

THE WEEK IN REVIEW

October 18-24, 10(3), 2010

EDITOR: SANJEEV KUMAR SHRIVASTAV

REVIEW ADVISOR: S. KALYANARAMAN

CONTRIBUTORS

GULBIN SULTANA- Maldives

PRASHANT KUMAR SINGH- China

PRASHANT PRADHAN- Bahrain

MEDHA BISHT- Bhutan

PRASHANT HOSUR- USA



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

	IN THIS ISSUE	PAGE
	A. South Asia	3-4
I. COUNTRY REVIEWS	B. East Asia	4-6
	C. West Asia	7
	D. USA	7
II. ENERGY REVIEW		8

I. COUNTRY REVIEW

A. SOUTH ASIA

BHUTAN

- **Bangladesh to hold talks with Bhutan and Nepal regarding the use of Mongla and Chittagong ports; King of Bhutan describes India as not only a world leader but also an emerging economic power; 36,000 Bhutanese refugees resettled under third country settlement programme**

Reports noted that Bangladesh would soon be holding talks with Bhutan and Nepal regarding the use of Mongla and Chittagong ports. Bangladesh will also sign Memorandums of Understanding with these countries as per the joint communiqué signed by the prime ministers of Bangladesh and India.¹

King of Bhutan Jigme Khesar Namgyel Wangchuck visited India to attend the Golden Jubilee Celebrations of the National Defence College in New Delhi. King Wangchuck is an alumnus of NDC and has completed 45th course of NDC before becoming King in 2006. Addressing the gathering at NDC on October 21, King described India as not only a world leader but also an emerging economic power. He pointed out that progress of Bhutan depends much upon the bright future of India. He stated, "I consider myself a part of the great Indian family..."²

Meanwhile reports claim that almost 36,000 Bhutanese refugees have been resettled under the third country settlement programme. According to the latest available figures around 82 Bhutanese refugees have been resettled in Britain.³

MALDIVES

- **Delegation from Mauritius met President Nasheed; President Nasheed pays visit to Singapore; Workshop organised to draft National Security Framework with United States military assistance**

A delegation of senior officials of the government of Mauritius, led by Secretary to Cabinet and Head of the Civil Service of Mauritius Mr S. C. Seeballuck and Ambassador of Ministry of Foreign Affairs, Regional Integration and

¹ "Talks with Nepal, Bhutan shortly," *Daily Star*, October 24, 2010, at <http://www.thedailystar.net/newDesign/news-details.php?nid=159828>

² "Bhutan describes India as super power," *My News*, October 22, 2010 at http://www.mynews.in/News/bhutan_describes_india_as_super_power_N102494.html

³ "Over 36,000 Bhutanese refugees living in Nepal resettled," *Peoples Daily Online*, October 24, 2010, at <http://english.peopledaily.com.cn/90001/90777/90851/7175301.html>

International Trade Mr J. D. Koonjul met with President Mohamed Nasheed on October 21. The meeting was also attended by Maldives's Vice President Dr Mohamed Waheed, the President's Political Affairs Advisor Hassan Afeef and Minister of Foreign Affairs Dr Ahmed Shaheed. During the meeting President spoke on the possibility of establishing an international shipping link between Mauritius and the South of Maldives.⁴

President Mohamed Nasheed visited Singapore on October 24. During his visit he is likely to discuss with Singaporean authorities about the Maldivian businessmen operating in Singapore.⁵ In other developments, Maldives National Defence Force (MNDF) began a workshop to draft a national security framework with the United States military assistance.⁶

B. EAST ASIA

CHINA

(OCTOBER 11-24, 2010)

- **China and the United States hold annual consultations on maritime security; Need for a peaceful resolution for disputes over the South China Sea emphasized; Several Foreign dignitaries visited China; "Mission Action 2010" and "Strike 2010" concluded; China and Thailand will carry out "Blue Assault", Chinese peacekeeping police squad left for Sudan; Winter conscription kicked off in China; Guangzhou Garrison braces for Asian Games**

China and the United States held annual consultations on maritime security in Hawaii on October 14-15, under their Military Maritime Consultative Agreement (MMCA) mechanism. The statement issued by Chinese ministry of Defence noted that talks between Chinese and U.S. militaries on maritime security were "substantial" and "candid".⁷

⁴ "Mauritius Government Delegation Calls on the President", *The President's Office, Republic of Maldives*, October 21, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5559>

⁵ "President departs for Singapore", *The President's Office, Republic of Maldives*, October 24, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5569>

⁶ "MNDF commences workshop on drafting national security framework", *Haveeru Online*, October 24, 2010 at <http://www.haveeru.com.mv/english/details/33025>

⁷ "China, U.S. maritime security talks "candid": Chinese Defense Ministry", *PLA Daily (Online)*, 18 October 2010 at http://eng.chinamil.com.cn/news-channels/today-headlines/2010-10/18/content_4315628.htm

Deputy Chief of the General Staff of the Chinese People's Liberation Army (PLA) Ma Xiaotian has reiterated that a peaceful resolution through consultation and negotiation was needed to handle disputes over the South China Sea. He made the remarks in his keynote speech at the opening of the Xiangshan military forum in Beijing, which discussed Asia-Pacific security issues.⁸

Rwandan Defence Minister James Kabarebe was in China last week on an official visit. There he met with Chinese Defense Minister Liang Guanglie on October 22. The two military leaders discussed as to how to boost the bilateral relationship and enhance military cooperation.⁹ Liang Guanglie also held talks with the visiting Zambian Defence Minister Kalombo Mwansa on October 21. They explored the possibilities of promoting ties between the two countries and their armed forces. On this occasion, Liang characterized China-Zambia relations as a role model of South-South cooperation.¹⁰ Last week, a meeting took place between Chinese Defense Minister Liang Guanglie and the visiting Italian Chief of Defense Staff Vincenzo Camporini. On this occasion, Liang Guanglie pointed out that China and Italy had seen frequent exchanges of high-level visits and maintained close coordination on major international issues. It was also pointed out that both the nations have conducted fruitful cooperation in the economic, trade, culture, technology and tourism sectors.¹¹

Reports noted that Chief of General Staff of the Polish Armed Forces Mieczysław Cieniuch visited China and met with member of the Central Military Commission and Chief of General Staff of the Chinese People's Liberation Army Chen Bingde in Beijing on October 21 and held talks with him.¹²

The "Mission Action 2010" which is a trans-MAC mobile exercise carried out by the troops of the Beijing Military Area Command (MAC) concluded on 21 October. According to reports, during the 11-day-long exercise, the participating troops consisting of such arms as aviation, communication, reconnaissance, artillery, armored force and special force had maneuvered for nearly 1,600 km

⁸ "Senior PLA officer reiterates peaceful resolution to South China Sea issue", *PLA Daily* (Online), 23 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/23/content_4319455.htm

⁹ "Chinese, Rwandan defense ministers hold talks to boost military co-op", *PLA Daily* (Online), 23 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/23/content_4319466.htm

¹⁰ "Chinese, Zambian defense ministers hold talks on closer ties", *PLA Daily* (Online), 22 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/22/content_4318765.htm

¹¹ "China, Italy seek closer military cooperation", *PLA Daily* (Online), 21 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/21/content_4318096.htm

¹² "Chen Bingde holds talks with Polish counterpart", *PLA Daily* (Online), 22 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/22/content_4319165.htm

and conducted exercise on a multiple of subjects in unfamiliar areas.¹³ On the other hand, the “Strike 2010” anti-terror joint military training held by the special forces of the Chinese and Thai armies was also concluded at a comprehensive training base of the Guangzhou Military Area Command (MAC) of the Chinese People's Liberation Army (PLA) on 19 October.

The Chinese Ministry of Defence (Mod) issued a statement on Wednesday noting that the Marine Corps of the Chinese People's Liberation Army (PLA) will conduct a joint drill, code-named “Blue Assault-2010”, which will take place with their counterpart of Thailand in Sattahip, Thailand, from 26 October to 14 November 2010.¹⁴

Reports noted that a Chinese peacekeeping police squad left for Sudan on Thursday to take part in the United Nations missions. It was the ninth peacekeeping police force China sent to Sudan since May 2006, when China dispatched its first group of peacekeepers in the war-torn region.¹⁵

According to reports, a nationwide winter conscription work had kicked off all-roundly in China. The main candidates of this winter conscription are youths of conscription age having an education level of and above high school (including vocational high school, secondary specialized school and technical school).¹⁶

Meanwhile, Guangzhou Garrison of the Chinese People's Liberation Army has fully taken up various preparation works for supporting the Asian Games 2010. The games will be held in Guangzhou, capital of South China's Guangdong province in the coming November 2010.¹⁷

¹³ “Trans-MAC mobile exercise of Beijing MAC concludes”, *PLA Daily* (Online), 22 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/22/content_4319151.htm

¹⁴ “PLA Marine Corps to conduct joint drill with Thai marines in Thailand”, *PLA Daily* (Online), 21 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/21/content_4318094.htm

¹⁵ “China's ninth peacekeeping police force leaves for Sudan”, *PLA Daily* (Online), 16 October 2010 at http://eng.chinamil.com.cn/news-channels/today-headlines/2010-10/16/content_4314990.htm

¹⁶ “China kicks off winter conscription work”, *PLA Daily* (Online), 20 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/20/content_4317740.htm

¹⁷ “Guangzhou Garrison gets prepared to ensure security for Asian Games”, *PLA Daily* (Online), 19 October 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-10/19/content_4317171.htm

C. WEST ASIA

- **Parliamentary Election results announced in Bahrain**

The results of the parliamentary elections in Bahrain were announced on October 24. According to the results, 31 members have been declared elected to the lower house. With the number of eligible voters put at 318,668, election officials declared that voter turn out reached 67 percent in the polls which was held on October 23. Shia-dominated group Al Wefaq has won 18 seats while Al Menbar - a Sunni Islamist group could not get a single seat as five of its candidates will face the second round. Al Asala, another Sunni Islamist group that follows the Salafist ideology, won two parliament seats in the first round and has three challenging for seats in the run-off. A second round vote is required in constituencies where none of the candidates secured 50 percent or more of the ballot. If that happened, only the two highest scoring candidates will face off against each other in the second round.¹⁸ The Supreme Election Committee has announced that the second round of elections will be held on October 30, 2010.¹⁹

D. USA

- **Surge in Republican Party's campaign donations as mid-term Congressional election race intensifies**

As the midterm election race intensifies, the Republican Party has seen a surge in the donations it has received from various donors of which many are anonymous. Reports noted that anonymously financed conservative groups whose role has been crucial role for the Republican Party's campaign in these elections, are starting a carefully coordinated final push to deliver control of Congress to Republicans.²⁰ The new surge in cash flows in the Republican Party is meant to increase television advertisements, mailings and phone calls for five potentially decisive Senate races, as well as the scores of House races. However, the Democrats have also swung into action by collecting financial resources to respond to this challenge.²¹

¹⁸ "31 candidates win battle of the ballot", *Gulf Daily News*, October 25, 2010, at <http://www.gulf-daily-news.com/NewsDetails.aspx?storyid=289939>

¹⁹ "Bahrain Elections 2010", *Kingdom of Bahrain, Ministry of Foreign Affairs*, October 25, 2010, at <http://www.mofa.gov.bh/>

²¹ "Pro-Republican Groups Prepare Big Push at End of Races", *The New York Times*, October 24, 2010 at <http://www.nytimes.com/2010/10/25/us/politics/25groups.html?hp>

II. ENERGY REVIEW

- **ONGC unlikely to exercise pre-emption rights on Cairn- Vedanta deal**

Reports suggest that the State-run Oil and Natural Gas Corporation (ONGC) is not likely to exercise its pre-emption rights to stop UK owned Cairn Energy Plc from selling majority stake in its Indian arm to Vedanta Resources. Earlier, ONGC had not acquired Cairn India despite having two opportunities. Earlier, ONGC had chosen not to exercise its pre-emption rights when in 2002 Cairn Energy bought out Royal Dutch Shell's stake in the prolific Rajasthan block for only USD 11 million. ONGC had allowed itself missing a chance to acquire the company in 2004-05, which by then had discovered the giant Mangala oil field in the Rajasthan block, for about USD 4 billion.²²

²² “ONGC may not exercise pre-emption rights in Cairn-Vedanta deal “, *The Economic Times*, October 22, 2010 at <http://economictimes.indiatimes.com/news/news-by-industry/energy/oil--gas/ONGC-may-not-exercise-pre-emption-rights-in-Cairn-Vedanta-deal/articleshow/6793452.cms>