10</b>
	IRAN	
	IRAQ	
<b>II. INTERNAL SECURITY REVIEW</b>	JAMMU AND KASHMIR NORTHEAST	<b>11-12</b>
<b>III. ENERGY SECURITY REVIEW</b>		<b>12-14</b>

## 1. COUNTRY REVIEW

### A. SOUTH ASIA

#### PAKISTAN

- **Over 300 killed in earthquake in Balochistan; US air strikes kill 32 in North and South Waziristan; PM Gilani: US attacks counterproductive**

North and central Balochistan was hit by a massive earthquake measuring 6.4 on Richter scale on October 29.<sup>1</sup> Reports indicated that over 300 people lost their lives while at least 500 people were injured and 40,000 rendered homeless. Relief aid also could not reach the affected areas on time as most of the connecting roads were damaged. Powerful aftershocks were felt in the adjoining areas.<sup>2</sup>

At least 32 people were reported killed in US missile attacks in North and South Waziristan on October 31.<sup>3</sup> Prime Minister Gilani termed the US attacks as “counterproductive” and added that the attacks “from across the border have retarded our efforts and strengthened militancy.”<sup>4</sup> The Pakistani Foreign Office also noted that the relations between Islamabad and Washington were “strained over the handling of militancy.”<sup>5</sup>

In other developments, militants operating in Khar, Bajaur province intended to surrender to the state authorities and give up arms without any conditions.<sup>6</sup> Reports also noted that tribesmen killed at least 20 Taliban militants in a fierce battle that took place in Mingora on October 26. The tribesmen had repulsed an attempt of the militants to kidnap the chief of the tribal militias, Pir Samiullah.<sup>7</sup>

#### BHUTAN

- **Bhutan to initiate new industrial policy; New Delhi to provide assistance of Nu 34 billion for Bhutan in Tenth Five-year plan; Austria to provide Nu 31. 4 million to support good governance policies in Bhutan; Global financial meltdown negatively impacts Bhutanese steel industry**

---

<sup>1</sup> Saleem Shahid, “Massive quake flattens Ziarat villages: Over 200 dead, 500 injured; thousands spend chilly night in the open,” *Dawn*, October 30, 2008, at <http://www.dawn.com/2008/10/30/top1.htm>

<sup>2</sup> “Quake survivors wait for aid,” *Daily Times*, October 31, 2008, at [http://www.dailytimes.com.pk/default.asp?page=2008\10\31\story\\_31-10-2008\\_pg1\\_1](http://www.dailytimes.com.pk/default.asp?page=2008\10\31\story_31-10-2008_pg1_1)

<sup>3</sup> Mushtaq Yusufzai, “32 killed in US missile strikes,” *The News*, November 01, 2008, at [http://www.thenews.com.pk/arc\\_default.asp](http://www.thenews.com.pk/arc_default.asp)

<sup>4</sup> Asim Yasin, “PM terms US attacks counterproductive,” *The News*, November 02, 2008, [http://www.thenews.com.pk/arc\\_default.asp](http://www.thenews.com.pk/arc_default.asp)

<sup>5</sup> Baqir Sajjad Syed, “FO admits ties with US strained,” *Dawn*, November 01, 2008, at <http://www.dawn.com/2008/11/01/top3.htm>

<sup>6</sup> Anwarullah Khan, “Bajaur militants agree to surrender unconditionally,” *Dawn*, October 30, 2008, at <http://www.dawn.com/2008/10/30/top3.htm>

<sup>7</sup> “Swat lashkar battles Taliban,” *Daily Times*, October 27, 2008, at [http://www.dailytimes.com.pk/default.asp?page=2008\10\27\story\\_27-10-2008\\_pg1\\_1](http://www.dailytimes.com.pk/default.asp?page=2008\10\27\story_27-10-2008_pg1_1)

Reports noted that Bhutan was set to initiate its new industrial policy, directed at stimulating diversified and accelerated economic growth. Among areas of reform would be new labour norms and an emphasis on infrastructure development.<sup>8</sup>

Meanwhile, the Austrian government agreed to provide 500,000 euros (Nu 31. 4 million) to support good governance policies in Bhutan. The aid would be channelised to cater to the needs of the tenth five year plan, which has a focus towards issue-specific areas like environment and poverty alleviation.<sup>9</sup> New Delhi's assistance to Bhutan's tenth plan has also been finalized at Nu 34 billion. Some of the activities that India would support in the plan include the building of a medical college, a rail link to Phuentsholing, the Dungsum cement project, and the Wangchuck-Nehru Scholarship, amongst others.<sup>10</sup>

Reports also noted that the current global financial meltdown has impacted the Bhutanese steel industry negatively. Even though the steel industries were approaching the banks for loans, the current financial rules barred them from borrowing more than a maximum limit of 30 percent of the financial institutions' equity.<sup>11</sup>

## BANGLADESH

- **Parties make changes to their constitution to comply with EC regulations; International interlocutors press Dhaka to lift state of emergency; Bangladesh Army Chief meets Zardari**

Ahead of the parliamentary elections, major political parties made revisions to their party constitutions to qualify for EC norms for party registration. The Jamaat-e-Islami (JeI) for instance recognised the historic Liberation War in its newly revised constitution.<sup>12</sup> The EC however maintained that some provisions in JeI's revised constitution still ran counter to its provisions.<sup>13</sup> An experts committee constituted by the EC asked the JeI to further make changes in its charter recognising the plenary powers of parliament to make laws. Jamaat's revised constitution submitted to the EC disregards parliament's power on the grounds that people must not accept anyone except Allah as a law-making

---

<sup>8</sup> "New industrial policy to stimulate private sector," *Kuensel Online*, October 27, 2008, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=11366>

<sup>9</sup> "Nu 31.4 m Austrian grant for good governance," *Kuensel Online*, October 30, 2008, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=11382>

<sup>10</sup> "Government of India aid package clinched," *Kuensel Online*, October 30, 2008, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=11389>

<sup>11</sup> "Wall Street crisis burns Bhutan's steel industries," *Kuensel Online*, November 1, 2008, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=11395>

<sup>12</sup> "Jamaat recognises Liberation War: Makes major changes in constitution for registration; allows non-Muslims to be members but puts onus of protecting independence only on them," *The Daily Star*, October 21, 2008, at <http://www.thedailystar.net/story.php?nid=59626>

<sup>13</sup> "Jamaat charter still anti-constitutional: Finds EC committee; BNP's associated organisations not RPO proper; AL's charter not accepted yet," *The Daily Star*, October 22, 2008, at <http://www.thedailystar.net/story.php?nid=59774>

authority.<sup>14</sup>After the EC's intervention, the Jamaat made further changes in its constitution to accept the lawmaking power of parliament and conform to the criteria for registration.<sup>15</sup>

The formal registration of Jamaat-e-Islami with the EC has led to formal objections from different organisations and individuals, who demanded prosecution of anti-liberation war criminals.<sup>16</sup> The EC meanwhile decided to reject registration applications of around 40 organisations for not meeting its criteria, including parties like the Islamic Democratic Party (IDP), formed by leaders of banned militant outfit Harkat-ul-Jihad-al-Islami (HuJi).<sup>17</sup>

The AL on its part maintained that it would not take part in any election if the state of emergency was not withdrawn and its president Sheikh Hasina, was not "permanently and unconditionally" released.<sup>18</sup> The party also demanded that the EC should hold the upcoming national elections within the limits of the previous constituencies if it fails to resolve convincingly all complexities regarding the demarcation of constituencies.<sup>19</sup> The EC however accepted the AL's revised constitution and decided to register the party as it omitted the names of Bangladesh Chhatra League and Jatiya Sramik League from the list of organisations associated with it in its charter.

The BNP also made amendments to the constitution regarding severing its ties with 'associated' organisations of students and professionals, removing all barriers to its registration with the EC.<sup>20</sup> The revised changes clip the absolute authority of BNP chairperson to form the party's standing and executive committees.<sup>21</sup> It also asserted that it would not participate in the December 18 elections without Khaleda Zia's active participation.<sup>22</sup> Khaleda Zia on her part

---

<sup>14</sup> "Revised Party Constitutions For Registration: EC accepts AL charter as it omits 2 fronts, Asks Jamaat to correct some anti-constitutional provisions, hopes to sort out BNP problems easily," *The Daily Star*, October 23, 2008, at <http://www.thedailystar.net/story.php?nid=59932>

<sup>15</sup> "Jamaat now accepts plenary power of JS: EC sees no problem in giving registration," *The Daily Star*, October 24, 2008, at <http://www.thedailystar.net/story.php?nid=60082>

<sup>16</sup> "Jamaat's EC registration draws sharp reaction," *The Daily Star*, October 28, 2008, at <http://www.thedailystar.net/story.php?nid=60727>

<sup>17</sup> "Huji's party among 40 denied EC registration: List to get longer," *The Daily Star*, November 2, 2008, at <http://www.thedailystar.net/story.php?nid=61479>

<sup>18</sup> "No polls without Hasina, under emergency: AL," *The Daily Star*, October 20, 2008, at <http://www.thedailystar.net/story.php?nid=59501>

<sup>19</sup> "Re-demarcation: AL asks EC to resolve legal matters soon," *The Daily Star*, October 22, 2008, at <http://www.thedailystar.net/story.php?nid=59785>

<sup>20</sup> "BNP rights RPO wrongs: EC may miss October deadline for registration," *The Daily Star*, October 27, 2008, at <http://www.thedailystar.net/story.php?nid=60563>

<sup>21</sup> "Supreme power of BNP chairperson curtailed: Fronts, foreign chapters dissolved in interim charter; party submits form protesting the 'forced changes'," *The Daily Star*, October 21, 2008, at <http://www.thedailystar.net/story.php?nid=59627>

<sup>22</sup> "No polls without Khaleda: 4-party: Countrywide rallies held to press home 7-point demand," *The Daily Star*, October 27, 2008, at <http://www.thedailystar.net/story.php?nid=60561>

called on the election commissioners to resign on the grounds that they were not neutral, and therefore could not hold a free and fair election.<sup>23</sup>

A total of 107 political parties applied for registration under the new provision made mandatory under the amended Representation of People Order (RPO), which was a part of political and electoral reforms undertaken by the EC in the interim period.<sup>24</sup>

Ahead of the election, international interlocutors were also pressing Dhaka to lift the state of emergency. UN Secretary General Ban Ki-moon arrived on November 1 on a two-day official visit to the country. Mr. Ban maintained that Bangladesh's most pressing need was to ensure a peaceful transition to democracy and for the incoming elected government to stem a recurrence of confrontational politics.<sup>25</sup> A 10-member team of the European Commission (EC) would also be reaching Bangladesh on November 6 to assess the pre-poll situation. Reports noted that the team expected an announcement from the caretaker government about the lifting or relaxing of the state of emergency soon.<sup>26</sup> Commonwealth Secretary General Kamalesh Sharma on his part stated that the state of emergency was "inconsistent" with a normal electoral process and favoured its lifting before the election.<sup>27</sup> The caretaker administration, headed by Chief Adviser Fakhruddin Ahmed, at the latest round of talks with the parties, stated that it would relax the Emergency Power Rules (EPR) clauses that banned political activities early next month.<sup>28</sup>

In other developments, Bangladesh Chief of Army Staff Gen. Moeen U. Ahmed, on a six-day official visit to Pakistan, called on the Pakistani President Asif Ali Zardari and discussed matters of mutual interests.<sup>29</sup> The Asian Development Bank (ADB) agreed to provide a loan of \$165 million to help Bangladesh improve its energy infrastructure.<sup>30</sup>

---

<sup>23</sup> "Fair polls not possible under current EC: Says Khaleda, demands resignation of all election commissioners," *The Daily Star*, November 1, 2008, at <http://www.thedailystar.net/story.php?nid=61302>

<sup>24</sup> "107 parties apply for EC registration," *The Daily Star*, October 21, 2008, at <http://www.thedailystar.net/story.php?nid=59637>

<sup>25</sup> "Pressing need to ensure transition to democracy: Elected govt has to stem recurrence of confrontational politics, Ban Ki-moon tells banquet," *The Daily Star*, November 2, 2008, at <http://www.thedailystar.net/story.php?nid=61477>

<sup>26</sup> "EU to assess pre-poll situation: Team due on Nov 6," *The Daily Star*, October 22, 2008, at <http://www.thedailystar.net/story.php?nid=59786>

<sup>27</sup> "Emergency inconsistent with normal elections: Commonwealth favours lifting before polls, Kamalesh tells media," *The Daily Star*, October 28, 2008, at <http://www.thedailystar.net/story.php?nid=60724>

<sup>28</sup> "Ban on political activities may be relaxed early Nov: No clear signal on allowing Hasina, Khaleda to contest polls," *The Daily Star*, October 25, 2008, at <http://www.thedailystar.net/story.php?nid=60234>

<sup>29</sup> "General Moeen meets Pak president," *The Daily Star*, October 23, 2008, at <http://www.thedailystar.net/story.php?nid=59944>

<sup>30</sup> "\$165m ADB loan to support pvt investment in energy sector," *The Daily Star*, October 22, 2008, at <http://www.thedailystar.net/story.php?nid=59807>

## MALDIVES

- **Mohamed Nausheed wins presidential elections; Gayoom's DRP to play the role of opposition party**

In the Maldivian presidential elections, Mohamed Nasheed (Anni) secured a total of 97,222 votes, thus winning the race against the incumbent Maumoon Abdul Gayoom, who secured a total of 82,121 votes.<sup>31</sup> Nasheed would be sworn in as the President on November 11. Mr. Nasheed has stated that the outgoing Mr. Gayoom would be receiving "a pension and protection" after stepping down. Gayoom on his part announced his intention to stay in the capital, Malé, and that his Dhivehi Raiyyithunge Party (DRP) would play the role of the opposition party.<sup>32</sup>

## B. EAST AND SOUTHEAST ASIA

### CHINA

- **First summit of ARATS-SEF held in Taipei; 7<sup>th</sup> China International Aviation and Aerospace Exhibition to be held from Nov 4-9**

The chief of the Chinese mainland's Association for Relations across the Taiwan Strait (ARATS) chief Chen Yunlin visited Taipei, Taiwan to hold bilateral talks with the Strait Exchange Foundation (SEF). The proposed meeting is aimed at deepening cross-strait economic cooperation and is being seen as a means to "institutionalize" Cross-strait ties through the mechanism of the ARATS-SEF.<sup>33</sup> The SEF will be represented by Chiang Pin-Kung. This is the first ARATS-SEF summit in Taipei.<sup>34</sup>

The 7<sup>th</sup> China International Aviation & Aerospace Exhibition will be held at the Zuhuai Airshow Centre in the Guangdong province of China from November 4-9. Reports noted that the 'Chinese missile defence system concept' would be displayed as well as a new set of missile equipment like SY-400 rocket-powered guided missile weapon systems will also be unveiled.<sup>35</sup>

### MYANMAR

- **Myanmar and China consolidating military relations; KNU outpost seized in joint military operation by rival Karen group backed by government troops**

Myanmar's top three generals – Senior Gen. Than Shwe, Vice Senior Gen. Maung Aye and Gen. Thura Shwe Mann met the visiting Vice Chief-of-Staff of China's

---

<sup>31</sup> "Anni Makes First Televised Address As President-Elect," *Minivan News*, October 29, 2008, at [http://www.minivannews.com/news\\_detail.php?id=5309](http://www.minivannews.com/news_detail.php?id=5309)

<sup>32</sup> "Old Enemies Unite To Promise Smooth Transfer Of Power," *Minivan News*, October 29, 2008, at [http://www.minivannews.com/news\\_detail.php?id=5312](http://www.minivannews.com/news_detail.php?id=5312)

<sup>33</sup> "ARATS chief arrives in Taiwan, starts milestone trip," *People's Daily*, November 4, 2008, at <http://english.peopledaily.com.cn/90001/90776/90785/6526690.html>

<sup>34</sup> "ARATS, SEF chiefs hold talks in Taipei," *People's Daily*, November 4, 2008, at <http://english.peopledaily.com.cn/90001/90776/90785/6526988.html>

<sup>35</sup> "New missiles debut at Airshow China in Zhuhai," *People's Daily*, November 3, 2008, at <http://english.peopledaily.com.cn/90001/90776/90786/6526544.html>

People's Liberation Army (PLA), Gen. Zhang Li, in Naypyidaw on October 29. Analysts noted that Gen. Zhang's trip was a means of strengthening cooperation between the armed forces of the two countries.

China has been the major supplier of military hardware to Myanmar since 1988, having provided it with fighter jets, naval ships, tanks, military vehicles and ammunition. Reports noted that China has delivered nearly \$2 billion worth of military equipment to Myanmar since the early 1990s. *Xinhua* reported that the Chinese defense ministry was willing to work with Myanmar to further expand bilateral cooperation, to further the defence needs of the two nations and to safeguard regional peace and stability.<sup>36</sup>

In other developments, reports noted that an outpost of the Karen rebel group - Karen National Union (KNU, 6th Brigade, 201st Battalion), at Khalelawse, was seized in a joint operation by a rival Karen faction, the Democratic Karen Buddhist Army (DKBA) and government troops on October 31. The outpost is situated opposite the village of Ohn Phyan, within one kilometer of the Ohn Phyan refugee camp and about 80 kilometers south of Mae Sot on the Thai-Myanmar border.<sup>37</sup>

### C. WEST ASIA

#### IRAN

- **New Iranian naval base opened in the Persian Gulf; Iran and UAE sign an MoU to set up a joint commission; US military arrests 39 Iranian-sponsored criminals in Iraq; 15<sup>th</sup> Iran-India Joint Economic Commission meeting held**

The chief of the Iranian navy, Gen. Abdolrahim Mousavi stated that Iran opened a naval base on the Straits of Hormuz capable of keeping foreign forces out of the Persian Gulf. Adding that the new base would create a new line of defense in the Persian Gulf, Mousavi noted that it can prevent any enemy from entering the Persian Gulf's strategic area. The facility, which was inaugurated on November 3, in the southern port of Jask about 1,700 kilometers south of Tehran, is in the eastern part of the straits at the entrance to the Persian Gulf. A spokesman for the US Fifth Fleet in Bahrain had no immediate comment on the base opening, stating that he was not aware of the Iranian report.<sup>38</sup>

Reports noted that UAE-Iran bilateral ties were set to touch a 'new horizon,' following a key decision to set up a joint commission in the wake of UAE Foreign Minister Shaikh Abdullah bin Zayed Al Nahyan's visit to Tehran on October 29. Shaikh Abdullah and the Iranian Foreign Minister Manouchehr Mottaki signed an Memorandum of Understanding (MoU) to this effect and also

---

<sup>36</sup> "Burma, China Consolidating Military Relations," *Irrawaddy*, October 30, 2008, at [http://irrawaddy.org/article.php?art\\_id=14526](http://irrawaddy.org/article.php?art_id=14526)

<sup>37</sup> "Karen rebel outpost seized", *Mizzima*, November 1, 2008, at <http://mizzima.com/news/inside-burma/1224-karen-rebel-outpost-seized.html>

<sup>38</sup> "Iran opens naval base at Hormuz Strait," *Tehran Times*, October 29, 2008, at [http://www.tehrantimes.com/index\\_View.asp?code=181109](http://www.tehrantimes.com/index_View.asp?code=181109)

discussed various issues of common interest to boost bilateral cooperation. While Iran's Mottaki hailed the agreement as an "important step in bilateral relations," the UAE Foreign Minister highlighted the historic ties between the two countries. Iranian President Mahmoud Ahmadinejad on his part added that the new UAE-Iran bilateral initiative underscored the concerted efforts of the leadership of the two countries to ensure the best interests of the Emiratis and the Iranians. UAE is home to a large number of Iranian expatriates and is also Iran's top trading partner. Iran's bilateral trade with the UAE exceeded \$14 billion in 2007.<sup>39</sup>

The US military meanwhile stated that it had arrested 39 Iranian-sponsored 'criminals' in Iraq during the month and seized some \$500,000 meant to fund militancy in the country. The military added that one of those arrested was a key member of the Iranian-sponsored Asa'ib Ahl al-Haq criminal network, an alleged financier responsible for funding militant operations against Iraqi and US forces.<sup>40</sup>

Foreign Minister Pranab Mukherjee met with his Iranian counterpart Manouchehr Mottaki on November 1 on the sidelines of the 15th Iran-India Joint Economic Commission meeting to discuss issues of mutual interest as well as regional developments. Mottaki, expressing satisfaction with the current volume of bilateral trade, noted that the two countries shared deep-rooted historical and cultural bounds and had always adopted a strategic approach towards meeting their respective national interests. He also highlighted the huge potential for joint investments and for further increasing the volume of trade exchanges. Mr. Mukherjee on his part noted that ties between Iran and India always remained close and had never been affected by any external pressures. The EAM also stated that NAM member-states always adopted a multilateral approach in dealing with discrimination and injustice and acted independently in pursuit of their goals. Both the countries inked several memoranda-of-understanding at the end of the Economic Commission meeting.<sup>41</sup>

## IRAQ

- **Iraq expresses dissatisfaction at the US over its commando raid in Syria; US forces transfer security of Wasit province to Iraq; Bush hopeful of a SOFA deal with Iraq**

Iraqi government spokesman Ali al-Dabbagh criticised the US over an unconfirmed helicopter strike inside Syrian territory. Al-Dabbagh also called on Damascus to prevent groups from using Syrian territory for "training and

---

<sup>39</sup> "UAE-Iran Initiative to Boost Relations," *Khaleej Times*, October 30, 2008, at [http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/theuae/2008/October/theuae\\_October705.xml&section=theuae](http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/theuae/2008/October/theuae_October705.xml&section=theuae)

<sup>40</sup> "US says 39 Iranian-funded 'criminals' arrested in Iraq," *Khaleej Times*, October 31, 2008, at [http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2008/October/international\\_October2218.xml&section=international](http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2008/October/international_October2218.xml&section=international)

<sup>41</sup> "Iran, India discuss ways of expanding bilateral relations," *IRNA*, November 2, 2008, at <http://www2.irna.ir/en/news/view/line-24/0811026931184733.htm>

sending terrorists for attacks on Iraq and its people." Syria on its part urged the UN Security Council to hold the US responsible for the attack, which reportedly killed eight civilians. The Syrian cabinet called the attack "barbaric" and ordered a US school and cultural centre in Damascus to be closed down. US officials maintained that the operation killed a key figure involved in the smuggling of militants into Iraq, the Iraqi Abu Ghadiyah, a former lieutenant of Abu Musab al-Zarqawi. The charge was however denied by Syrian Foreign Minister Walid Muallem.<sup>42</sup>

Iraq meanwhile took security control of the central Shia province of Wasit from the US military on October 29, making it the 13<sup>th</sup> of the country's 18 provinces to be returned to Baghdad. The transfer came within a week of the return of nearby Babil province to the Iraqis. Rubaie also announced that Baghdad would take control of the northern oil-rich but ethnically volatile region of Kirkuk and Salaheddin, which is the home province of executed dictator Saddam Hussein. Apart from these two, the other three provinces that remain under US military control are Baghdad, Nineveh and Diyala. Wasit has a 200-kilometre border with Iran and the US military has regularly accused Iranian groups of smuggling in weapons into this province for attacks against its troops.<sup>43</sup>

US President George Bush also stated that he was confident that a deal regarding the future of US troops in Iraq will be approved despite amendments which Baghdad has requested. After talks with the president of Iraq's Kurdish region Masood Barzani, Bush noted that officials were analysing the proposed changes to the agreement. Iraqi government spokesman Ali al-Dabbagh on his part stated that the proposed changes would ban US forces in Iraq from attacking any neighbouring countries. This was three days after a raid on Syria that Damascus charged had killed eight civilians. On October 28, the Iraqi cabinet authorised Prime Minister Maliki to re-open talks with the US on the pact, which would allow US forces to stay in Iraq after their UN mandate expires on 31 December 2008. Reports earlier noted that the draft granted Iraqi judicial authorities limited ability to prosecute US troops and contractors for major crimes. The Iraqis have also raised concerns about the provisional date of 2009 set for US withdrawals from Iraqi towns and cities, and the date of 2011 for withdrawing from Iraq as a whole.<sup>44</sup>

---

<sup>42</sup> "Baghdad condemns 'US Syria raid'," *BBC News*, October 28, 2008, at [http://news.bbc.co.uk/2/hi/middle\\_east/7695169.stm](http://news.bbc.co.uk/2/hi/middle_east/7695169.stm)

<sup>43</sup> "Iraq takes control of Wasit province from US," *Khaleej Times*, October 29, 2008, at [http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2008/October/middleeast\\_October509.xml&section=middleeast](http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2008/October/middleeast_October509.xml&section=middleeast)

<sup>44</sup> "Bush confident of Iraq troop deal," *BBC News*, October 29, 2008, at [http://news.bbc.co.uk/2/hi/middle\\_east/7698509.stm](http://news.bbc.co.uk/2/hi/middle_east/7698509.stm)

## II. INTERNAL SECURITY REVIEW

### JAMMU AND KASHMIR

- **National Conference unveils 16-point vision document with major focus on greater autonomy; Hurriyat (G), NC criticize PDP's Self-Rule formula**

The National Conference (NC) unveiled a 16-point 'Vision Document' for the next 15 years on October 31. Restoration of greater autonomy for a solution of the Kashmir issue gets a top priority in the document released by party patron Dr. Farooq Abdullah and President Omar Abdullah in Srinagar. While Omar Abdullah stated that the vision document was a roadmap for finding a political solution to the Kashmir issue, he noted that resolution of the Kashmir dispute was in the hands of India and Pakistan. The party maintained that the autonomy proposal was gaining more and more acceptability in the country and other parts of the world. The vision document also gives priority to rehabilitate families of civilians and militants killed during the last eighteen years.<sup>45</sup>

'Self-Rule' formula of the Peoples Democratic Party (PDP) meanwhile evoked a strong reaction from the Hurriyat Conference (G), the NC as well as the Congress. Syed Ali Shah Geelani stated that the people of Kashmir had already rejected the 'self-rule' formula of the PDP and added that the recent demonstrations proved that people still stood by the 'right to self-determination' demand. Gilani charged Sayeed with playing election politics and called on people to reject his stance. He added that the PDP, NC, Congress and other pro-Indian leaders always proved to be 'traitors' and people should not believe them and reject them.

The NC on its part alleged that the PDP's 'self rule' was aimed at sabotaging greater autonomy to the state. It noted that there was no alternative for greater autonomy that can be accepted within the Indian constitution. The NC noted that any solution other than autonomy would not be possible unless borders were altered.<sup>46</sup>

Senior Congress leader Lal Singh on October 26 criticised the document of 'self-rule' of the PDP stating that the government should take serious note of this and disband PDP for its anti-national activities. Lal Singh maintained that PDP was also working on the line of the separatists and its concept of self-rule was nothing but a cheap political gimmick to gain votes in the Kashmir Valley.<sup>47</sup>

---

<sup>45</sup> "NC unveils 16 pt vision document, major focus on greater autonomy," *Kashmir Times*, November 1, 2008, at <http://kashmirtimes.com/jktoday.htm>

<sup>46</sup> "Hurriyat (G), NC criticize PDP's Self Rule formula," *Kashmir Times*, October 27, 2008, at <http://kashmirtimes.com/news7.htm>

<sup>47</sup> "PDP's self-rule document a cheap political gimmick," *Kashmir Times*, October 27, 2008, at <http://kashmirtimes.com/news7.htm>

In other developments, at least six Hizbul Mujahideen militants were gunned down by Army and police in a fierce gun-battle in Kishtwar district on October 27.<sup>48</sup>

#### NORTHEAST INSURGENCY

- **Serial blasts in Assam kill 75; HuJI suspected, ULFA denies responsibility**

At least 75 people were killed and over 300 wounded in nine near-simultaneous explosions across Assam on October 30. In Guwahati city, 41 killed were killed and 167 wounded in three blasts - at Ganeshguri, Panbazar and Fancy bazar. In Kokrajhar town, 20 people were killed and 60 injured in the three explosions, while in Barpetta Road, two explosions killed 14 and injured 70. The Bongaigaon blast was an accident as a bomb went off while being taken away to be defused, injuring 10 people.

Police pointed fingers at the Bangladesh-based Harkat-ul-Jehadi Islami (HuJI). The state's main separatist militant outfit - the United Liberation Front of Asom (ULFA) is also believed to have supported the operation. Chief Minister Tarun Gogoi stated that RDX was used in the Guwahati blasts. The ULFA has however denied any role in the blasts. Reports noted that intelligence agencies had warned that its 709 'battalion' might retaliate against the government's attempts to bring some members over ground with a ceasefire offer.<sup>49</sup>

In other developments, suspected militants belonging to the Jewel Gorlosa faction of the Dima Haram Daogah (DHD) gunned down 10 people, including eight policemen, while they were escorting a hearse in a remote area between Haflong and Lanka on October 30. The police stated that all the 10 persons were traveling in a vehicle when the militants ambushed the vehicle at Thajuary under Doyangmukh police station.<sup>50</sup>

### III. ENERGY SECURITY REVIEW

- **Reports: Chinese investments to tap Myanmar's energy resources increasing**

Recent reports, including from the environmental groups, EarthRights International and Arakan Oil Watch, detail the involvement of some 69 Chinese multinational corporations in at least 90 hydropower, mining and oil and gas projects across Myanmar. Analysts note that the growing commitments were a testament to China's pragmatic approach to commercial diplomacy and underscore its interest in maintaining Myanmar's political status quo.

---

<sup>48</sup> "6 top HM militants killed in Kishtwar," *Daily Excelsior*, October 29, 2008, at <http://www.dailyexcelsior.com/web1/08oct28/news.htm#1>

<sup>49</sup> "ASSAM AFIRE, 9 blasts kill 75: Huji-Ulfa cocktail suspected," *Telegraph*, October 31, 2008, at [http://telegraphindia.com/1081031/jsp/frontpage/story\\_10042821.jsp](http://telegraphindia.com/1081031/jsp/frontpage/story_10042821.jsp)

<sup>50</sup> "Eight cops die in rebel ambush," *Telegraph*, October 31, 2008, at [http://telegraphindia.com/1081031/jsp/northeast/story\\_10042504.jsp](http://telegraphindia.com/1081031/jsp/northeast/story_10042504.jsp)

China's Myanmar investments focus mainly on energy and natural resources, required in ever-larger quantities to fuel its fast-expanding industrialization and urbanization. Chinese projects range from hydropower dams to the highly ambitious and controversial Shwe Gas pipeline that is projected to cross the length of Myanmar to transport fuel to China's landlocked southern Yunnan province. The pipeline project would also help China circumvent the congested Straits of Malacca, through which over 70 per cent of its current oil and gas imports pass.

Reports also note that India and Thailand aggressively jockey for access to the resources of Myanmar, in contrast to the US and Europe, which subject the country to strict trade and investment sanctions in protest against its human rights record. Those curbs were recently augmented by so-called "smart sanctions" aimed at hitting the private resources of senior junta members and their top business associates.<sup>51</sup>

- **Indonesia awards oil and gas exploration units**

Indonesia's Ministry of Energy and Mineral Resources awarded the offshore Semai-V oil and gas block to a unit of Hess Corp. (HES), a joint venture between Royal Dutch Shell (RDSB) and PT Pertamina. The block was one of the nine oil and gas blocks that the government awarded, mostly to international companies. The Gunting Block was awarded to Esso Exploration International, a subsidiary of ExxonMobil Corp (XOM), while Lundin Oil won the bid for the Baronang and Cakalang blocks. Pearl Oil Ltd. bagged the offshore Kerapu Block.

The offshore Semai-II block was awarded to a consortium consisting of Thailand's PTT Exploration and Production PLC (PTTEP.TH), Japan's Inpex Corp. and Murphy Overseas Ventures Inc. SPC E&P Upstream Pte. Ltd. got the offshore Mahakam Hilir block. Sintezmorneftegaz, a unit of Russia's Sintez Group, won the offshore East Bawean I Block.<sup>52</sup> The Indonesian ministry stated that total investment during the exploration period in the nine blocks was expected to touch \$465 million.

- **China-bound pipeline may start next year**

The president of Russia's state-run pipeline company Transneft, Nikolai Tokarev, stated on October 30 that the paving of a China-bound branch line of the 4,000 km long Eastern Siberia-Pacific oil pipeline may start at the end of the first quarter in 2009. While the designing work of the pipeline was completed after coordination between Transneft and the China National Petroleum Corp., Tokarev noted that the construction project has been presented to the concerned department in Russia for appraisal.

---

<sup>51</sup> "China's Footprint in Myanmar Expands," *Asia Energy*, October 31, 2008, at <http://asianenergy.blogspot.com/2008/10/chinas-footprint-in-myanmar-expands.html>

<sup>52</sup> "Indonesia Awards Nine Oil, Gas Exploration Blocks," *Asia Energy*, October 31, 2008, at <http://asianenergy.blogspot.com/2008/10/indonesia-awards-nine-oil-gas.html>

The cost of the project was expected to touch about \$600 million dollars. It was also expected to encounter a series of technical difficulties, including the paving of the pipeline going through the bottom of the Amur (Heilong Jiang) River. Current technologies were however expected to ensure the smooth running of the project.

The 4,000 km-long Eastern Siberia-Pacific oil pipeline plans to link the Siberian city of Taishet near Lake Baikal and Russia's Pacific region via Skovorodino, the midpoint of the entire route. The first phase of the project, the 2,690-km route from Taishet to Skovorodino, is expected to have an annual transport capacity of 30 million tons of oil.<sup>53</sup>

- **China gains new ground in Africa**

State-owned China National Petroleum Corp (CNPC) broke ground for new oil refineries in Chad and neighboring Niger, as the company continues to boost its ties with resource-rich countries in Africa. The refineries will be the first in each of the landlocked African countries, which remain desperately poor but have seen their state incomes surge during the resource boom of recent years.

The refinery is due to start refining 20,000 barrels a day (BPD) from 2011, rising later to 60,000 bpd. Chad currently produces 140,000-160,000 bpd of crude, all of which is exported, leaving the country to import all its fuel requirements.<sup>54</sup>

---

<sup>53</sup> "Russia's China-bound branch pipeline may start paving next year," *Xinhua*, October 30, 2008, at <http://asianenergy.blogspot.com/2008/10/russias-china-bound-branch-pipeline-may.html>

<sup>54</sup> "China's CNPC oil breaks ground on Chad and Niger Refineries," *Reuters*, October 28, 2008, at [http://asianenergy.blogspot.com/2008\\_10\\_26\\_archive.html](http://asianenergy.blogspot.com/2008_10_26_archive.html)