

THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

- **Afghan Interior Ministry: 151 killed in violence in the past week; Gen. McChrystal: Taliban strength in the western zone is increasing; G8 Foreign Ministers urge 'credible' elections in Afghanistan; Gen. Jones: US to provide security assistance for secure presidential elections; ICRC welcomes Afghanistan's accession to the 1977 Additional Protocols of the Geneva Convention**

Afghanistan's Ministry of Interior stated that 151 people, including policemen, civilians and insurgents were killed and 209 others wounded in violent incidents across the country during the week.¹ The new commander of US-led coalition forces, Gen. Stanley McChrystal meanwhile has warned of an increase in Taliban strength in the western zone of Afghanistan.²

The G8 Foreign Ministers meeting in the northern Italian city of Trieste called for the conduct of "credible" elections in Afghanistan and laid out an ambitious plan to improve agriculture and thereby undercut poppy cultivation, the Taliban's main source of income.³ The ministers expressed concerns at the prevailing corruption, drug trafficking and limited economic opportunities in the country and urged better cooperation among countries of the region to promote stability and development.⁴ UN Secretary-General Ban Ki-moon, speaking at the meeting, identified drug-trafficking, organised crime and terrorism as some of the inter-connected security challenges facing Afghanistan.⁵

US National Security Advisor Gen. James Jones, addressing a joint news conference with Helmand Governor Muhammad Gulab Mangal, assured all possible support to Afghanistan to ensure security for presidential and provincial council elections due on August 20. Gen. James arrived in Kabul on June 23 and visited the volatile Helmand province to meet Afghan officials and American troops stationed there.⁶

In other developments, the International Committee of the Red Cross (ICRC) commended Afghanistan's accession to the 1977 Additional Protocols of the Geneva Convention relating to the protection of victims of international

¹ "Week-long violence claims 151 lives," *Pajhwok Afghan News*, June 28, 2009, at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=76912>

² "Taliban spreading to west: ISAF head," *Pajhwok Afghan News*, June 27, 2009, at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=76827>

³ "G8 urges 'credible' elections in Afghanistan," *AFP*, June 28, 2009, at http://www.google.com/hostednews/afp/article/ALeqM5gH8s_dhFLsBCFJMMOvy3FDIZ50rQ

⁴ "G8 Foreign Ministers: Afghan Elections Must be Credible," *VOA*, June 27, 2009, at <http://www.voanews.com/english/2009-06-27-voa12.cfm>

⁵ "UN on Afghan security challenges," *Pajhwok Afghan News*, June 27, 2009, at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=76818>

⁶ "US to assist with poll security: Jones," *Pajhwok Afghan News*, June 24, 2009, at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=76737>

armed conflicts. The ICRC in a statement noted that Afghanistan's accession was especially welcome in view of the extreme hardships faced by civilians in their country. Jacques de Maio, ICRC head of operations for Afghanistan stated that though the decision "will not stop the war, but it will help to improve the protection of all Afghans once the Protocols are implemented."⁷

PAKISTAN

- **US drone strike kills at least 60 people in South Waziristan; Pakistan Army: Swat operation in its final stage; National Assembly sets up 27-member committee to review 1973 Constitution; US Senate approves bill tripling aid to Pakistan; Afghanistan, Pakistan and Russia agree to act against drugs, terror; Pakistan SC dismisses Sarabjit's appeal**

Report noted that a drone attack by US forces on June 23 killed at least 60 people at a funeral for a Taliban fighter in South Waziristan. The Pakistani armed forces meanwhile were continuing their operations in South Waziristan against Baitullah Mehsud, the head of the Taliban in Pakistan.⁸ At least 21 people, including militants and civilians, were killed and several others injured during air strikes launched by Pakistan security forces in the Waziristan region on June 21-22.⁹ A Pakistan Army spokesperson, Maj. Gen. Abbas stated that operations in Swat were in their final phase and that a decisive action against the Tehrik-i-Taliban Pakistan (TTP) chief Mehsud and his network was in the offing.¹⁰

In domestic developments, the speaker of the National Assembly, Dr. Fehmida Mirza set up a 27-member committee on June 23 to revisit the 1973 Constitution and weigh the pros and cons of repealing the 17th Amendment. Reports noted that women and minorities were not given representation in the Committee.¹¹

The US Senate unanimously passed a bill approving \$1.5 billion a year in humanitarian and economic aid to Pakistan for five years, thus effectively tripling non-military aid to the country.¹²

At the sidelines of the Foreign Ministers meeting in Trieste, Italy on June 26, Pakistan, Afghanistan and Russia agreed to improve cooperation in fighting

⁷ "ICRC hails accession to protocols," *Pajhwok Afghan News*, June 25, 2009, at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=76755>

⁸ "U.S. Drone Strike Said to Kill 60 in Pakistan," *The New York Times*, June 23, 2009, at <http://www.nytimes.com/2009/06/24/world/asia/24pstan.html?scp=4&sq=pakistan&st=cse>

⁹ "21 killed in Waziristan," *Dawn*, June 23, 2009, at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/21-killed-in-waziristan-369>

¹⁰ "Swat action in final stage: ISPR," *Dawn*, June 23, 2009, at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/swat-action-in-final-stage-ispr-369>

¹¹ "27-member body to review Constitution," *Dawn*, June 24, 2009, at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/27member-body-to-review-constitution-469>

¹² "US Senate approves bill to triple aid", *Dawn*, June 26, 2009 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/us-senate-approves-bill-to-triple-aid-669>

terrorism, combating illegal drug production and trafficking and promoting good relations among neighbours. The meeting was attended by Shah Mehmood Qureshi, Rangeen Dadfar Spanta and Sergei Lavrov.¹³

In other developments, the Pakistan Supreme Court on June 24 dismissed an appeal by Indian prisoner Manjit Singh alias Sarabjit Singh seeking a review of his death sentence awarded by a court in 1991.¹⁴

BHUTAN

- **Bhutan denies the presence of ULFA militants on its territory; Bhutan's PM pledges to provide 11,000 MW of power to India over the next decade; Infosys to train 100 Bhutanese graduates free of cost; Bhutan to delineate its National Human Resources and Development Policy soon**

Bhutan's Foreign Minister Ugyen Tshering, in the presence of the visiting India's External AFFAIRS Minister S.M. Krishna has categorically denied the presence of ULFA militants in Bhutanese territory.¹⁵

Bhutan's Prime Minister Jigmi Thinley pledged to provide an additional 11,000 MW of power to India in the next 12 years to help meet the country's growing energy demand. The announcement was made during interaction with a visiting delegation from the Indian Chamber of Commerce (ICC). The ICC president Sanjay Budhia on his part pledged all cooperation for Bhutan's economic development and added that the ICC would be eager to facilitate joint growth in sectors like education, health, agriculture and tourism.¹⁶

Meanwhile, the Bhutanese daily, *Kuensel* reported that a hundred graduates had left the country to undergo intensive training in business processes and software development for six weeks. These skilled IT people, who will be trained for free, would eventually be employed in the country's upcoming IT Park.¹⁷

Reports indicated that the Bhutanese government had rejected the demand of three Indian companies who had proposed to employ only about 300 Bhutanese in the upcoming Punatsangchu project. The government was insisting that apart from electricity that will be shared and the revenue that will be

¹³ "Afghanistan, Pakistan and Russia to act against drugs, terror", *Dawn*, June 27, 2009 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/afghanistan%2C-pakistan-and-russia-to-act-against-drugs%2C-terror-769>

¹⁴ "Supreme Court dismisses Sarabjit's appeal", *Dawn*, June 25, 2009 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/supreme-court-dismisses-sarabjits-appeal-569>

¹⁵ "No ULFA on its soil, Bhutan tells India," *Indian Express*, June 20, 2009, at <http://www.indianexpress.com/news/No-ULFA-on-its-soil--Bhutan-tells-India/479100>

¹⁶ "Bhutan PM pledges power aid for India," *Times of India*, June 20, 2009, at <http://timesofindia.indiatimes.com/India/Bhutan-PM-pledges-power-aid-for-India/articleshow/4683520.cms>

¹⁷ "Infosys to train students from Bhutan," June 26, 2009, at <http://news.ciol.com/News/News-Reports/Infosys-to-train-students-from-Bhutan/26609121578/0/>

generated, it was equally important that employment options for Bhutanese nationals in the process be guaranteed.¹⁸

In other developments, Bhutan is set to delineate guidelines relating to its National Human Resources and Development Policy soon. The document, to be presented to the Cabinet soon, draws its inspiration from the Constitution, the Vision 2020 document, the DPT manifesto, 10th five-year plan and the draft economic policy, among other documents.¹⁹

SRI LANKA

- **World Bank approves \$24 million credit to Colombo; Colombo assures India on resettling IDP's within 180 days, as was promised by President Rajapaksa; Minister Anura Yapa: President has no intention of staying in power beyond the terms mandated by the constitution**

Reports noted that the World Bank has approved a \$24 million credit to Sri Lanka to meet the health needs of the internally-displaced people. The money would be directed towards alleviating the plight of the people in the North and the East and would help finance projects like mobile clinics at IDP camps and assist in rehabilitation of the disabled persons.²⁰

Senior Presidential Advisor Basil Rajapaksa meanwhile assured EAM Krishna during a visit to New Delhi that Colombo will resettle the IDP's within 180 days, as was promised by President Rajapaksa earlier.²¹ Defence Secretary Gotabhaya Rajapaksa and the President's Secretary Lalith Weeratunga were the other members of the delegation, who also met with NSA M.K. Narayanan, Foreign Secretary Menon and Defence Secretary Vijay Singh. The delegation apprised the Indian officials about the current situation regarding the resettlement of the IDPs.

In domestic developments, Mass Media, Information and Enterprise Development Minister Anura Priyadharshana Yapa stated that President Rajapakse, who heads the United People's Freedom Alliance (UPFA), had no intention of staying in power beyond the terms mandated by the constitution. While acknowledging that there was a popular support for Mr. Rajapaksa to continue for a further period uncontested, the Minister emphasized that the wish of the President was to seek re-election following democratic norms. The Minister noted that the President can call for fresh elections after November 19, 2009 or after the first term is completed in 2011.²²

¹⁸ "Solving employment issue," *The Kuensel*, June 21, 2009, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=12790>

¹⁹ "Making more Bhutanese employable," *The Kuensel*, June 22, 2009, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=12797>

²⁰ "World Bank Approves \$24 mn Loan To Sri Lanka," *Lanka News*, June 24, 2009, at <http://www.lankanewspapers.com/news/2009/6/45188.html>

²¹ "IDPs will be resettled soon," *Daily News*, June 28, 2009, at <http://www.sundayobserver.lk/2009/06/28/new02.asp>

²² "UPFA believes in ballot, voters' rights: Minister," *Daily News*, June 22, 2009, at <http://www.dailynews.lk/2009/06/22/pol01.asp>

Reports also indicated that while the UNP fully backed the 13th Amendment, the JHU and the Jathika Nidahas Peramuna have expressed reservations on the provisions of the Amendment which sought to devolve power on police and land related matters to the Provincial Councils.²³

MALDIVES

- **Report: Religious freedom non-existent in Maldives; MNOC planning a \$150 million crude facility**

The Norway-based Forum 18 News reported that the Maldivian economy, especially the “health sector and school system,” which depends heavily on a huge foreign workforce, offers these workers “almost no religious freedom” though they make up a quarter of the population. Out of the 80,000 migrant workers, about half of them were from Bangladesh with most of the others were from India, Sri Lanka, Nepal and Indonesia. The report notes that while most of the migrant workers from Bangladesh and Indonesia were Muslim, most workers from other South Asian countries were non-Muslim (Buddhist, Christian, Hindus), who are treated as an underclass by many Maldivians.²⁴

In other developments, reports noted that the Maldives National Oil Company (MNOC) was planning to build a \$150 million crude terminal that can store up to 6 million cubic feet of oil on one of its many islands.²⁵

B. EAST AND SOUTHEAST ASIA

CHINA

- **China and America hold 10th Defence Consultative Dialogue (DCT); China purchases Russian helicopter; PLA conducts first joint military drills with Mongolia and Singapore; Chinese Vice-Premier visits Turkmenistan, Finland and Uzbekistan; Pakistan Air Chief visits Beijing**

The two-day 10th Defence Consultative Dialogue (DCT) between Chinese and American delegations began on June 23. The last DCT meeting took place in the US about 18 months ago. Reports noted that the Obama administration has given a new lease of life to Sino-American military exchanges which remained virtually frozen after President Bush had announced plans to sell arms worth \$6.5 billion to Taiwan in February 2008.²⁶

²³ “UNP’s standpoint on 13th Amendment,” *Daily News*, June 28, 2009, at <http://www.sundayobserver.lk/2009/06/28/new04.asp>

²⁴ “Religious Freedom of Huge Migrant Workers Curbed in Maldives,” *Christian Post*, June 24, 2009, at <http://www.christianpost.com/article/20090624/religious-freedom-of-huge-migrant-workers-curbed-in-maldives/index.html>

²⁵ “Maldives planning US150mn bunker, crude terminal,” *Lanka Business*, June 26, 2009, at <http://www.lankabusinessonline.com/fullstory.php?nid=1634077440>

²⁶ “Military Ties on the 'Upswing',” *People’s Daily*, June 23, 2009, at <http://english.peopledaily.com.cn/90001/90776/90786/6684053.html>

Reports noted that Russian company Rostvertol will sell a Mi-26TC heavy lift helicopter to China. The agreements reportedly signed during the 7th China International Aviation & Aerospace Exhibition in Zhuhai held in November 2008. This will be the second Mi-26TC helicopter that Russia will sell to China.²⁷

The People's Liberation Army (PLA) and the Singapore Armed Forces (SAF) launched a joint military drill, code-named 'Cooperation 2009', on June 24. The nine-day drill, a first of its kind between the two countries, was meant to be a counter-terrorism training exercise focusing on anti-nuclear, biological and chemical threats.²⁸ China has also launched a six-day military drill with Mongolia - 'Peacekeeping Mission 2009' on June 28. This was also the first such exercise between the armed forces of the two countries.²⁹

Chinese Vice-Premier Li Keqiang visited Turkmenistan, Finland and Uzbekistan during the week. In his talks with the Turkmenistan President Gurbanguly Berdymukhamedov on June 24, both the leaders explored the possibilities of cooperation in areas like economy and energy. Reports noted that the Turkmenistan-China gas pipeline figured prominently in their talks.³⁰ In Finland, Mr. Li met with the Finnish Prime Minister Tara Halonen. Green technology sector was identified as a potential area of growth between the two countries.³¹ During his Tashkent visit, both the countries noted the "improved quality and increased level of bilateral, pragmatic cooperation with joint projects being carried out in energy, mining, transportation, agriculture, telecom, machinery, petrochemical and other sectors."³²

In other developments, Turkish President Abdullah Gul arrived in Beijing on June 24 on a 6-day State visit. The Chief of Staff of the Pakistan Air Force also visited China and met with Defence Minister Liang Guanglie on June 26. The 'comprehensive' nature of 'traditional friendship' between the two was reiterated during the meeting that the PAF Chief had with Mr. Liang.³³

JAPAN

- **Tokyo imposes tougher sanctions on North Korea; Draft of the Defense Policy Guidelines calls for increasing the strength of military personnel**

²⁷ "Russia Sells 2nd Mi-26TC Heavy-lift Helicopter to China," *People's Daily*, June 24, 2009 at <http://english.peopledaily.com.cn/90001/90776/90786/6685355.html>

²⁸ "Singapore and China United on terror Risk," *China Daily*, June 25, 2009, at http://www.chinadaily.com.cn/china/2009-06/25/content_8320455.htm

²⁹ "Sino-Mongolian Peacekeeping Drill Starts in Beijing," *China Daily*, June 28, 2009, at http://www.chinadaily.com.cn/china/2009-06/28/content_8330803.htm

³⁰ "China, Turkmenistan Pledge to Strengthen Cooperative Ties," *PLA Daily*, June 25, 2009, at http://english.chinamil.com.cn/site2/news-channels/2009-06/25/content_1811902.htm

³¹ "Chinese Vice Premier: Sino-Finnish Cooperation in Green Technology Sectors has Great Potential," *PLA Daily*, June 27, 2009, at http://english.chinamil.com.cn/site2/news-channels/2009-06/27/content_1815046.htm

³² "Chinese Vice Premier Calls for Closer Economic Ties with Uzbekistan," *PLA Daily*, June 28, 2009, at http://english.chinamil.com.cn/site2/news-channels/2009-06/28/content_1815775.htm

³³ "Chinese Defence Minister Meets Pakistan Air Force Chief of Staff," *PLA Daily*, June 27, 2009, at http://english.chinamil.com.cn/site2/news-channels/2009-06/27/content_1815043.htm

and equipment to face growing regional tensions; Japan would have to spend \$2.3 billion for development of its own version F-22 Raptor; Japan's Foreign Minister denies reports of demarcating territorial waters so as to avoid any disputes regarding the movement of US warships carrying nuclear weapons

The Japanese government decided to ban exports to North Korea completely and toughen restrictions on the flow of people. These are being seen as additional sanctions on Pyongyang in response to its nuclear test in May.³⁴ Japan had earlier banned all trade with North Korea. North Korea on its part has banned the entry of ships from a wide area off its eastern coast. The move had raised speculation of more missile launches by the North. Pyongyang also threatened to shoot down any Japanese planes that enter its airspace, accusing Tokyo of spying near one of its missile launch sites.³⁵

Meanwhile, a draft of Japan's new mid-term Defense Policy Guidelines has called for increasing the strength of military personnel and equipment in the face of growing regional tensions.³⁶ These include North Korea's missile launches and nuclear tests, China's rise to a major military power status, among other developments. The new Guidelines, valid till March 2015, are expected to be adopted by the government by the end of the year.

In other developments, reports noted that the US Air Force estimates that Japan would have to spend as much as \$2.3 billion for development of its own version of the premier Lockheed Martin fighter jet, F-22 Raptor. The estimate is more than twice the amount that was earlier cited by US officials.³⁷

Japan's Foreign Minister Hirofumi Nakasone meanwhile denied reports that Tokyo had demarcated its territorial waters so as to avoid disputes over the movement of US warships carrying nuclear weapons.³⁸

SOUTH KOREA

- **Beijing says it is "deeply committed" to implementing tough new sanctions against the North; Pyongyang says it is a "proud nuclear power" and warns US that it will strike back if attacked; DPRK: US commitment to provide a nuclear umbrella to South under the pretext of "inexistent threats from the DPRK," shows its "gangster logic"; Obama**

³⁴ "Japan decides on additional sanctions on N. Korea," *Associated Press*, June 16, 2009, at http://www.breitbart.com/article.php?id=D98RIU300&show_article=1

³⁵ "N. Korea threatens to shoot down Japanese spy planes," *Associated Press*, June 27, 2009, at http://news.yahoo.com/s/ap/20090627/ap_on_re_as/as_koreas_tensions_4/print;_ylt=ApI.ftkkl.igIIH7mvY0TVf9xg8F;_ylu=X3oDMTB1MjgxN2UzBHBvcwMxNARzZWMDdG9vbHMtdG9wBHNsawNwcmIudA--

³⁶ "Japan eyes bigger military as tension rises: report," *Reuters*, June 21, 2009, at http://news.yahoo.com/s/nm/20090621/wl_nm/us_japan_defence_1

³⁷ "Cost of an F-22 fighter for Japan soars," *Reuters*, June 23, 2009, at <http://in.reuters.com/article/worldNews/idINIndia-40521420090622>

³⁸ "Japan denies sea borders were drawn to allow US nuke ships," *Associate Foreign Press*, June 22, 2009, at <http://www.mysinchew.com/node/26286>

warns North that its "belligerent, provocative behaviour" will only lead to tougher enforcement of sanctions; Gates: US has deployed missile defense weapons around Hawaii as a precautionary measure

Reports noted an unnamed senior South Korean official as stating that the only way North Korea will give up its nuclear weapons is if China finally abandons its decades-long support.³⁹ He added that there were enough sanctions in place to force Pyongyang to come to the negotiating table, if Beijing gave active support in enforcing those sanctions. China on its part has indicated to the US that it is "deeply committed" to implementing tough new sanctions against the North.⁴⁰

Meanwhile, North Korea stated that it was a "proud nuclear power" and warned the US that it will strike back if attacked. The North's statement was in response to US President Obama's statement that Washington was "fully prepared" for a possible North Korean missile test.⁴¹ South Korea's President Lee Myung-bak has asserted that his nation and its allies will not be intimidated by nuclear threats from North Korea.⁴²

Reports suggested that North Korea will likely fire short-range missiles or ground-to-ship missiles off its east coast in the Sea of Japan from an area over which it had banned shipping. The North had warned Japanese ships to stay clear of the area, measuring 110 by 450 kilometres, for 16 days starting June 25, because of unspecified military exercises.⁴³

An official daily of the DPRK - *Rodong Sinmun*, has accused the US of attempting to provoke a nuclear war on the Korean Peninsula. It stated that the US commitment to provide a nuclear umbrella to South Korea under the pretext of "inexistent threats from the DPRK," shows its "gangster logic" to attempt to dismantle the DPRK's nuclear program while providing South Korea with a nuclear umbrella and attempting to "launch a pre-emptive strike against the DPRK."⁴⁴

US President Obama on his part warned North Korea that its "belligerent, provocative behaviour" will only lead to tougher enforcement of sanctions. He

³⁹ "China holds key to North Korea problem: Seoul," *Reuters*, June 23, 2009, at <http://in.reuters.com/article/worldNews/idINIndia-40539320090623>

⁴⁰ "China 'deeply committed' to North Korea sanctions: US official," *Associate Foreign Press*, June 27, 2009, at <http://www.google.com/hostednews/afp/article/ALeqM5jhylxKEhsfOmW-hEvpgyXfpOy7TA>

⁴¹ "N Korea defends nuclear programme," *BBC News*, June 23, 2009, at <http://news.bbc.co.uk/2/hi/asia-pacific/8112585.stm>

⁴² "Lee says North Korea must give up nukes," *Associated Press*, June 17, 2009, at http://www.google.com/hostednews/ap/article/ALeqM5h5wkP_ODAuoLiREn90AZAwEyebqQD98SJDU80

⁴³ "N. Korea likely to fire missiles off east coast," *Associate Foreign Press*, June 24, 2009, at <http://www.google.com/hostednews/afp/article/ALeqM5igiLuJ6z4aTQJYlrocNWNQCwOwTA>

⁴⁴ "DPRK newspaper accuses U.S. of providing nuclear umbrella to S Korea," *Xinhua*, June 22, 2009, at http://news.xinhuanet.com/english/2009-06/22/content_11582576.htm

added that the regime's aggressive posture on nuclear weapons will no longer be rewarded with concessions.⁴⁵

US Deputy Defense Secretary William Lynn told a briefing of the Senate Armed Services Committee that the DPRK's missiles could be able to hit the US homeland in three years, if the country continues to accelerate its weapons development.⁴⁶ Defense Secretary Robert Gates has meanwhile confirmed that the US has deployed missile defense weapons around Hawaii as a precautionary measure against a possible missile launch by the DPRK.⁴⁷

SOUTHEAST ASIA

- **Tensions between Thailand and Cambodia over border temple escalate further; Thai PM: China visit a success; China criticizes Indonesia's move to detain Chinese fisherman in South China sea; Burma denies US report of North Korean ship moving toward Burmese territory; Obama in a telephone conversation with Malaysian PM seeks his help in resolving issues with Iran and North Korea; China and the US agree to de-escalate tensions in the South China Sea over US patrols**

Tensions between Thailand and Cambodia escalated further with the deployment of more Cambodian troops along the border near the disputed Preah Vihear temple. Thai soldiers were also put on full alert in anticipation of armed clash between the two sides.⁴⁸

Thai PM Abhisit Vajjajiva meanwhile stated that his trip to Beijing was a success as it had strengthened prospects of trade and investment cooperation between the two countries.⁴⁹ During his visit, both the countries signed an agreement to expand bilateral economic and trade cooperation.⁵⁰

Tensions between Indonesia and China also increased with China reacting strongly to the Indonesian move to detain Chinese fishermen in the South China Sea on June 20.⁵¹

Burma meanwhile has denied any links with a North Korean ship – the Kang Nam 1, which was allegedly carrying a cargo of weapons (in defiance of a

⁴⁵ "Obama warns North Korea to change or face sanctions," *Canwest News Service*, June 17, 2009, at <http://www.canada.com/Obama+warns+North+Korea+change+face+sanctions/1703383/story.html>

⁴⁶ "Pentagon says DPRK missiles could reach continental U.S. in near future," *Xinhua*, June 17, 2009, at http://news.xinhuanet.com/english/2009-06/17/content_11555333.htm

⁴⁷ "U.S. concerns possible DPRK missile launch" *Xinhua*, June 19, 2009 at http://news.xinhuanet.com/english/2009-06/19/content_11564555.htm

⁴⁸ "Saber rattling at Preah Vihear," *Bangkok Post*, June 25, 2009, at <http://www.bangkokpost.com/breakingnews/147111/troops-on-standby>

⁴⁹ "PM: China visit a success," *Bangkok Post*, June 27, 2009, at <http://www.bangkokpost.com/breakingnews/147292/pm-china-visit-a-success>

⁵⁰ "Abhisit to cement China ties," *Bangkok Post*, June 24, 2009, at <http://www.bangkokpost.com/breakingnews/147051/abhisit-to-cement-tie-with-china>

⁵¹ "China 'dissatisfied' with Indonesia over detention of fishermen," *Xinhua News*, June 25, 2009, at http://news.xinhuanet.com/english/2009-06/25/content_11601642.htm

UN embargo) towards Burma.⁵² Reports also noted that the Burmese authorities had imposed restrictions on local newspapers reporting the progress of the North Korean ship.⁵³

US President Obama meanwhile has asked for the help of Malaysia in ensuring a nuclear-free Korean Peninsula. In a telephone conversation with Malaysian PM Datuk Seri Najib Tun Razak, Obama also expressed the hope that the country will play a key role in facilitating dialogue and engagement between the US and Iran.⁵⁴

During talks between PLA Deputy Chief of Staff Lt. Gen. Ma Xiaotian and US Undersecretary for Defence Michele Flournoy, both the sides agreed to avoid military confrontations in high seas that could turn into a major international incident. Beijing had opposed US surveillance patrols in the South China Sea, which led to 'harassment' of US ships like Impeccable in recent past.⁵⁵

C. WEST ASIA

IRAN

- **Both sides using Islamic symbols to justify their respective stands; Supreme Leader asserts that election results will stand; Iran using Western-supplied technology to crack down on opposition; Tehran considering downgrading ties with London**

Reports noted that both the establishment and the opposition forces were using Islamic symbols to justify their respective stands in their current stand-off. Supreme Leader Ayatollah Ali Khamenei for instance invoked a Shiite prophet to suggest that the government that was running in his name was besieged by evil forces out to destroy a legitimate Islamic government. The opposition leader Mir Hussein Moussavi also, in criticizing the government, demanded the kind of justice promised by the Koran. The use of the colour green by the opposition - the color of Islam, is also being seen as a subtle symbol that its protests are rooted in the faith.⁵⁶ Ayatollah Khamenei has on his part asserted that the authorities will not back down in the face of opposition protests over the disputed presidential vote.

Report also noted that Tehran may be using Western-supplied technology to crack down on political opponents online. *The Wall Street Journal* noted that

⁵² "Burma denies link to North Korean Ship," *BBC News*, June 25, 2009, at <http://news.bbc.co.uk/2/hi/asia-pacific/8118647.stm>

⁵³ "Burma restricts reportage on North Korean vessel," *Burma News Online*, June 25, 2009, at <http://www.bnionline.net/news/mizzima/6573-burma-restricts-reportage-on-north-korean-vessel.html>

⁵⁴ "Obama seeks M'sia's help for a Nuclear-Free Korean Peninsula," *Bernama.com*, June 26, 2009, at http://www.bernama.com/bernama/v5/news_lite.php?id=421158

⁵⁵ "China, US agree to avoid naval confrontations," *The Hindu*, June 24, 2009, at <http://www.hindu.com/thehindu/holnus/000200906241708.htm>

⁵⁶ Neil MacFarquhar, "In Iran, Both Sides Seek to Carry Islam's Banner," *New York Times*, June 22, 2009, at <http://www.nytimes.com/2009/06/22/world/middleeast/22security.html?hp=&pagewanted=print>

Iranian authorities appear to be using DPI, which gives the ability to not only block web communications but to monitor them as well.⁵⁷

Foreign Minister Manouchehr Mottaki meanwhile has stated that Tehran was considering whether to downgrade ties with Britain, after both the governments expelled diplomats. Tehran had earlier accused Great Britain of being responsible for the street violence that erupted in the aftermath of the election. US President Barack Obama on his part, in his strongest comments yet, raised questions about the legitimacy of the election and expressed outrage over the violence against on opposition protesters. The Guardians Council, a 12-member unelected body of Islamic clerics and jurists, insisted that the election results would stand.⁵⁸

IRAQ

- **Twenty seven people get killed**

Security officials stated that 27 people were killed in a series of attacks across Iraq just days before US troops pull out of Iraq's cities. In the deadliest single strike, seven people were killed in a car bombing that targeted municipal offices in Abu Ghraib, a town on Baghdad's western outskirts. In another incident, a civilian was killed in central Mosul by gunmen.

The killings were the latest incidents in the run-up to the planned pullout of US troops from Iraqi towns and cities by June 30. Violence had dropped in recent months, with May seeing the lowest Iraqi death toll since the 2003 invasion. Attacks however continued in Baghdad and the northern city of Mosul. Prime Minister Nuri al-Maliki had warned earlier in the month that insurgents were likely to step up their attacks in a bid to undermine confidence in the Iraqi security forces.⁵⁹

LEBANON

- **Saad Hariri to be Prime Minister**

Saad Hariri obtained the support of 86 members in the 128-member parliament on June 27 and was asked by the President Michel Suleiman to form a new government.⁶⁰ Hariri on his part pledged to protect the interests of all Lebanese, including those who might have voted for the opposition alliance. He added that he was open to proposals regarding the formation of the new Cabinet.

⁵⁷ "US computer group disturbed by tech supplied to Iran," *Khaleej Times*, June 23, 2009, at http://www.khaleejtimes.com/DisplayArticle08.aspx?xfile=data/middleeast/2009/June/middleeast_June746.xml§ion=middleeast

⁵⁸ "Iran will not back down in vote turmoil: Khamenei," *Khaleej Times*, June 24, 2009, at http://www.khaleejtimes.com/DisplayArticle08.aspx?xfile=data/middleeast/2009/June/middleeast_June799.xml§ion=middleeast

⁵⁹ "27 killed in Iraq attacks as U.S. pullback looms," *Tehran Times*, June 23, 2009, at http://www.tehrantimes.com/index_View.asp?code=197361

⁶⁰ "Hariri designated as Lebanon PM," *Al Jazeera*, June 27, 2009, at <http://english.aljazeera.net/news/middleeast/2009/06/2009627113039404698.html>

Israel's Prime Minister Benjamin Netanyahu meanwhile stated on June 28 that if Hezbollah was included in the new Cabinet, the Lebanese government would be held responsible for any assault against the state of Israel.⁶¹

II. MISSILES, SPACE AND DEFENCE REVIEW

MISSILES AND SPACE

- **US deploys missiles defence shield in Hawaii**

US Defence Secretary indicated that the US has deployed a missile defense system in Hawaii against a potential North Korean long range missile threat.⁶² Reports however doubted the ability of Pyongyang to hit continental United States. While the Taepodong-2 could theoretically cross the pacific, series of launch failures encountered by it have ensures that the technology is not proven. US officials have however noted that past launch failures cannot fully account for the current status of North Korean missile capabilities.⁶³

Japanese media reported that Pyongyang could be readying itself for a long-range missile test on July 4. Sources suggested that a long-range missile was dispatched to North Korea's newly-built Tongchang-ri launch site.

INTERNATIONAL

- **12 UAVs purchased by Russia from Israel**

Reports noted that Russia had purchased 12 unmanned aerial vehicles (UAVs) from Israel worth \$53 million. These UAVs, with a range of 400 kms, have a flight duration capacity of up to 12 hours. According to sources, Russia was in need of around 100 UAVs and approximately 10 guidance systems to ensure effective battlefield reconnaissance to deal with future military conflicts.⁶⁴

- **US Navy awarded General Dynamics Aircraft Radomes contract**

The US Navy has awarded General Dynamics a contract worth a potential \$10 million over five years for the refurbishment of radomes for the EA-6B fighter jet. The refurbished radomes will be used on board EA-6B aircraft use by both the navy and the Marine Corps.

⁶¹ "Hariri emphasizes need for unity cabinet to end divide," *The Daily Star*, June 30, 2009, at http://www.dailystar.com.lb/article.asp?edition_id=1&categ_id=2&article_id=103639

⁶² "US Officials: No Indication North Korean missiles can hit Hawaii, interceptors a prudent step," *The Canadian Press*, June 19, 2009, at <http://www6.lexisnexis.com/publisher/EndUser?Action=UserDisplayFullDocument&orgId=574&topicId=100007194&docId=1:993045528&start=23>

⁶³ "US Readies Missile Defense Before North Korea Test", *National Public Radio*, June 26, 2009, <http://www6.lexisnexis.com/publisher/EndUser?Action=UserDisplayFullDocument&orgId=574&topicId=100007194&docId=1:997193825&start=12>

⁶⁴ "Russia to Purchase 12 Israeli UAVs for USD 53 million," June 22, 2009 at <http://www.india-defence.com/reports/4459>

- **HMDS production contract for F-35 jets awarded for Elbit-Rockwell Collins Joint Venture**

Reports noted that Elbit Systems/Rockwell Collins joint venture Vision Systems International, LLC has bagged a contract worth \$54.1 million to produce Helmet Mounted Display System (HMDS) to all American and exported F-35 fighters. HMDS is an advance version of Head-Up Display (HUD) which allows the pilots flexibility of conducting their operation without looking down at the instruments in order to see critical information.⁶⁵

III. ENERGY SECURITY REVIEW

- **Coal-to-Liquid (CTL) project gets go-ahead**

A report in the Shanghai Securities Journal on 25 June, 2009 stated that Shenhua Energy Company will restart the Erdos coal-to-liquid (CTL) project in Inner Mongolia next month. A 1,000-hour trial is intended to provide operational data. If the project goes smoothly, the company is expected to take over the facility and ramp production to 5 million tons, as was approved earlier.

The National Development and Reform Commission (NDRC) had earlier suspended all but two CTL projects. Sources indicated that CTL plants give off large carbon dioxide emissions which can severely harm the environment. Carbon dioxide emissions are seven to 10 times compared with traditional oil product processing.⁶⁶

- **China signs deal to buy 40 billion cubic meters of natural gas annually from Turkmenistan**

China signed a 30-year deal on June 24 to increase purchases of natural gas - up to 40 billion cubic meters annually, from Turkmenistan. The deal is considered significant as Beijing competes with Moscow for access to Central Asia's energy wealth and marks another step in Chinese efforts to find long-term, stable energy supplies.

Work on a 7,000-kilometer pipeline from Turkmenistan is expected to be finished by the end of the year. Reports indicated that China had promised to lend \$3 billion to develop the vast South Yolotan natural gas field close to the Afghan border. An independent audit by a British company last year had indicated that the field may be one of the five largest in the world. Turkmenistan till now had exported nearly all of its gas to Russia.⁶⁷

⁶⁵ "First Production HMDS Orders for F-35 Pilots," June 25, 2009 at <http://www.defenseindustrydaily.com/First-Production-HMDS-Orders-for-F-35-Pilots-05549/#more-5549>

⁶⁶ "China Coal-to-Oil Project Gets Go-Ahead," *Asia Energy*, June 26, 2009, at <http://asianenergy.blogspot.com/2009/06/china-coal-to-oil-project-gets-go-ahead.html>

⁶⁷ "China sign landmark deal to buy 40 billion cubic meters of Turkmen natural gas annually," *Associated Press*, June 25, 2009, at http://asianenergy.blogspot.com/2009_06_21_archive.html

- **China to build new refineries to process oil from Myanmar pipeline**

Reports noted that China will build refineries capable of processing up to 20 million metric tons a year, in southwest China to process crude oil from the Sino-Myanmar pipeline.

The refineries will be located in Chongqing City of Sichuan Province and in Yunnan Province. China National Petroleum Corp. (CNPC) signed a memorandum with Myanmar on the cross-border oil pipeline recently, the construction for which will start in September.⁶⁸

IV. INTERNAL SECURITY REVIEW

JAMMU AND KASHMIR

- **A.K. Antony: No question of lowering guard in J&K; Omar Abdullah for resumption of internal talks between the Centre and the separatists**

Union Defence Minister A.K. Antony told reporters in New Delhi on June 25 that though infiltration from Pakistan had declined in the recent past, the threat from terrorists in J and K was “real” and there was no question of lowering the guard of the security forces. He added that Pakistan has been unable to check terrorist attacks originating from its soil.⁶⁹

Welcoming the resumption of talks between India and Pakistan, J&K Chief Minister Omar Abdullah on June 27 stated that he was in favour of resumption of dialogue between the central government and separatists as dialogue “is the only platform to address issues and find out amicable solution to the problems.” He was addressing a public meeting at Arizal in Budgam district.⁷⁰

MAOIST INSURGENCY

- **Central government bans CPI (Maoist); Joint forces wrest control of Ramgarh**

The central government banned the Communist Party of India (Maoist) on June 22, terming it a terrorist organisation. The government invoked Section 41 of the Unlawful Activities (Prevention) Act against the outfit. The decision on the ban came two days after West Bengal Chief Minister Buddhadeb Bhattacharjee met Union Home Minister P. Chidambaram in the backdrop of violent incidents in Lalgarh and the ongoing operation by the police and the security forces to reclaim the area. Many states, including Andhra Pradesh, Madhya Pradesh and Chhattisgarh, had earlier declared the CPI (Maoist) as an unlawful association.

⁶⁸ “China to build new refineries for oil from Myanmar pipeline,” *Asia energy*, June 25, 2009, at http://asianenergy.blogspot.com/2009_06_21_archive.html

⁶⁹ “No question of lowering guard in J&K: Antony,” *Daily Excelsior*, June 27, 2009, at <http://www.dailyexcelsior.com/web1/09june26/news.htm#1>

⁷⁰ “Omar for resumption of internal talks between Centre, separatists,” *Daily Excelsior*, June 28, 2009, at <http://www.dailyexcelsior.com/web1/09june28/news.htm#2>

Bihar, Orissa, Jharkhand and Tamil Nadu had done so under the Unlawful Activities (Prevention) Act.⁷¹

Meanwhile, the central paramilitary forces and the West Bengal police on June 27 took control of the Maoist-dominated Ramgarh in West Bengal. The forces had recaptured Lalgarh a week ago. Soon after the operations began, the Maoists triggered an improvised explosive device at Mahultol village. Another IED was defused by the police. Heavy exchange of fire between the security forces and the Maoists were reported from the dense forests nearby.⁷²

Elsewhere, Maoists unleashed a fresh wave of violence in Dantewada district of Chhattisgarh, while seven tribal youths, suspected to be their supporters, were gunned down by the police in the aftermath of the Thongpal landmine blast that killed 11 CRPF personnel on June 20.⁷³

NORTHEAST DEVELOPMENTS

- **Unidentified militants set ablaze 115 houses in Assam**

Unidentified militants set ablaze at least 115 houses, gunned down one person and injured two others during an attack at Dimasa, a remote village in the troubled North Cachar Hills district, on June 26. The attack came even as the district administration is awaiting the release of funds by the state government for converting the Dimasa and Zeme Naga villages into clusters and shifting of 10,000 people of about 50 villages into these proposed clusters in order to launch a full-scale counter-insurgency operations in the depopulated villages.⁷⁴

⁷¹ "Centre bans CPI (Maoist)," *Hindu*, June 23, 2009, at <http://www.hindu.com/2009/06/23/stories/2009062358320100.htm>

⁷² "Joint forces wrest control of Ramgarh," *Hindu*, June 28, 2009, at <http://www.hindu.com/2009/06/28/stories/2009062857790100.htm>

⁷³ "Police kill 7 supporters of Maoists," *Hindu*, June 22, 2009, at <http://www.hindu.com/2009/06/22/stories/2009062256721000.htm>

⁷⁴ "Militants set ablaze 115 houses in N.C. Hills," *Hindu*, June 27, 2009, at <http://www.hindu.com/2009/06/27/stories/2009062758360100.htm>