

THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

- **More than 70 killed in wave of clashes; NATO pledges to support Afghanistan's electoral process; Obama: US needs an exit strategy in Afghanistan; US to attend SCO conference on Afghanistan in Moscow; Kai Eide: Political consensus vital for free and fair elections**

Amidst growing alarm about Afghanistan's mounting Taliban-led insurgency, a suicide bomber killed 11 people and wounded 28 in southern Afghanistan on March 16. More than 70 people lost their lives in the recent past, including 18 policemen and four Canadian soldiers on March 20.¹ The US military on its part stated that Afghan and international troops have killed 30 'armed militants' in Helmand province.² NATO Secretary General Jaap de Hoop Scheffer, addressing a press conference in Kabul with President Hamid Karzai on March 18, pledged his organisation's continued support for the conduct of the Afghan presidential elections slated for August 20, 2009.³

US President Barak Obama meanwhile has stressed that the United States needed an exit strategy in Afghanistan, even as the country expanded its military, diplomatic and economic efforts against a rising Taliban insurgency. Obama stated that the United States was redefining its mission in Afghanistan and "making sure that al-Qaeda cannot attack the US homeland and US interests and our allies."⁴ Earlier on March 19, the US State Department confirmed that the US will attend conference on Afghanistan being held in Moscow being organized by Shanghai Cooperation Organization (SCO). The Moscow conference is being seen as a prelude to an UN-organized international conference, to be co-hosted by the Afghan government and the Netherlands, scheduled to be held at the Hague on March 31.⁵

In other developments, the UN Secretary-General's Special Representative for Afghanistan Kai Eide pointed out that political consensus was vital for Afghanistan's stability, particularly ahead of the August presidential elections. He also appealed to the international community to cooperate with the Afghan

¹ "Afghanistan unrest kills more than 70: officials," *Asiaone News*, March 21, 2009, at <http://www.asiaone.com/News/Latest%2BNews/Asia/Story/A1Story20090321-130023.html>

² "Troops in Afghanistan kill 30 militants: US military," *The Times of India*, March 20, 2009, at <http://timesofindia.indiatimes.com/World/Rest-of-World/Troops-in-Afghanistan-kill-30-militants-US-military-/articleshow/4290662.cms>

³ "Scheffer: NATO to support Afghanistan elections," *Xinhua*, March 18, 2009, at http://news.xinhuanet.com/english/2009-03/18/content_11032240.htm

⁴ "Obama Says a Way Out of Afghanistan Is Needed," *New York Times*, March 22, 2009, at http://www.nytimes.com/2009/03/23/us/politics/23obama.html?_r=1&scp=3&sq=afghanistan&st=cse

⁵ "US to Attend Shanghai Group Meeting on Afghanistan," *Voice of America*, March 19, 2009, at <http://www.voanews.com/english/2009-03-19-voa51.cfm>

authorities and civil society to help establish mechanisms for a free and fair election.⁶

PAKISTAN

- **Iftikhar Chaudhury and sacked judges restored: Gilani and Nawaz Sharif initiate reconciliation process; Gates expresses concerns on activities of Quetta Shura in Balochistan**

After a long drawn battle, Chief Justice Iftikhar Chaudhary and the sacked judges were reinstated in accordance with their position prior to November 2, 2007.⁷ The announcement to this effect was made by Prime Minister Gilani in his address to the nation on March 16.

Prime Minister Gilani and Nawaz Sharif meanwhile met on March 22 at Raiwind and agreed to bury their differences and work in conformity with the Charter of Democracy.⁸ The two leaders also met on March 22 at Raiwind and discussed the issue of Governor's rule in Punjab and the overall security situation the country.⁹ Reports also noted that the government would seek the reversal of the Supreme Court verdict which debarred the Sharif brothers from contesting polls.¹⁰

In other developments, US Defence Secretary Robert Gates, speaking at the Pentagon, expressed concern over the militant activities of Quetta Shura, a group of Taliban extremists in Balochistan. Gates also reiterated the US commitment to capture al-Qaeda chief, Osama bin-Laden.¹¹

NEPAL

- **Controversy over non-extension of terms of Army officers; NRB: Nepal's domestic economy facing the impact of the global economic downturn; China to help connect Lhasa with Lumbini, through Kathmandu; UN High Commissioner for Human Rights calls for 'accountability for the past'**

Reports noted that the Nepal Army (NA) and the Ministry of Defense (MoD) were locked in a tussle over the issue of the retirement of 8 Brigadier General's. The MoD on March 16 had refused to extend the terms of eight of them and it

⁶ "UN: Political Consensus Crucial In Lead up to Afghanistan Election," *Voice of America*, March 19, 2009, at <http://www.voanews.com/english/2009-03-19-voa70.cfm>

⁷ "Gilani restores CJP Iftikhar Chaudhry, sacked judges : March triumphs, Justice gets justice," *Daily Times*, March 16, 2009, at http://www.dailytimes.com.pk/default.asp?page=2009\03\16\story_16-3-2009_pg1_1

⁸ "Nawaz and Gilani agree to resolve issues under CoD," *Daily Times*, March 17, 2009, at http://www.dailytimes.com.pk/default.asp?page=2009\03\17\story_17-3-2009_pg1_1

⁹ "Gilani, Nawaz to meet tomorrow at Raiwind," *Daily Times*, March 21, 2009, at http://www.dailytimes.com.pk/default.asp?page=2009\03\21\story_21-3-2009_pg1_1

¹⁰ "Government seeks SC stay against verdict on Sharifs," *Daily Times*, March 22, 2009, at http://www.dailytimes.com.pk/default.asp?page=2009\03\22\story_22-3-2009_pg1_1

¹¹ Anwar Iqbal, "No drone attacks in Balochistan: Gates," *Dawn*, March 20, 2009, at <http://www.dawn.com/wps/wcm/connect/Dawn%20Content%20Library/dawn/news/world/no-drone-attacks-in-balochistan-gates--bi>

did not forward the CoAS's recommendation to the cabinet. The issue has acquired political overtones with opposition parties' criticising the government on the decision. CPN-UML General Secretary Ishwor Pokhrel stated that the government's move "could affect the peace process."¹² NC leader Ram Chandra Poudel noted that the "decision would create a vacuum in the army and lower the morale of the security agency."¹³

The Nepal Rastra Bank (NRB) in its mid-term evaluation of the monetary policy for the current fiscal year pointed out that the declining number of tourists and outbound Nepali workers were early warnings that the domestic economy has started facing the heat from the global economic crisis.¹⁴ The number of Nepali workers leaving for foreign employment for instance, during the first eight months of the current fiscal year, had decreased by 17 percent.¹⁵ The ADB however pointed out that despite the global economic meltdown, Nepal's economy expanded by 5.6 percent in the fiscal year 2008, an increase of 2.6 percent over the previous year. It also projected that the Nepalese economy would register a GDP growth rate of about 4.5 percent in 2009, based on a strong harvest of 4.5 million tons, which was the highest in the last six decades.¹⁶

The visiting Chinese Assistant Minister for Commerce Chen Jian assured Nepalese Prime Minister Prachanda that Beijing would extend the rail connectivity from Lhasa in Tibet to Lumbini, through Kathmandu. Both the leaders also discussed various issues like water resources management, construction of the outer Ring Road in Kathmandu and steps to enhance bilateral trade. Prachanda sought Beijing's assistance to minimize Nepal's trade deficit with China and waive tariff on some 300 Nepalese items to enable Nepal to increase its exports to China.¹⁷

In other developments, the UN High Commissioner for Human Rights Navanethem Pillay on a visit to the country called for fulfilling the "demands for justice" and for "accountability for past," so that the peace process was not jeopardised.¹⁸

¹² "Eight brigadiers' service extension nixed," *The Himalayan Times*, March 16, 2009, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0wkqzpm0Ua8va.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20090317>

¹³ "NC leaders meet Prez over govt decision to 'relieve' army generals," *nepalnews.com*, March 17, 2009, at <http://www.nepalnews.com/archive/2009/mar/mar17/news15.php>

¹⁴ "Global crisis now hitting Nepali economy: NRB," March 22, 2009, at http://www.myrepublica.com/portal/index.php?action=news_details&news_id=2899

¹⁵ "Nepali Leaving For Foreign Jobs Dropped," *Barnama.com*, March 16, 2009, at <http://www.bernama.com/bernama/v5/newsworld.php?id=396547>

¹⁶ "Nepal's economy in good stead: ADB," *nepalnews.com*, March 19, 2009, at <http://www.nepalnews.com/archive/2009/mar/mar19/news04.php>

¹⁷ "Extend rail connectivity from Lhasa to Lumbini: Nepal to China Kathmandu," March 18, 2009, at <http://www.zeenews.com/southasia/2009-03-18/515779news.html>

¹⁸ "UN High Commissioner likens Nepal's rights situation to Rwanda," *nepalnews.com*, March 22, 2009, at <http://www.nepalnews.com/archive/2009/mar/mar22/news10.php>

BHUTAN

- **Bhutan and India form group to monitor hydropower projects; SSB lifts trade restrictions on people from Samtse; Danish government commits Nu 2,925 million to Bhutan for the 10th five year plan**

Bhutan and India renewed their commitment signed in 2006 to help Bhutan achieve its goal of producing 10,000 mw of hydropower by 2020. A joint group was constituted to track the implementation of hydropower projects between two countries.¹⁹

The Sashastra Seema Bal (SSB) has meanwhile lifted trade restrictions imposed on the people of four gewogs (blocks, consisting of a group of villages) in Samtse bordering India. People from Samtse were earlier restricted from trading their agricultural produce in markets inside India for security considerations.²⁰ In a related development, militants coming from across the Nepalese border mounted an attack in Gelephu. Twenty- six empty cartridges of Ak-47 were recovered from the spot.²¹

In other developments, the Danish government has committed Nu 2,925 million to Bhutan for the 10th five year plan, out of which Nu 585 million will be given annually. The assistance will be spread over sectors like health, education, good governance, environment and urban development. Denmark is Bhutan's second largest bilateral development partner.²² Reports also noted that Bhutan experienced a sheer drop in tourist arrivals by almost 30 percent due to the global financial meltdown.²³

SRI LANKA

- **Minister: No. of refugees in government-controlled areas 46,271; Colombo not to agree to any conditions set by the IMF in return for aid; UNP MP's rebel against Wickremasinghe; Myanmar's Foreign Minister reiterates his country's desire to maintain close relations with Colombo**

Disaster Management and Human Rights Minister Mahinda Samarasinghe stated that the number of civilians who have taken refuge in government-controlled areas has reached 46,271. Even as army operations continued in Sri Lanka, pro-LTTE demonstrations were reported from places as diverse as Geneva, Switzerland, Brussels, Belgium and Toronto.²⁴

¹⁹ "Power protocol signed," March 19, 2009, at *Kuensel Online*, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=12138>

²⁰ "SSB lifts trade restrictions," *Bhutan Times*, March 15, 2009, at http://www.bhutantimes.bt/index.php?option=com_content&task=view&id=1112&Itemid=1

²¹ "Militants attack three men in Gelephu," *Bhutan Broadcasting Service*, March 16, 2009, at <http://www.bbs.com.bt/Militants%20attack%20three%20men%20in%20Gelephu-123.html>

²² "Denmark commits Nu 2,925 million for 10th FYP," *Bhutan Broadcasting Service*, March 13, 2009 at <http://www.bbs.com.bt/Denmark%20commits%20Nu%202925%20million%20for%2010th%20FYP.html>

²³ "Tourism feels the pinch of global recession in Bhutan," *The Hindu*, March 18, 2009, at <http://www.hindu.com/thehindu/holnus/003200903181321.htm>

²⁴ "Civilian cross-overs exceed 47,000," *Daily News*, March 20, 2009, at <http://www.dailynews.lk/2009/03/20/news03.asp>

President Rajapakse stated that his government would not agree to any conditions put forth by the IMF in return for any aid they might give. He added that he would not let his country be transformed into “a colony.”²⁵ Prime Minister Wickramanayaka on his part claimed that the government would follow a pro-poor strategy and that the medium-term growth target for the current year would be 7-8 percent.²⁶ In other domestic developments, reports indicated that the United National Party (UNP) was experiencing a crisis with some members of parliament belonging to the party rebelling against UNP leader Ranil Wickremesinghe.²⁷

Myanmar’s Foreign Minister U Nyan Win during his meeting with Foreign Minister Rohitha Bogollagama reiterated his country’s desire to maintain close bilateral ties with Colombo. Mr. Win was in Colombo to attend on ECOSOC Regional Ministerial Meeting on Financing Strategies for Healthcare. Mr. Bogollagama sought the support of Myanmar for Sri Lanka's bid to host the BIMSTEC Secretariat in Colombo and support for Sri Lanka's application to become a dialogue partner of ASEAN.²⁸

MALDIVES

- **Maldives to become the world’s first carbon neutral country; 17-member committee in collaboration with the Ministry of Islamic Affairs formed to tackle conflicting religious issues**

In a significant development, the Maldivian government declared that it would be the world’s first carbon neutral country. President Nasheed noted that this would enable his country to become the penultimate destination for “environmentally conscious tourists.” BBC estimated that Maldives would have to spend \$110 million per year to make the transition to renewable energy sources.²⁹

Report noted that a number of government institutions have joined forces to establish a 17-member committee in collaboration with the Ministry of Islamic Affairs in order to tackle conflicting religious issues within the country. The committee will debate controversial religious matters of national importance and discuss ways of dealing with them both prudently and in a legally sound manner. Reports for instance in 2008 noted that a severe crackdown was launched by the authorities in 1998 which resulted in the imprisonment and torture of 50 Maldivians suspected of being Christians and the expulsion of 19

²⁵ “We won’t bow down,” *Daily News*, March 17, 2009, at <http://www.dailynews.lk/2009/03/17/news01.asp>

²⁶ “Govt targets 7 to 8 pc economic growth,” *Daily News*, March 17, 2009, at <http://www.dailynews.lk/2009/03/17/news11.asp>

²⁷ “United National Party Crisis,” *Daily News*, March 18, 2009, at <http://www.dailynews.lk/2009/03/18/pol01.asp>

²⁸ “Myanmar reiterates closeness of ties,” *Daily News*, March 18, 2009, at <http://www.dailynews.lk/2009/03/18/news43.asp>

²⁹ “Maldives to be world’s first carbon neutral country,” *Minivian News*, March 16, 2009, at <http://www.miadhu.com.mv/news.php?id=9587>

Christian expatriates.³⁰ Islamic extremism was also on the rise with three Maldivians being arrested for illegally entering the Waziristan region of Pakistan in the first week of March. Sources indicated that they intended to train for jihad in Pakistan.³¹

In other developments, the Japanese government extended a \$4 million grant to the Maldivian government to purchase wheat flour, one of the staple food items of the country.³²

B. EAST AND SOUTHEAST ASIA

JAPAN

- **Japan, South Korea to take joint steps against DPRK if it went ahead with rocket launch; Japan commissions its largest helicopter carrier; Chinese Defence Minister urges Japan and other parties to 'keep cool heads' regarding DPRK's proposed rocket launch**

Reports indicated that Japan and South Korea will jointly seek steps against communist North Korea if it went ahead with a planned rocket launch in defiance of a UN resolution.³³ Japan has also asserted that it will clear the way for the deployment of ballistic missile interceptors as it prepares for the possibility that a North Korean rocket could fall into its territory.³⁴

The Japanese navy meanwhile commissioned its largest helicopter carrier. It was however stressed that the destroyer complied with the country's post-war pacifist constitution.³⁵

The Japanese and Chinese defence ministers Yasukazu Hamada and Liang Guanglie also met in Beijing and discussed various issues of common interest, including the DPRK's planned rocket launch. Reports noted that the differences of opinion between the two countries on how to deal with DPRK were evident in the comments made by Liang, who reportedly told Hamada that "it would be

³⁰ "New committee to tackle conflicting religious issues," *Minivian News*, March 18, 2009, at http://www.minivannews.com/news_detail.php?id=6179,

³¹ "Three Maldivians arrested on Pakistani border," *Minivian News*, March 15, 2009, at http://www.minivannews.com/news_detail.php?id=6164

³² "Japan gifts US\$4 million food aid," *Minivian News*, March 20, 2009, at http://www.minivannews.com/news_detail.php?id=6190

³³ "Japan, SKorea could seek UN action over NKorea," *Associate Foreign Press*, March 16, 2009, at http://news.yahoo.com/s/afp/20090316/wl_asia_afp/nkoreaskoreajapanmilitarymissileun_20090316062442/print;_ylt=ApI.ftkkl.igllH7mvY0TVfuOrgF;_ylu=X3oDMTB1MjgxN2UzBHBvcwMxNARzZWMDdG9vbHMtdG9wBHNsawNwcmludA--

³⁴ "Japan to ready defense against North Korea rocket: Kyodo," *Kyodo News*, March 18, 2009, at http://news.yahoo.com/s/nm/20090318/wl_nm/us_korea_north_10/print;_ylt=ApI.ftkkl.igllH7mvY0TVdn.3QA;_ylu=X3oDMTB1MjgxN2UzBHBvcwMxNARzZWMDdG9vbHMtdG9wBHNsawNwcmludA--

³⁵ "Japan launches helicopter carrier," *Space War News*, March 18, 2009, at http://www.spacewar.com/reports/Japan_launches_helicopter_carrier_999.html

best if North Korea does not fire a rocket," but urged Japan and other parties to "keep cool heads."³⁶

SOUTHEAST ASIA

- **Malaysia to negotiate FTA with GCC; PM Badawi visits Jakarta and Kuwait; Indonesia and Bangladesh sign agreement to fight money laundering; Thai PM faces no-confidence motion; Thai PM calls on US and Europe to fight protectionism; Myanmar denies presence of political prisoners; France's Junior Human Rights Minister visits Karenni refugee camp; Barbed wire fence along Burma-Bangladesh border to prevent movement of Rohingya refugees**

Reports noted that Malaysia has will initiate negotiations for a Free Trade Agreement (FTA) with the Gulf Cooperation Council (GCC) countries in order to boost bilateral economic ties between the two parties.³⁷ Malaysian Prime Minister Datuk Seri Abdullah Ahmad Badawi went to Jakarta on a two-day visit starting from March 16. Badawi met Indonesian President Susilo Bambang Yudhoyono and discussed issues of mutual interest. After the Indonesian leg of his foreign tour, Badawi went to Kuwait on March 22. Among other issues, ways to boost the bilateral economic ties between the two countries would be discussed during meetings with his Kuwaiti counterpart Sheikh Nasser al-Mohammed al-Ahmed al-Jaber al-Sabah.

In Indonesia meanwhile, questions were being raised over the credibility of the upcoming elections in April following allegations of a large number of fraud cases during the recent East Java gubernatorial elections.³⁸ Indonesia and Bangladesh have signed an agreement to cooperate in fighting money laundering. Both the parties have pledged to exchange necessary information and offer assistance in preventing money laundering.³⁹

Thai Prime Minister Abhisit Vejjajiva faced a no-confidence motion on March 19 filed by the opposition Puea Thai party on charges of corruption, mismanagement and incompetence. Foreign Minister Kasit Piromya also became the primary target of the no-confidence motion, due to his alleged involvement in the occupation of Suvarnabhumi and Don Mueang airports by the People's Alliance of Democracy late last year.⁴⁰ Thailand meanwhile posted its biggest trade surplus after eighteen years. The declining demand of goods due to the

³⁶ "Japan, China must get in tune on security issues," *Yomuri Shimbun*, March 22, 2009, at <http://www.yomiuri.co.jp/dy/editorial/20090322TDY04310.htm>

³⁷ "Malaysia to Initiate FTA Talks with GCC Countries," *Bernama.com*, March 17, 2009, at http://www.bernama.com/bernama/v5/news_lite.php?id=396940

³⁸ "Election Credibility questioned," *The Jakarta Post*, March 19, 2009, at <http://www.thejakartapost.com/news/2009/03/19/election-credibility-questioned.html>

³⁹ "RI, Bangladesh to cooperate in fighting money laundering," *The Jakarta Post*, March 19, 2009, at <http://www.thejakartapost.com/news/2009/03/19/ri-bangladesh-cooperate-fighting-money-laundering.html>

⁴⁰ "PM faces no confidence motion," *The Bangkok Post*, March 19, 2009, <http://www.bangkokpost.com/breakingnews/137914/chalerm-unleashes-barrage-on-the-democrats>

global financial crisis was cited as the primary factor behind this development.⁴¹ Thai Prime Minister Abhisit meanwhile has called on the leaders of the US and Europe to take a tough stance against protectionism in order to deal with the ongoing economic crisis.⁴²

Myanmar's Ambassador to the UN, Wunna Maung Lwin has once again denied charges that political prisoners were being held in his country. During the 10th session of the Human Rights Council held in Geneva, Lwin denied the report of UN Special Envoy on Human Rights, Tomas Ojea Quintana that noted that over 2000 political prisoners continue to suffer in prisons across Myanmar.⁴³ France's Junior Minister for Human Rights visited a Karenni refugee camp in Burma along with Thai Foreign Minister and representatives from NGOs. Their visit was expected to speed up the delivery of relief measures to the camp, efforts which were hurt in the aftermath of Cyclone Nargis.⁴⁴ Reports also noted the increasingly difficult situation in the Karen region, with residents being forced to provide food for the soldiers of the Democratic Karen Buddhist Army (DKBA) as well as work as human minesweepers, guides and porters.⁴⁵ In other developments, reports noted that around eleven Burmese Army Battalions have been deployed along the Burma-Bangladesh border to begin construction of a barbed wire fence, as part of efforts to check the movement of the Rohingya minorities.⁴⁶

⁴¹ "Surplus increases to 18 year high," *The Bangkok Post*, March 19, 2009, at <http://www.bangkokpost.com/business/economics/13600/surplus-increasesto-18-year-high>

⁴² "Abhisit calls on US, Europe to reject trade protectionism," *The Bangkok Post*, March 16, 2009, at <http://www.bangkokpost.com/news/politics/13436/abhisit-calls-on-us-europe-to-reject-trade-protectionism>

⁴³ "Junta's blatant denial of rights abuse shameful: activists," *Burma News International*, March 19, 2009, at <http://www.bnionline.net/news/mizzima/6009-juntas-blatant-denial-of-rights-abuse-shameful-activists.html>

⁴⁴ "France's Human Rights Minister visits Korenni refugee camp, promises aid," *Burma News International*, March 19, 2009, at <http://www.bnionline.net/news/kantarawaddy/6003-frances-human-rights-minister-visits-karenni-refugee-camp-promises-aid.html>

⁴⁵ "Villagers forced to be human minesweepers, suffer other abuses by Karen cease-fire group," *Burma News International*, March 20, 2009, at <http://www.bnionline.net/news/imna/6015-villagers-forced-to-be-human-minesweepers-suffer-other-abuses-by-karen-cess-fire-group.html>

⁴⁶ "Border fencing may aim to curb Rohingya movement: observers," *Burma News International*, March 19, 2009, at <http://www.bnionline.net/news/mizzima/6010-border-fencing-may-aim-to-curb-rohingya-movement-observers.html>

C. WEST ASIA

IRAN

- **Obama extends an olive branch to Tehran in a video message; Supreme Leader dismisses Obama's overtures; Khatami withdraws from presidential elections; Speaker Larijani calls on Arab nations to focus on their own problems instead of pointing out Iran's purported domestic challenges; Russia will consider implementing agreement to supply air defence systems depending on international situation**

US President Barack Obama issued an unprecedented videotaped appeal to Iran offering a "new beginning" of diplomatic engagement with the country. Obama stressed that his administration was "committed to diplomacy that addresses the full range of issues before us, and to pursuing constructive ties." He also called on Tehran to do its part to achieve reconciliation. And "demonstrate the true greatness of the Iranian people and civilization." The Obama videotape came on the occasion of Iran's ancient festival of Nowruz, celebrating the arrival of spring.⁴⁷

Ahmadinejad's press advisor Ali Akbar Javanfekr welcomed "the wish of the president of the United States to put away past differences," but stated that the "way to do that is not by Iran forgetting the previous hostile and aggressive attitude of the United States." He urged the US administration "to recognise its past mistakes and repair them ...". The Iranian President's adviser stated that Iran would never forget the role played by US in the overthrow of Prime Minister Mohammad Mossadeq in 1953, nor the 1988 shooting down of an Iranian passenger plane by a US warship which killed all 290 people aboard. He also pointed out America's support for Saddam Hussein during the Iran-Iraq war in the 1980s, sanctions levied against Iran, and US support for Iran's main militant opposition group, the People's Mujahideen of Iran. Javanfekr pointed out that "the only source of instability in the region is the American military presence in Iraq and Afghanistan."⁴⁸ Supreme Leader Ayatollah Ali Khamenei on his part, speaking in Mashhad, dismissed Obama's overtures and noted that Tehran did not see any change in American policy toward its government.⁴⁹

Iranian Majlis Speaker Ali Larijani meanwhile stated that disagreements between the administration and the parliament were 'technical not political' and warned that failure to implement the national budget law properly would be considered an offense. Larijani was responding to reports in some Arab media

⁴⁷ "Obama offers new start with Iran," *Khaleej Times*, March 20, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2009/March/international_March1632.xml§ion=international

⁴⁸ "Iran welcomes Obama message," *Khaleej Times*, March 20, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2009/March/international_March1634.xml§ion=international

⁴⁹ "Iran's Supreme Leader Dismisses Obama Overtures," *New York Times*, March 21, 2009, at <http://www.nytimes.com/aponline/2009/03/21/world/AP-ML-Iran-Obama.html?hp=&pagewanted=print>

outlets which noted that there was a political dispute between the Ahmadinejad administration and the Iranian parliament. He also called on Arab countries to focus on their own problems.⁵⁰ President Ahmadinejad in a letter on March 14 had accused the parliament of violating the constitution after it rejected a key plank of his subsidy reform plan. However, Guardian Council (GC) spokesman Abbas-Ali Kadkhodaii stated that the GC had approved the bill (Parliament bills only become laws after they are endorsed by the GC).

In other domestic developments, former President Mohammad Khatami officially announced his withdrawal from the upcoming presidential elections of June 2009. He however vowed to continue his efforts to encourage a huge turnout in the elections.⁵¹

Russia meanwhile stated that it will decide whether to deliver the sophisticated S-300 air defence systems to Iran based on the 'international situation.' The contract to deliver the systems was concluded two years ago but not implemented so far. Reports noted that the sale of the systems would likely anger the United States and Israel, which accuse Iran of seeking to develop a nuclear weapon and have not ruled out an attack on the country's atomic facilities.⁵²

IRAQ

- **Thousands of Iraqis held by the US being freed for lack of sufficient evidence; PM al-Maliki: Longer jail sentence should have been given to Muntazer al-Zaidi**

Reports noted that thousands of Iraqis being held without charge by the US on suspicion of links to insurgents or militants were being freed because there was insufficient evidence against them. The news of their release came even as the US prepared to turn over its detention system to the fledgling Iraqi government by early 2010. In the six years since the war began, the military detained some 100,000 suspects. About 13,300 Iraqis remained in US custody.⁵³

Prime Minister Nouri al-Maliki noted that reporter Muntazer al-Zaidi, who hurled his shoes at then US president George Bush, was lucky to get away

⁵⁰ "Disagreements between administration and Majlis are technical: Larijani," *Tehran Times*, March 18, 2009, at http://www.tehrantimes.com/index_View.asp?code=191256

⁵¹ "Khatami pulls out from presidential election," *IRNA*, March 17, 2009, at <http://www5.irna.ir/En/View/FullStory/?NewsId=402222&IdLanguage=3>

⁵² "Russia waiting to carry out Iran arms contract," *Khaleej Times*, March 18, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2009/March/middleeast_March353.xml§ion=middleeast

⁵³ "Thousands of Iraqis held by US to go free," *Khaleej Times*, March 20, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2009/March/middleeast_March388.xml§ion=middleeast

with a three year jail sentence. al-Maliki stated that a longer jail sentence or even execution could ideally have been his punishment.⁵⁴

OTHER DEVELOPMENTS

- **Kuwait: Emir dissolves National Assembly "to safeguard the security and stability of the nation"**

The Emir of Kuwait, Sheikh Sabah al-Ahmad al-Sabah ordered the dissolution of the Kuwait National Assembly on March 18 and promised to initiate measures to elect a new parliament through a fresh election within two months. The decision came after a high level meeting of the senior al-Sabah family members. The meeting also decided that Crown Prince Sheikh Nawaf al-Ahmad al-Sabah be the next Prime Minister of the country, and urged the outgoing Prime Minister Sheikh Nasser Mohammad al-Ahmad al-Sabah to continue to lead the caretaker cabinet until the new government was formed.

The Emir earlier criticised the Members of Parliament for misusing constitutional powers and hindering the development of the country. He also alleged that the behaviour of the members was negatively impacting on the Kuwaiti people and that the decision to dissolve the National Assembly was taken "to safeguard the security and stability of the nation."⁵⁵

- **Lebanon opens its first ever embassy in Damascus**

Lebanon opened its first-ever embassy in Syria on March 16, 2009, following the agreement reached between the two countries in October last year to establish diplomatic ties. While Lebanon has named Michel Khoury as its first ambassador to Damascus, Syria is yet to announce a candidate though its embassy in Beirut was opened in December 2008. The opening of the embassies marks the establishment of full fledged diplomatic relations between Syria and Lebanon for the first time since they gained independence from France in the 1940s.⁵⁶

II. NUCLEAR, MISSILES AND SPACE REVIEW

- **Former US Secretaries of State and Defence in Moscow for meetings with Russian officials**

Former US Secretaries of State Henry Kissinger, George P. Shultz, James Baker III, former Secretary of Defense William Perry and Sam Nunn, former Democratic Senator from Georgia were in Moscow during the week for informal meetings with top Russian officials on a wide range of issues. Their visit, in

⁵⁴ "Iraq's premier says shoe thrower got off lightly," *Khaleej Times*, March 21, 2009, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/international/2009/March/international_March1696.xml§ion=international

⁵⁵ "Amir dissolves Assembly," *Kuwait Times*, March 19, 2009, at http://www.kuwaittimes.net/read_news.php?newsid=NDE2MjQwNDk=

⁵⁶ "Lebanon opens first embassy in Syria amid thaw in ties," *Daily Star*, March 17, 2009, at http://www.dailystar.com.lb/article.asp?edition_id=1&categ_id=2&article_id=100131

different capacities, assumes significance ahead of the meeting between Mr. Medvedev and Mr. Obama in April. Mr. Baker on his part stated that the goal of eliminating nuclear weapons was laudable but noted that Russian-American relations could be more immediately revived by resuming talks on extending the terms of the 1991 Strategic Arms Reduction Treaty (START I), which expires in December 2009.⁵⁷

- **Prime Ministers of China and North Korea discuss nuclear situation; DPRK insists it intends to launch a satellite and not a missile, notifies UN agencies of the launch; US considering shooting down the projectile**

Prime Ministers of China and North Korea discussed the nuclear situation on the Korean peninsula amidst rising tensions over Pyongyang's atomic and missile programmes. China's Wen Jiabao told Kim Jong-Il in talks broadcast on state television that China was "willing to actively push forward the six-party talks and continue to play a constructive role in realising the denuclearisation of the Korean peninsula."⁵⁸

North Korea on its part insisted that it intends to launch a satellite and not a missile in early April 2009. Pyongyang has notified two UN agencies, the International Maritime Organization and the Civil Aviation Organization of its prospective satellite launch. Sources also indicated that the US was considering shooting down the projectile, which it considers to be a missile.⁵⁹ In 1998 and 2006, Pyongyang did not give advance warning of its missile launches.

Reports noted that the timing of the North Korean launch could be intended to strengthen its bargaining position in the Six-Party talks and Pyongyang's decision to inform the international community may be geared towards preempting a UN resolution. The US, Japan and South Korea meanwhile were mobilizing Russian and Chinese support to dissuade the DPRK from going ahead with the test.⁶⁰

- **Ahmadinejad: Western powers unable to stop Iran's technological and scientific progress with their "spiteful actions"**

Iranian President Mahmoud Ahmadinejad stated that pressure from Western powers to keep Iran in economic isolation had in fact spurred the country to become a space and nuclear power. Ahmadinejad charged that Western powers

⁵⁷ Andrew E. Kramer, "Veterans of U.S. Diplomacy Try to Revive Nuclear Arms Talks With Russia," *New York Times*, March 19, 2009, at <http://www.nytimes.com/2009/03/20/world/europe/20russia.html?ref=world>

⁵⁸ Robert J. Saiget, "China PM talks nuclear with N. Korea premier," March 18, 2009, at http://news.yahoo.com/s/afp/20090318/wl_asia_afp/nkoreachinadiplomacymissilenuclear

⁵⁹ "U.S. Could Hit N. Korean Missile, Says Commander," *Washingtonpost*, March 20, 2009, at <http://www.washingtonpost.com/wp-dyn/content/article/2009/03/19/AR2009031903180.html>

⁶⁰ "Act Responsibly, Pyongyang," *The Japan Times*, March 21, 2009, at <http://www6.lexisnexis.com/publisher/EndUser?Action=UserDisplayFullDocument&orgId=574&topicId=100049310&docId=1:944340075&start=1>

were unable to stop Iran's technological and scientific progress with their "spiteful actions." He also termed international sanctions against Iran over its nuclear program a "grave blunder."⁶¹

III. ENERGY SECURITY REVIEW

- **ASEAN to sign energy security agreement**

Reports noted Southeast Asian nations are to sign an energy security agreement on March 22 that will allow their members to buy oil at a discounted price during times of crisis. S. Pushpanathan, Deputy Secretary-General of the Association of Southeast Asian Nations (ASEAN) noted that under the terms of the agreement, oil exporting states will supply petroleum to a country that is facing a shortage at a lower price. He noted that ASEAN countries were increasingly dependent on petroleum resources from outside the region, and therefore it was important for ASEAN member-states to enhance their "ability to respond to an energy emergency situation by ensuring the physical availability of oil." The ASEAN official noted that the agreement was part of an effort to form a EU-style community by 2015.⁶²

- **China and Iran sign multi-billion LNG deal in South Pars field**

Iran's state-owned gas company and a Chinese consortium signed a multi-billion dollar deal to produce liquefied natural gas in the Islamic republic's South Pars field on March 14. The deal, worth \$3.39 billion, was for an annual production of 10.5 million tonnes of LNG. In January 2009, both the countries signed a separate \$1.76 billion contract for the initial development of the North Azadegan oil field in western Iran. The development of South Pars field, which holds about eight percent of world reserves, has been delayed due to shortage of investment in a country facing severe gas needs of its own, especially during the winter months.⁶³

- **Oil falls towards \$46 mark**

Oil prices fell toward \$46 a barrel for the week beginning March 13, as bearish demand forecasts outweighed the potential for OPEC agreeing to further production cuts at its meeting. An OPEC report released on March 13 showed world oil demand contracting faster than expected, and the International Energy Agency also lowered its oil demand forecast for 2009. Oil prices have fallen dramatically since the record highs of over \$140 a barrel in July 2008 as the

⁶¹ "Iranian president declares his country a space and nuclear power," *The Russian News and Information Agency*, at <http://en.rian.ru/world/20090313/120554424.html>

⁶² "ASEAN oil deal," *AFP*, March 19, 2009, at <http://asianenergy.blogspot.com/2009/03/asean-oil-deal.html>

⁶³ "Iran, China firms sign 3 bln dollar LNG deal: report," *AFP*, March 14, 2009, at http://news.yahoo.com/s/afp/20090314/wl_mideast_afp/iranchinaenergygas

economic meltdown has hurt global energy demand. OPEC members on their part met on March 15 in Vienna to discuss moves to deal with falling oil prices.⁶⁴

IV. INTERNAL SECURITY REVIEW

JAMMU AND KASHMIR

- **Ten people, including four army personnel, killed; Former Governor Sinha: Mufti acted as militants' spokesman**

Four army personnel and six militants were killed in a fierce gun battle between security forces and the militants in Kupwara district on March 21.⁶⁵

Former J&K Governor S.K. Sinha, at a function in New Delhi on March 16, has alleged that former Chief Minister Mufti Mohammad Sayeed acted as a 'spokesman' for militants during his tenure and charged that several of his cabinet colleagues were hobnobbing with separatists. The former Governor stated that Sayeed's policy of 'healing touch' meant compensation to the family members of militants killed by security forces and not for the victims of the terrorists' violence.⁶⁶

Union Home Minister P. Chidambaram, on a visit to Srinagar on March 18 stated that security forces and candidates contesting the forthcoming Lok Sabha elections in J&K will have to be on high alert. He added that the political turmoil in Pakistan remained a cause of concern. Mr. Chidambaram pointed out that violence levels in the state had gone down in the past two years considerably and that infiltration was at its lowest.⁶⁷

NORTH EAST DEVELOPMENTS

- **Governor Gurbachan Jagat: Insurgency a matter of concern in Manipur**

Manipur Governor Gurbachan Jagat told the state assembly on March 17 that insurgency and law and order continued to be a matter of concern and a challenge for the state government. Giving the statistics of achievements, the Governor stated that from January 1, 2008, to December 2008, 1,703 militants were arrested and 297 were killed, while 340 weapons and 5707 ammunition, 161 hand grenades, 97 lethal bombs and 600 grams of RDX were seized from the militants.⁶⁸

⁶⁴ "Oil falls towards \$46 on gloomy demand outlook," *Reuters*, March 13, 2009, at http://news.yahoo.com/s/nm/20090313/bs_nm/us_markets_oil

⁶⁵ "Army major among 10 killed in Kupwara encounter," *Daily Excelsior*, March 22, 2009, at <http://www.dailyexcelsior.com/web1/09mar22/newsupdate.htm#1>

⁶⁶ "Mufti acted as militants' spokesman: Sinha," *Daily Excelsior*, March 17, 2009, at <http://www.dailyexcelsior.com/web1/09mar17/body.htm>

⁶⁷ "Home Minister sounds high alert in J&K during election period," *Daily Excelsior*, March 19, 2009, at <http://www.dailyexcelsior.com/web1/09mar19/news.htm#1>

⁶⁸ "Jagat pat for govt on twin feats," *Telegraph*, March 18, 2009, at http://telegraphindia.com/1090318/jsp/northeast/story_10683610.jsp

Meanwhile, four militants were reportedly killed in a fierce gun battle between the NSCN-K, UNLF, ULFA and the NSCN-IM at Tirap district in Arunachal Pradesh on March 12.⁶⁹

In other developments, troops of the Assam Rifles gunned down three militants who were trying to sneak into Chandel district of Manipur from the Myanmar side of the border along with weapons on March 15.⁷⁰

OTHER DEVELOPMENTS

- **Two killed in West Bengal blast**

Two persons were killed and 14 others sustained injuries in a powerful blast outside a major market at Alipurduar in West Bengal's Jalpaiguri district on March 18. The militant group Kamtapur Liberation Organisation (KLO) was suspected as being behind the incident.⁷¹

- **ISI backed espionage ring busted in Punjab**

The Punjab Police busted an Inter Services Intelligence (ISI) espionage ring with the arrest of four persons and recovery of certain sensitive documents. The arrests were made on March 17 from Faridkot district. Sensitive documents relating to military installations, photographs, charts, movements of military units, diaries and fake currency worth Rs. 20,000 was recovered from their possession. Preliminary investigation of the arrested persons revealed a well-organized operation directly controlled by the ISI network.⁷²

Meanwhile, the Bihar police have unearthed 26 illegal mini-gun factories across six districts of the state and seized firearms and ammunition in pre-poll operations. Munger district accounted for 18 such units. Two each were busted in West Champaran, Banka and Lakhisarai and one each in Nalanda and East Champaran. In all 149 illegal firearms and 1,000 rounds of ammunition were seized since the raids began on March 4.⁷³

⁶⁹ "Four killed in Tirap gun-battle," *Sangai Express*, March 18, 2009, at http://thesangaiexpress.com/News_pages/Local_page-03.html

⁷⁰ "Three militants killed on Myanmar border," *Telegraph*, March 17, 2009, at http://telegraphindia.com/1090317/jsp/northeast/story_10677432.jsp

⁷¹ "2 killed in Jalpaiguri blast," *The Hindu*, March 19, 2009, at <http://www.hindu.com/2009/03/19/stories/2009031960931000.htm>

⁷² "ISI backed espionage ring busted," *Daily Excelsior*, March 19, 2009, at <http://www.dailyexcelsior.com/web1/09mar19/news2.htm#2>

⁷³ "26 gun factories unearthed in Bihar," *The Hindu*, March 21, 2009, at <http://www.hindu.com/2009/03/21/stories/2009032150510100.htm>