

THE WEEK IN REVIEW

April 21-27, 4(4), 2008

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EDITOR: S. SAMUEL C. RAJIV

REVIEW ADVISOR: S. KALYANARAMAN

CONTRIBUTORS

MEDHA BISHT – Nepal, Sri Lanka, Bhutan

JAGANNATH PANDA – China, Japan

S. SAMUEL C. RAJIV – Iraq, Afghanistan

M. AMARJEET SINGH – Internal Security Review

GUNJAN SINGH – Bangladesh, Myanmar

PRIYADARSHINI SINGH – Energy Security Review ,
US Election Review

PRIYANKA SINGH – Pakistan, PoK Review

ARUN VISHWANATHAN – Nuclear Review

(INDIAN PUGWASH SOCIETY)



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

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1. COUNTRY REVIEW

IRAQ

- **Maliki and Rice urge Iraq's Arab neighbours to do more to help Iraq; US military: 75 per cent of attacks in Baghdad on US soldiers by Iranian-backed groups; Tawafiq bloc to rejoin Maliki cabinet**

At the regional conference held in Kuwait on April 22, Prime Minister Maliki and US Secretary of State Condoleezza Rice appealed to Iraq's neighbours to do more to help in the stabilization of the country. Maliki noted that some western countries had Embassies in Baghdad and that Arab neighbours were citing the security situation as a factor in not following through on their promise of opening diplomatic missions.¹ Secretary Rice had in a meeting in Bahrain on April 21 also urged Arab countries to pardon Iraq's outstanding debt of over \$65 billion.²

The US military has meanwhile charged that nearly 75 percent of the attacks carried out by insurgents in Baghdad on US soldiers were perpetrated by Iranian-backed Shiite groups. The new US commander Lt. Gen. Lloyd Austin has however affirmed that the Al Qaeda in Mesopotamia continued to be the biggest threat to US forces due to its "potential for highly damaging attacks."³

Even as reports noted that the Iraqi government was seeking a dialogue with Moqtada al-Sadr to stem the rising violence and casualties, especially in Sadr City, Sadr on his part called on his followers not to indulge in violence and instead focus their attention on pushing out the 'occupation forces.'⁴ The largest Sunni political grouping, the Tawafiq announced during the week that it had agreed to return to the cabinet of Mr. Maliki, citing the crackdown on the Shiite militias and passage of the Amnesty law in February as positive factors.⁵

In other developments, British Foreign Secretary David Miliband visited Baghdad on April 24 and held talks with Prime Minister Maliki and expressed support to his security initiatives. British Defence Secretary Des Browne on his part talking to reporters in London admitted that Iraqi forces in Basra were still not "fully operational," and that Britain had put on hold the planned withdrawal of 2,500 troops stationed at the Basra airport.

¹ "Maliki Tries to Rally Arabs Behind Iraq," *The New York Times*, April 23, 2008, at <http://www.nytimes.com/2008/04/23/world/middleeast/23iraq.html?ref=todayspaper>

² "Rice Presses Iraq's Neighbors to Give It More Support," *The New York Times*, April 22, 2008, at <http://www.nytimes.com/2008/04/22/world/middleeast/22gulf.html?ref=todayspaper>

³ "Groups With Iran's Backing Blamed for Baghdad Attacks," *The New York Times*, April 24, 2008, at <http://www.nytimes.com/2008/04/24/world/middleeast/24iraq.html?ref=todayspaper>

⁴ "Shiite Cleric Tells Followers to End Fighting and Unite Iraqis," *The New York Times*, April 24, 2008, at <http://www.nytimes.com/2008/04/26/world/middleeast/26iraq.html?ref=todayspaper>

⁵ "Top Sunni Bloc Is Set to Rejoin Cabinet in Iraq," *The New York Times*, April 25, 2008, at <http://www.nytimes.com/2008/04/25/world/middleeast/25iraq.html?ref=todayspaper>

MYANMAR

- **Congressional Gold Medal for Suu Kyi; Indian and Myanmarse armies delegations meet, to discus cross-border issues**

In a show of international support to Myanmar's pro-democracy leader, Aung San Suu Kyi was conferred the Congressional Gold Medal by the US House of Representatives.⁶ The European Union Parliament on its support decided to strengthen the level of sanctions against Myanmar, charging it with poor human rights record. The EU has specifically pointed out the commodity imports as that would threaten Myanmar's oil revenues.⁷

Meanwhile, Myanmarse citizens in Japan and Singapore voted on the draft constitution on April 27. A mock trial was also held in Tokyo with demonstrators charging that the draft constitution was a ploy by the military authorities to stay in power.⁸

In other developments, the Myanmarse and the Indian armies' delegates met on April 23, in order to review the situation on the Myanmar-India border and the efforts taken to prevent trafficking of narcotics and arms and movements of insurgents and anti-social elements.⁹

US ELECTION REVIEW

- **Clinton wins Pennsylvania primary, with strong support among older voters and women; Polls show Obama has an equal chance of winning against McCain if nominated; McCain raises more than \$15m in March**

Senator Hillary Clinton won the crucial Pennsylvania primary defeating her Democratic rival Senator Barack Obama. Though Sen. Clinton entered the primary contest with a lead over Sen. Obama, her campaign was under tremendous pressure to win this primary if it had to have a realistic chance of halting Obama's increase in the delegates count as well as the gradual drift of the super-delegates towards Mr. Obama. Pennsylvania had a sizeable number of blue-collar and white-collar workers as well as Hispanics who were solidly behind Mrs. Clinton. Her support base paid out as results showed that Sen. Clinto garnered the support of women, older voters and the less affluent and the less educated voters. Among white union members with no college education, she won almost three-quarters of the vote, leading 55 percent to Senator Obama's

⁶ "US Congress to confer gold medal on Myanmar's Suu Kyi," *The Associated Foreign Press*, April 24, 2008, at http://afp.google.com/article/ALeqM5h_-TMo4azUGo8P87xz5GJ4lns96w

⁷ "European Union Seeks Tougher Sanctions On Myanmar," *The RTT News*, April 24, 2008, at <http://www.rttnews.com/FOREX/politicalnews.asp?date=04/24/2008&item=16>

⁸ "Pro-democracy Myanmar residents hold mock referendum outside embassy in Japan in protest," *The Associated Press*, April 27, 2008, at <http://www.iht.com/articles/ap/2008/04/27/asia/AS-GEN-Japan-Myanmar.php>

⁹ "Indian, Myanmar armies review situation in border areas," *PTI*, April 25, 2008, at <http://www.hindu.com/thehindu/holnus/001200804241421.htm>

45 percent.¹⁰ After her victory, Mrs. Clinton reiterated the fact that by winning both the Ohio and Pennsylvania primaries, she was best poised to win against the republican nominee.

In the run-up to the campaign, Senator Obama sharpened his tone against Senator Clinton by casting her in one of the most negative lights of the entire 16-month campaign, calling her a compromised Washington insider. Clinton responded by suggesting that Obama's message of hope had given way to old-style politics and asked the Democrat voters to take a harder look at him.¹¹

Sen. Obama's chances of winning against Senator McCain have also emerged as the key focus of the Clinton campaign¹². Polls however show that Sen. Obama has an equal chance of winning against Sen. McCain if nominated. His campaign finances also remain stronger in comparison to that of Mrs. Clinton.

On the republican side, Sen. McCain's campaign finances were finally looking up. His campaign reported that he had raised more than \$15million by the end of March.¹³ *The New York Times* revealed that in a list of 106 elite fund-raisers who had contributed more than \$100,000 each for McCain, about a sixth of them were lobbyists.¹⁴

SOUTH ASIA

AFGHANISTAN

- **Islamabad close to a deal with TTP; Karzai criticizes coalition activities, says real terrorist threat comes from Taliban sanctuaries in Pakistan; Solana visits Kabul and Islamabad**

The peace deal being negotiated by Islamabad with the Tehrik-i-Taliban Pakistan (TTP) was in focus with the Taliban claiming that it would not curtail their ability to stage attacks inside Afghanistan.¹⁵ The TTP's Baitullah Mehsud, also accused of being behind the assassination of former Prime Minister Benazir Bhutto, declared a ceasefire on April 23 in anticipation of a deal. Reports noted that the deal could buy short-term peace in the violence-hit NWFP and

¹⁰ Adam Nagorney, "For Obama, a Struggle to Win Over Key Blocs," *The New York Times*, April 24, 2008, at www.nytimes.com/2008/04/24/us/politics/24obama.html?ref=politics

¹¹ Jeff Zeleny and Katharine Q. Seelye, "In Push Before Vote, Obama Sharpens Tone," *The New York Times*, April 21, 2008, at www.nytimes.com/2008/04/21/us/politics/21dems.html?ex=1366430400&en=35cb092f0515c3a7&ei=5088&...

¹² Patrick Healy, "Clinton Clearly Outduels Obama in Pennsylvania," *The New York Times*, April 23, 2008, at <http://www.nytimes.com/2008/04/23/us/politics/23penn.html?th=&emc=th&pagewanted=print>

¹³ "McCain Reports Improved Fund-Raising, but Still Lags," *The New York Times*, April 21, 2008, at <http://www.nytimes.com/2008/04/21/us/politics/21campaign.html?th=&emc=th&pagewanted=print>

¹⁴ "List of McCain Fund-Raisers Includes Prominent Lobbyists," *The New York Times*, April 21, 2008, at www.nytimes.com/2008/04/21/us/politics/21bundlers.html?ref=washington

¹⁵ "17 Taliban killed," *IANS*, April 24, 2008, at http://in.news.yahoo.com/indiaabroad/20080424/r_t_ians_wl_asia/twl-17-talibans-killed-d5d6288.html

FATA areas but could allow the further growth of the TTP, with negative consequences for Afghanistan's security.¹⁶

President Hamid Karzai on his part strongly criticized the coalition strategy, especially their inability to prevent civilian casualties while carrying out their operations. He asserted in an interview that the real terrorist threat came from the Taliban sanctuaries in Pakistan.¹⁷ Gen. Dan McNeill, the top US commander in the country stated that Afghan security forces would be able to secure most of Afghanistan by 2011 and called on Afghanistan's neighbours, including Pakistan to ensure long-term stability of the country. Gen. McNeill also noted that the coalition forces can be better termed as 'Interim Security Assistance Forces', in recognition of the temporary role they have to play.¹⁸

In other developments, the EU's foreign policy chief Javier Solana visited Kabul and Islamabad during the week and discussed the security situation in the region with President Karzai and President Musharraf. Meanwhile, after the death of 2 Dutch soldiers in the previous week, polls showed that public support to the Dutch mission had declined and majority of those polled favouring a withdrawal of troops if the casualty levels touched 25.¹⁹ 16 Dutch soldiers have so far been killed in military operations in the country.

PAKISTAN

- **Foreign Secretary removed; Reinstatement of judges delayed; Militants call cease fire in FATA and NWFP; UK supports peace talks with militants**

The Pakistan Foreign Secretary Riaz Mohammed Khan was removed from office allegedly for opposing the UN investigation into the assassination of former Prime Minister Benazir Bhutto. Khan would be replaced by Salman Basher who is currently Pakistan's Ambassador to China.²⁰

Meanwhile, reports noted that the government had prepared the draft of the resolution for the restoration of judiciary.²¹ Prior to this, Nawaz Sharif discussed the plan with the Federal Minister of Law Farooq H. Naek in Lahore

¹⁶ "Pakistan Asserts It Is Near a Deal With Militants," *The New York Times*, April 25, 2008, at <http://www.nytimes.com/2008/04/25/world/asia/25pstan.html?ref=todayspaper>

¹⁷ "Afghan Leader Criticizes U.S. on Conduct of War," *The New York Times*, April 26, 2008, at <http://www.nytimes.com/2008/04/26/world/asia/26afghan.html?ref=todayspaper>

¹⁸ "U.S. General Sees Afghans Gains in 3 Years," *The New York Times*, April 21, 2008, at <http://www.nytimes.com/2008/04/21/world/asia/21afghan.html?ref=todayspaper>

¹⁹ "Dutch support for security mission in Afghanistan declining," *IANS*, April 21, 2008, at http://in.news.yahoo.com/indiaabroad/20080421/r_t_ians_wl_europe/twl-dutch-support-for-security-mission-i-ef5d19c.html

²⁰ Qudssia Akhlaque, "Foreign secretary removed for opposing UN probe," *The News*, April 27, 2008, at http://www.thenews.com.pk/arc_default.asp

²¹ Syed Irfan Raza, "Draft resolution on judges issue ready," *Dawn*, April 21, 2008, at <http://www.dawn.com/2008/04/21/top3.htm>

and later with the PPP co-chief Asif Zardari in Islamabad.²² However, the process of the restoration would be delayed as the National Assembly was on an 'indefinite recess.'²³

In other developments, Taliban's leader in Pakistan Baitullah Mehsud reportedly has called on the militants to stop violent activities in FATA and in NWFP.²⁴ Following this, reports indicated that the government had initiated peace talks with the militants in the region.²⁵ The visiting British Foreign Secretary David Miliband on his part expressed his support for the peace process in Peshawar on April 20.²⁶

NEPAL

- **Prachanda calls for formation of a 'consensus' government; NC calls for a 'majoritarian' model to be incorporated; Shiv Shanker Mukherjee to be replaced by Rakesh Sood; Prachanda calls for the scrapping of the 1950 Indo-Nepal treaty**

Uncertainties still surround the formation of a 'consensus' government after the victory of the Maoists in the CA elections. The Nepali Congress (NC) is split over whether it should join the Maoist-led government.²⁷ The main complication has arisen from the constitutional provision that requires backing of two-thirds majority for removing the government in power. The NC has objected to this clause stating that this would make the removal of the Maoist government difficult and therefore instead of a two-thirds majority, it has called for a "majoritarian model" to be incorporated. The Maoists however have expressed serious objections to this proposal.²⁸ Prachanda on his part has called upon all the concerned parties to form a consensus-based government and to "collectively write a new constitution."²⁹

²² Ashraf Mumtaz, "Naek and Nawaz Discuss plan for judiciary," *Dawn*, April 21, 2008, at <http://www.dawn.com/2008/04/21/top4.htm>; Amir Wasim Zardari, "Nawaz hold 'inconclusive' talks: Reinstatement of judges," *Dawn*, April 22, 2008, at <http://www.dawn.com/2008/04/22/top1.htm>

²³ Raja Asghar, "NA recess delays justice to judges," *Dawn*, April 26, 2008, at <http://www.dawn.com/2008/04/26/top3.htm>

²⁴ Alamgir Bhattani, "Baitullah orders militants to stop attacks in Fata, NWFP," *Dawn*, April 24, 2008, at <http://www.dawn.com/2008/04/24/top1.htm>

²⁵ Syed Irfan Raza, "Peace talks under way in Fata, Balochistan," *Dawn*, April 25, 2008, at <http://www.dawn.com/2008/04/25/top2.htm>

²⁶ Zulfiqar Ali and Ashfaq Yusufzai, "UK backs policy of talks with militants," *Dawn*, April 21, 2008, at <http://www.dawn.com/2008/04/21/top2.htm>

²⁷ "NC Split Over Joining Maoist-led Govt," *The Himalayan Times*, April 18, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0vdqzpc3Wa9a9a.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20080423>

²⁸ "Constitutional 'glitch' may hinder govt formation," *The Himalayan Times*, April 24, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0sa2qzpc3Qa2pa.axamal&folder=aHaoamW&Name=Home&dtSiteDate=20080425>

²⁹ "Consensus Govt Must: Prachanda," *The Himalayan Times*, April 22, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0vgqzpc3Wa4ua.axamal&folder=aHaoamW&Name=Home&ImageFileName=>

While the Maoists have garnered around 120 seats in the 240 constituencies under the First-past the post system, the NC is placed second at 37 seats, followed by the CPN-UML at 33 seats. The Madhesi Janaadhikar Forum has bagged 30 seats, all of them in the Terai region.³⁰

Though the US has congratulated the Maoists formally for their victory, the State Department Tom Casey has noted that the status of the Maoists as a terrorist organization would be reviewed. Legal formalities have been cited as the main reason by the United States for continuing their status quo attitude towards the Maoists.³¹

The outgoing Indian envoy to Kathmandu Shiv Shankar Mukherjee met Prime Minister Girija Prasad Koirala during the week. Mr. Mukherjee is being replaced by Rakesh Sood.³² On Indo-Nepal bilateral ties, Prachanda has demanded that the 1950 Indo-Nepal treaty be scrapped off and declared that a 'new' relationship would be sought with India. He however added that Nepal would seek a "positive and constructive relationship with New Delhi."³³

BHUTAN

- **India, Bhutan deliberating opening rail links; Bhutanese resettlement drive could be jeopardized due to Maoists coming to power in Nepal**

Reports noted that India and Bhutan were deliberating the possibility of opening railway links between the two countries. According to the preliminary plans, the Indian town of Hasimara would be connected with Phuentsholing in Bhutan (18 kms), Banarhat to Samtse (16 kms), Rangia to Samdrup Jongkhar (60 kms), Kokrajhar to Gelephu (70kms) and Pathsala to Nanglam.³⁴

Meanwhile, reports indicated that the resettlement drive of the Bhutanese refugees could be jeopardized due to the coming to power of the Maoists. The Maoists have been opposed to the US-led initiative to resettle over 1,05,000 Bhutanese.³⁵

³⁰ "Counting over, Maoists score 120," *The Himalayan Times*, April 21, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=aFanata0sa3qzpc3Wa4ra.axamal&folder=aHaoamW&Name=Home&slImageFileName=>

³¹ "US Sticks With 'Terrorist Status' for Maoists," *The Himalayan Times*, April 22, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=6a1Va6zco2am8&folder=aHaoamW&Name=Home&dtSiteDate=20080422>

³² "Outgoing Indian Envoy Mukherjee Meets PM Koirala," *The Himalayan Times*, April 22, 2008, at <http://www.thehimalayantimes.com/fullstory.asp?filename=6a1Va6zfo2am8&folder=aHaoamW&Name=Home&slImageFileName=>

³³ "Maoist leader Prachanda wants Indo-Nepal Friendship treaty scrapped," *Khabar Express*, 25 April 2008, at http://www.khabarexpress.com/25/04/2008/Maoist-leader-Prachanda-wants-Indo-Nepal-Friendship-treaty-scrapped-news_22465.html

³⁴ "India identifies railway connection points with Bhutan," *Bhutan News Service*, April 21, 2008, at <http://www.apfanews.com/news/?id=393332>

³⁵ "Maoist election puts things into sharper perspective regarding Bhutanese refugees," Refugee Resettlement Watch, April 27, 2008, at <http://refugeeresettlementwatch.wordpress.com/?s=Bhutan>

BANGLADESH

- **US Ambassador calls for lifting of emergency; Chinese Foreign Minister makes a two-day visit to Dhaka**

The new US Ambassador to Bangladesh James F. Moriarty met the Foreign Secretary Touhid Hossain on April 23 and discussed a broad range of bilateral issues.³⁶ He had earlier on April 21 called for the lifting of the emergency to ensure free and fair elections.³⁷

Chinese Foreign Minister Yang Jiechi was also in Dhaka on April 24-25. Yang asserted that Bangladesh was the true friend of China keeping in view their stand on One-China Policy and on the recent Tibet uprising and that military cooperation was an important part of the bi-lateral relations.³⁸ The Foreign Minister also met Army Chief Moeen Ahmed and the Foreign Adviser Iftekhah Ahmed Chowdhury. The two sides noted that nuclear cooperation between the two countries can follow the pattern of the China-Pakistan model.³⁹ Beijing would also be giving Dhaka Tk 600 crore in 'free aid' and Tk 50 lakh in 'token gift'.

In other developments, India ratified an agreement to help in trade promotion with Bangladesh on April 24.⁴⁰ The Bangladeshi government on its part announced that it would conduct a study of the Indian export subsidies before entering into talks for a Free Trade Area.⁴¹

SRI LANKA

- **US expresses concerns about human rights situation; Rambukwella vows to wipe out the LTTE by the end of 2008; India to construct a 500MW coal plant in Sampur, Trincomalee; Ahmadinejad to visit Colombo on April 28**

The International Group of Eminent Persons (IIGEP) terminated its enquiry on human rights in the country and announced that it would not be interfering with the Commission of Enquiry, set up by the Sri Lankan government to probe into human rights violations in the region.⁴² The US has also expressed concerns over the state of human rights and conflict resolution but admitted that the issues

³⁶ "US envoy meets foreign secy," *The Daily Star*, April 24, 2008, at <http://www.thedailystar.net/story.php?nid=33574>

³⁷ "New US envoy says task to be very difficult," *The Daily Star*, April 22, 2008, at <http://www.thedailystar.net/story.php?nid=33232>

³⁸ "Bangladesh a true friend of China: Yang Jiechi," *The Daily Star*, April 25, 2008, at <http://www.thedailystar.net/story.php?nid=33714>; "Military-military cooperation important part of overall ties," *The Daily Star*, April 26, 2008, at <http://www.thedailystar.net/story.php?nid=33859>

³⁹ "Dhaka can follow China-Pakistan model for nuclear ties with Beijing," *The Daily Star*, April 26, 2008, at <http://www.thedailystar.net/story.php?nid=33840>

⁴⁰ "Indian cabinet okays investment promotion accord with Bangladesh," *The Daily Star*, April 26, 2008, at <http://www.thedailystar.net/story.php?nid=33857>

⁴¹ "Dhaka to assess India's export subsidy," *The Daily Star*, April 21, 2008, at <http://www.thedailystar.net/story.php?nid=33070>

⁴² "Sri Lanka says exit of IIGEP would not affect CoI functioning," *The Colombo Page*, April 23, 2008, at http://www.colombopage.com/archive_08/April2330239JV.html

were “difficult.” It vowed to remain engaged with Colombo in the hope of ensuring progress in the region.⁴³

The battle in the North continued with both sides suffering casualties. Defence spokesman Minister Keheliya Rambukwella declared that the “liberation operation” would continue and that the North would soon be liberated. He also declared that by the end of the year 2008, LTTE would be wiped out from Sri Lanka.⁴⁴ In other developments, the Jantha Vimukthi Perumuna (JVP) has appealed to the British Government to counter LTTE activities with the support from the European Union.⁴⁵

At the bilateral front, India announced that it would be constructing a 500 MW coal-based power plant at Sampur in the Trincomalee district. India’s National Thermal Power Corporation (NTPC) and Sri Lanka’s Ceylon Electricity Board (CEB) would be holding stakes in the ratio of 70:30 in the project.⁴⁶

Reports noted that energy cooperation would be the main thrust of the forthcoming visit of the Iranian President Mahmoud Ahmadinejad to Sri Lanka on April 28.⁴⁷ Tehran would be investing around \$1.5 billion for developing natural energy resources in the country, including the Sapugaskanda oil refinery project.⁴⁸

II. PAKISTAN-OCUPIED KASHMIR REVIEW

- **Comprehensive package for the region; Political reforms to be introduced; Army Monitoring Agency to withdraw in 90 days**

The Federal Minister for Kashmir Affairs and Northern Areas, Qamaruz Zaman Kaira took oath as the Chairman of the Legislative Assembly of the ‘Northern Areas’ (Gilgit-Baltistan) in Pakistan-occupied-Kashmir (PoK) in Gilgit. Kaira pledged to introduce political reforms, improve the law and order situation in the region and asked the Army Monitoring Agency to wind up their task in the region within 90 days.⁴⁹ The Minister also announced a

⁴³ “Senior US State Department official visits Sri Lanka,” *The Colombo Page*, April 22, 2008, at http://www.colombopage.com/archive_08/April22142830JR.html

⁴⁴ “Sri Lanka vows to destroy Tamil Tigers,” *The Colombo Page*, April 24, 2008, at http://www.colombopage.com/archive_08/April24165414JV.html

⁴⁵ “Sri Lanka Marxist party seeks British help to counter LTTE,” *The Colombo Page*, April 23, 2008, at http://www.colombopage.com/archive_08/April2325749JV.html

⁴⁶ “India will partner with Sri Lanka to build thermal power plant in Sampur,” *The Colombo Page*, April 21, 2008, at http://www.colombopage.com/archive_08/April21143917JR.html

⁴⁷ “Iranian president to visit Pakistan on April 28: spokesman,” *Tehran Times*, April 27, 2008, at http://www.tehrantimes.com/Index_view.asp?code=167120

⁴⁸ “Lanka to open gem & jewellery factory in Egypt,” *The Colombo Page*, April 24, 2008, at http://www.dailymirror.lk/DM_BLOG/Sections/frmNewsDetailView.aspx?ARTID=12704

⁴⁹ Ibrahim Shahid, “Political reforms will be introduced in NAs: Kaira,” *Daily Times*, April 22, 2008, at http://www.dailytimes.com.pk/default.asp?page=2008%5C04%5C22%5Cstory_22-4-2008_pg7_39; “Army monitors told to wind up in 3 months,” *Dawn*, April 22, 2008 at <http://www.dawn.com/2008/04/22/nat3.htm>

comprehensive package for the region and declared the formation of a Public Accounts Committee which would start functioning from July 2008 onwards.⁵⁰

In a related development, there was a high-level meeting between the Federal Government and the official of the 'Northern Areas' in Islamabad on April 24. The meeting was reportedly called to review the impact of the proposed construction of Bhasha Dam on the archaeological assets in the surrounding area.⁵¹ Incidentally, China had shown a great deal of interest in building the dam which would be completed in seven years and which would cost approximately \$8.5 billion.⁵²

Meanwhile, the Speaker of the Legislative Assembly of the so called 'Azad Kashmir' (Mirpur-Muzaffarabad), Shah Ghulam Qadir expressed a desire to settle the Kashmir issue unanimously after taking into account the people's views from all walks of life cutting across political spectrum.⁵³

III. INTERNAL SECURITY REVIEW

JAMMU AND KASHMIR DEVELOPMENTS

- **PM assures support for all round development of J&K; Militants vow to revive jihad in J&K**

Winding up his two-day visit of Jammu and Kashmir, Prime Minister Dr. Manmohan Singh on April 26 promised all help for the state's all-round development. Dr. Singh also applauded the efforts of the people of the state for their struggle to strengthen democracy.⁵⁴ Earlier on April 23, the state government announced that it was providing 926 Class-IV posts to the family members of the civilians killed in militancy-related incidents in J and K.⁵⁵ Separately, the state government has also directed all cable operators in the Kashmir valley to stop airing Pakistan-based TV channels like PTV, GEO, Aaj, and ARY.⁵⁶

Meanwhile, *Indian Express* has reported that several Pakistan-based militant groups held a conference titled 'Azam-i-Jihad' (Resolve for Jihad) in Muzaffarabad in PoK on April 21 and reiterated their commitment to revive 'jihad' in Kashmir. The conference was attended by over 1,000 militants

⁵⁰ "Qamar unveils package for Northern Areas," Associated Press of Pakistan at http://www.app.com.pk/en_/index.php?option=com_content&task=view&id=36107&Itemid=2

⁵¹ "High level meeting held between Northern Areas officials and Federal Government," at http://www.app.com.pk/en_/index.php?option=com_content&task=view&id=36391&Itemid=2

⁵² Tariq Butt, "China keen to build Diamer-Bhasha Dam," *The News*, April 21, 2008 at http://www.thenews.com.pk/arc_news.asp?id=2

⁵³ "Take all players into confidence for settlement of Kashmir dispute: Shah Ghulam Qadir," at http://www.greaterkashmir.com/full_story.asp?Date=21_4_2008&ItemID=42&cat=21

⁵⁴ "All help for J&K development, says Manmohan," *The Hindu*, April 27, 2008, at <http://www.hindu.com/2008/04/27/stories/2008042757820100.htm>

⁵⁵ "926 Class-IV posts for militancy victims," *Daily Excelsior*, April 26, 2008, at <http://www.dailyexcelsior.com/web1/08apr26/news.htm#10>

⁵⁶ "Valley's cable operators asked to stop airing Pak channels," *Kashmir Times*, April 24, 2008, at <http://kashmirtimes.com/news1.htm>

belonging to the United Jihad Council (UJC) chief Syed Salahuddin, Laskar-e-Toiba (LeT) chief Zaki-ur-Rehman Lakhvi and leaders of PoK-based Hurriyat factions. Salahuddin called upon the PoK Government to pursue an “independent policy” on Kashmir and set aside “75 per cent of its budget for jihad in Kashmir and train its youth on war footing” for the purpose.⁵⁷

NORTH-EAST INSURGENCY

- **Union Home Ministry: More deaths in the North East than in J and K; Manipur CM warns ministers, officials against links with militants; Renewed clashes between NSCN(IM) and NSCN(U)**

Militant violence claimed more civilian lives in the North East region than in Jammu and Kashmir. According to latest data from the Union Home Ministry, there were 1,489 incidents of violent incidents in the region in 2007 as against 1,000 in Jammu and Kashmir. Civilian casualties stood at 498 as against 158 in J and K. Of the 498 civilian casualties in the Northeast, 287 were from Assam alone.⁵⁸

In other developments, as many as 27 United Liberation Front of Asom (ULFA) militants surrendered their arms in Assam’s Baksa district on April 25.⁵⁹

Manipur Chief Minister Okram Ibobi Singh warned all state ministers, legislators and officials against establishing links with militant groups. Mr. Singh’s warning, in Thoubal district on April 23 came in the wake of reports which alleged that several politicians, government officials and civil society organisations had links with the militants.⁶⁰

Elsewhere, at least four Naga insurgents were killed in factional clashes between cadres of the Isak-Muivah and Unification factions of the National Socialist Council of Nagaland (NSCN) at Dimapur in Nagaland on April 22. The Naga groups have renewed their feud in recent times.⁶¹

MAOIST INSURGENCY

- **Three policemen and two Maoists killed in Jharkhand**

At least three policemen and two Maoists were killed in an encounter between Maoists and the police in Jharkhand’s Dumka district on April 26.⁶²

⁵⁷ “Militants meet in PoK again, vow to pursue jihad in J-K,” *Indian Express*, April 23, 2008, at <http://www.indianexpress.com/story/300316.html>

⁵⁸ “NE overtakes Kashmir in insurgency deaths,” *Kashmir Times*, April 25, 2008, at <http://kashmirtimes.com/news5.htm>

⁵⁹ “More Ulfa rebels lay down arms,” *Telegraph*, April 26, 2008, at http://telegraphindia.com/1080426/jsp/northeast/story_9189174.jsp

⁶⁰ “CM glare on rebel link - Manipur ministers told to steer clear of militants,” *Telegraph*, April 24, 2008, at http://telegraphindia.com/1080424/jsp/northeast/story_9177910.jsp

⁶¹ “Naga clashes rock Dimapur - Khaplang calls meeting tomorrow,” *Telegraph*, April 23, 2008, at http://telegraphindia.com/1080423/jsp/northeast/story_9173713.jsp

⁶² “3 cops die in fight with Naxalites,” *Times of India*, April 27, 2008, at http://timesofindia.indiatimes.com/India/3_cops_die_in_fight_with_Naxalites/articleshow/2986780.cms

IV. NUCLEAR REVIEW

INDIA

- **India rebuffs US over Iran remarks; EAM says matter should be left to the IAEA; UPA-Left committee to meet on May 6**

India reacted strongly to the remarks made by US State Department spokesperson, Tom Casey that New Delhi should impress upon the visiting Iranian President Mahmoud Ahmadinejad to suspend his country's uranium enrichment activities and meet the requirements of the Security Council by complying with the other requirements regarding their nuclear programme. India conveyed to the US that neither India nor Iran needed external guidance on how to conduct bilateral relations.⁶³ Further, EAM Pranab Mukherjee stated that the US "could not arrogate to itself the right to determine whether Iran's nuclear programme was peaceful or not" and added that the task should be left to the IAEA.⁶⁴

The UPA-Left Committee on the Indo-US nuclear deal is scheduled to have its next meeting on May 6. The last meeting of the committee took place on March 17 when the government briefed the Left allies on negotiations regarding safeguards conducted with the IAEA. The Left parties have conveyed to the government that they would need to study the draft IAEA safeguards agreement before taking any stand on the same.⁶⁵

IRAN

- **Iran-IAEA hold two day talks in Tehran; ElBaradei: Iran agrees to answer all unresolved questions stemming from new intelligence**

The latest round of talks between Iran and the IAEA took place on April 21-22. While the Iranian delegation was led by its Ambassador and Permanent Representative to the IAEA, Ali Asghar Soltanieh, the IAEA side was led by Deputy Director General Olli Heinonen. Reports however noted that the delegation would not visit Iran's nuclear installations.⁶⁶

IAEA Director General, Mohammed ElBaradei meanwhile announced that Iran had agreed to answer contentions stemming from American and other intelligence reports that it studied how to design nuclear weapons. Dr. ElBaradei described Tehran's gesture, apparently negotiated during the April 21-22 talks, as a "milestone."⁶⁷

⁶³ "India rejects US advice on Iran," *BBC*, April 23, 2008, at http://news.bbc.co.uk/2/hi/south_asia/7362177.stm

⁶⁴ "Leave it to the IAEA, says Pranab," *The Hindu*, April 24, 2008, at <http://www.hindu.com/2008/04/24/stories/2008042450050100.htm>

⁶⁵ "UPA-Left panel meet on May 6," *The Hindu*, April 24, 2008, at <http://www.hindu.com/2008/04/24/stories/2008042459571200.htm>

⁶⁶ "Iran-IAEA end their first day talks," *IRNA*, April 21, 2008, at <http://www2.irna.ir/en/news/view/menu-236/0804219187222542.htm>

⁶⁷ "Iran to Discuss Alleged Studies of Atomic Arms," *The New York Times*, April 24, 2008, at <http://www.nytimes.com/2008/04/24/world/middleeast/24iran.html?sq=nuclear&st=nyt&scp=6&pagewanted=print>

NORTH KOREA

- **White House says North Korea helped Syria build the destroyed nuclear reactor; Syria dismisses the allegations, says ready to cooperate with the IAEA on the issue**

The North Korean denuclearisation process has again got embroiled in a new controversy. Reports pointed to the possibility of North Korea having provided assistance to Syria in building a nuclear reactor, which was bombed in September 2007 by Israel. The White House on its part, asserting that North Korea did indeed help Syria's secret nuclear program, affirmed that the destroyed Syrian facility was not intended for "peaceful purposes."⁶⁸

Syria has however dismissed the U.S. allegations. Its Ambassador to Britain Sami al-Khiyami charged that the accusations were intended to put pressure on North Korea in the ongoing talks about Pyongyang's denuclearisation program.⁶⁹ The Syrian envoy to the United Nations, Bashar Ja'afari stated that Syria was ready to cooperate with the IAEA on the issue and that Syria had "nothing to hide."⁷⁰

V. ENERGY SECURITY REVIEW

OIL PRICES

- **Spike in oil prices, rebel attack in Nigeria among reasons**

Crude Oil saw another spike in prices.⁷¹ Oil futures set a new record on the New York Mercantile Exchange and closed at \$117.48 a barrel on Monday, an increase of 88 cents. The increase was attributed to reports that a Nigerian rebel group had blown up pipelines in the oil-rich Niger Delta region. A rebel attack in the previous week had forced Royal Dutch Shell to curtail exports by 169,000 barrels per day. Additionally, a Japanese oil tanker was attacked by a small boat off the coast of Yemen and damaged by an unspecified projectile on April 21, according to the tanker's owner, Nippon Yusen.

⁶⁸ "White House: Syria 'must come clean' about nuclear reactor built with help from North Korea," *International Herald Tribune*, April 25, 2008, at <http://www.iht.com/articles/ap/2008/04/25/america/NA-GEN-US-NKorea-Syria.php>

⁶⁹ Samia Nakhoul, "Syria denies U.S. accusation over nuclear reactor," *Washington Post*, April 24, 2008, at http://www.washingtonpost.com/wp-dyn/content/article/2008/04/24/AR2008042401528_pf.html

⁷⁰ "Syria ready to cooperate with the IAEA: Syrian envoy," *Reuters*, April 25, 2008, at <http://www.reuters.com/article/newsMaps/idUSN2540300420080425>

⁷¹ Jad Mouwad, "Oil and Gasoline Prices Climb Higher," *The New York Times*, April 21, 2008, at www.nytimes.com/2008/04/21/business/21cnd-oil.html

NATURAL GAS

- **Ahmadinejad to visit India, multi-billion dollar gas deals to be discussed; India-Pakistan reach 'complete consensus' on issue of transit fees; TAPI nations agree to start construction of the pipeline in 2010; Iran and Russia to cooperate in development of gas fields; Nippon Oil Group finds natural gas off Gulf of Mexico**

India-Iran energy ties are also set to receive a boost. The Iranian President Mahmoud Ahmadinejad will be in India on April 29-30, after his two day visit to Sri Lanka.⁷² The two sides are expected to hold discussions on multi-billion dollar energy deals. The visit is being seen as timely as reports indicate that India and Pakistan have resolved their differences and have reached a 'complete consensus' over transit fees issues in talks held between Petroleum Minister Murli Deora and his Pakistani counterpart Khawaja Asif in Islamabad.⁷³

Meanwhile, talks on the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline have also progressed ahead. India participated in talks in Islamabad on April 24 for the first time as a full fledged member of the consortium. The oil ministers from the four nations signed a draft framework, agreeing to start construction of the TAPI gas pipeline in 2010.⁷⁴

Iran is set to firm up its energy ties with both India and Russia. The managing director of the national Iranian oil company stated that his company had reached a memorandum of understanding with Gazprom to cooperate in the development of oil and gas fields as well as in joint investments and in conducting exploratory studies.⁷⁵

Japan's biggest oil refiner, Nippon Oil Corp, announced that its subsidiary had found natural gas in the West Cameron 552 block off the Gulf of Mexico.⁷⁶ Though no estimation of the amount of reserves in the block was given, a company spokesperson stated that production at the block could start as early as at the end of 2008.

Note: This issue does not carry the China and Japan sections as Dr. Jagannath Panda is on leave.

⁷² "Energy on agenda for Ahmadinejad India visit," *Yahoo News*, April 22, 2008 at news.yahoo.com/s/afp/20080421/wl_mideast_afp/indiairandiplomacyenergy_080421073147

⁷³ "Pakistan India double gas pipeline projects for energy needs," *Xinhuanet*, April 25, 2008, at http://news.xinhuanet.com/english/2008-04/26/content_8052446.htm

⁷⁴ "Pakistan India double gas pipeline projects for energy needs," *Xinhuanet*, April 25, 2008, at http://news.xinhuanet.com/english/2008-04/26/content_8052446.htm

⁷⁵ "Iran, Gazprom sign oil and gas memorandum," *Tehran Times*, April 24, 2008, at www.tehrantimes.com/index_View.asp?code=167035

⁷⁶ "Nippon oil says finds natural gas in gulf of Mexico," *Reuters*, April 22, 2008, at www.reuters.com/article/rbssEnergyNews/idUST26891120080422