

THE WEEK IN REVIEW

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1. COUNTRY REVIEW

A. SOUTH ASIA

AFGHANISTAN

- **Secretary Clinton: July 2011 “is the start of a new phase, not the end of our involvement” in Afghanistan; President Karzai presents a roadmap seeking Afghans in charge of security by 2014; EAM Krishna: Afghanistan could not be free of violence unless efforts were made to deny terrorist their “support, sustenance and sanctuaries”; EAM Krishna: Longer presence of International forces in Afghanistan needed; NATO Secretary-General warns of Taliban returning back to power in Afghanistan if International forces withdraw prematurely; US Department of Treasury slaps financial sanctions against three top leaders of Haqqani network and Taliban; Afghanistan Pakistan sign Transit Trade Agreement; US Senate rejects emergency funding bill for military operations in Afghanistan**

Addressing the International donors’ conference in Kabul on July 20th US Secretary of State Hillary Clinton vowed that the United States and its allies will stand by Afghanistan even as fears are growing. Commenting on the planned drawdown of US forces from Afghanistan in July 2011, Clinton said that it was not a sign of flagging commitment. She stated, “The July 2011 date captures both our sense of urgency and the strength of our resolve...but this date is the start of a new phase, not the end of our involvement.” The Kabul conference was co-chaired by Afghan President Hamid Karzai and UN Secretary General Ban Ki Moon in which leaders and officials of 70 nations participated. ¹

While making his opening remarks at the conference, Afghan President Hamid Karzai said, “Today, I invite us to elevate our vision above the din of the battle with our common enemies and to focus on our noble goal: a peaceful, prosperous and stable Afghanistan.” Karzai presented a roadmap for making Afghans in charge of security of the nation by 2014 as well as curbing government corruption before that time. His roadmap included peace talks with the Taliban; government reform; and gradual assumption of control by Afghanistan of billions of dollars in foreign aid, as well as the military prosecution of the war.²

¹ “Clinton: US, world stand with Afghanistan”, *The Washington Post*, July 20, 2010 at <http://www.washingtonpost.com/wp-dyn/content/article/2010/07/20/AR2010072003095.html?sub=AR>

² “Karzai’s road map for reforms wins diplomats’ support at Afghan conference”, *The Washington Post*, July 21, 2010 at <http://www.washingtonpost.com/wp-dyn/content/article/2010/07/20/AR2010072000824.html?sid=ST2010072002752>

India's External Affairs Minister S.M. Krishna while making his remarks at the conference cautioned that "terrorism cannot be compartmentalised". He pointed out that Afghanistan could not be free of violence unless efforts were made to deny terrorist their "support, sustenance and sanctuaries." EAM Krishna expressed concerns about the Taliban reintegration process. However, he noted that India supports Afghanistan's efforts towards peace and reintegration. But for such an effort to succeed, it must be fully Afghan-led and Afghan-owned and carry all sections of Afghanistan's population together as well as abide by the red lines agreed to at the London Conference that is giving up violence, cutting off all links with terrorism, whether jihadi or state-sponsored.³ Upon his return to New Delhi, while responding to a question regarding proposed drawdown of US forces from July 2011, EAM Krishna said that international presence is needed in Afghanistan for a much longer time than it has now been projected as it will act as some kind of insulation to Afghanistan for normalisation.⁴

However, NATO Secretary-General Anders Fogh Rasmussen has warned that Taliban could return back to power in Afghanistan if the international forces leave the country prematurely. While addressing a joint press conference with Pakistan's Foreign Minister Shah Mahmood Qureshi in Islamabad, Rasmussen said, "We cannot leave Afghanistan prematurely before we have finished our job, the Taliban would easily return...Afghanistan could again serve as a launching-pad of terrorist attacks."⁵

Meanwhile, acting against Haqqani network and Taliban, US Department of Treasury has slapped financial sanctions against three of their top leaders named Nasiruddin Haqqani, Gul Agha Ishakzai and Amir Abdullah. Nasiruddin is brother of key Taliban leader Sirajudin Haqqani while other two insurgents have important positions in the Taliban's organizational hierarchy. This sanction will freeze the assets of these militants, ban their travel and trigger an arms embargo. Reports noted that this move could be a big setback to Pakistan army as it has been cozying up with the Haqqani network.⁶

³ "Close terror hubs for Afghan peace", *The Hindustan Times*, July 20, 2010 at <http://www.hindustantimes.com/Close-terror-hubs-for-Afghan-peace/Article1-575267.aspx>

⁴ "Longer international presence needed in Afghanistan : Krishna", *The Times of India*, July 22, 2010 at <http://timesofindia.indiatimes.com/india/Longer-international-presence-needed-in-Afghanistan-Krishna/articleshow/6201252.cms>

⁵ "NATO fears Taliban's return to power in Afghanistan", *The Times of India*, July 21, 2010 at <http://timesofindia.indiatimes.com/world/south-asia/NATO-fears-Talibans-return-to-power-in-Afghanistan/articleshow/6196621.cms>

⁶ "US slaps sanctions against Taliban, Haqqani network", *The Times of India*, July 23, 2010 at <http://timesofindia.indiatimes.com/world/pakistan/US-slaps-sanctions-against-Taliban-Haqqani-network/articleshow/6204680.cms>

Earlier this week, Afghanistan and Pakistan has signed Afghan Pakistan Transit Trade Agreement (APPTA) which will allow Afghanistan to export goods to India via Pakistan and use Pakistani ports to trade with other countries. On the other hand, Pakistan will also be able to use Afghan territory for its exports to central Asian countries. It was noted however, that deal will not allow India to transit through Pakistan to send goods to Afghanistan. The agreement was signed by Afghan Commerce and Trade minister, Dr. Anwaul Haq Ahadi and the Pakistan's Commerce minister, Makhdoom Amin Fahim in presence of US Secretary of State Hillary Clinton. It took almost 46 years for this deal to get signed.⁷

In other developments, the US Senate has rejected emergency funding bill for military operations in Afghanistan. The senate has sent it back to the House of Representatives because this bill included billions in non-military spending. The budget supplemental is intended to finance the 30,000 extra US troops in Afghanistan which was ordered by Obama administration in December 2009.⁸

PAKISTAN

- **Hillary Clinton: Elements in Pakistan government are aware of the Osama bin Laden's whereabouts; Clinton calls Pakistan China nuclear deal "a matter of concern"; US gives Pakistan a fresh aid package of US \$ 500 million; Clinton hopes money from Kerry Lugar funds would be used judiciously; General Kayani gets three year extension; US Treasury department urges Pakistan to take strict action against the Haqqani network; Admiral Mike Mullen advocates strict action against the LeT**

US Secretary of State Hillary Clinton was on a visit to Pakistan during which she reiterated that certain people in the Pakistan government are aware of the whereabouts of Osama bin Laden and that US is keen to capture him. Clinton stated that the relationship with Pakistan was of utmost importance to US as it is Pakistan "where the principal terrorist threat to the United States emanates from".⁹ She also commented on the Pakistan China Nuclear deal by calling it "a matter of concern". Clinton referred to the clarifications which US seeks from China on the issue and the set of questions that NSG has placed before the China and Pakistan.¹⁰

⁷ "Transit trade deal signed", *Pajhwok Afghan News*, July 19, 2010 at <http://www.pajhwok.com/viewstory.asp?lng=eng&id=98483>

⁸ "Afghanistan war funding bill stalls in US Senate", *AFP*, July 23, 2010 at <http://www.google.com/hostednews/afp/article/ALeqM5jGH2sxjj8uDyYGyh7ao0RuArltcw>

⁹ "Elements in Pak govt know where Osama is hiding" , *The News*, July 21, 2010 at http://www.thenews.com.pk/arc_default.asp?arc_date=7/21/2010

¹⁰ "Pak-China nuclear deal matter of concern: Clinton", *Daily Times*, July 20, 2010 at http://www.dailytimes.com.pk/default.asp?page=2010\07\20\story_20-7-2010_pg1_6

Meanwhile, US has reportedly given Pakistan a fresh aid package of US \$ 500 million aimed primarily to change the public opinion in US's favour. The aid targets development in sphere of agriculture, water, power and health.¹¹ This was in addition to the Kerry Lugar Bill promising \$ 7.5 billion of US aid and which was embroiled in controversies due to the conditionality clause attached to it. Clinton hoped the money from the Kerry Lugar funds would be judiciously employed in worthwhile purposes.¹² However, in a significant development, Army Chief General Kayani who was due to retire in November 2010 has been given a three year extension.¹³

In other developments, US Treasury department on July 23 issued a note on three Taliban leaders urging Pakistan to take strict action against the Haqqani network.¹⁴ Besides this, Chairman of US Joint Chiefs of Staff, Admiral Mike Mullen stressed that Pakistan needs to undertake strict action against the Lashkar e Taiba (LeT) which has become a threat to global security.¹⁵ Mullen was speaking to media persons in Islamabad on July 24.

B. EAST ASIA

CHINA

- **President Hu Jintao urges armed forces of China to strengthen CPC; Chinese Foreign Minister offers five proposals at 17th ASEAN Regional Forum (ARF) meeting in Hanoi; People's Bank of China signs a 150-billion-yuan currency swap agreement; The Chinese and Kazakhstani troops conducts a joint border inspection; NDU organizes a workshop on transportation infrastructures; The PLA Flood-fight in Yangtze River valley; The PLA and the OPCW organized the Assistance and Protection Training**

¹¹ "US offers \$500m carrot, pushes govt to 'do more'", *Daily Times*, July 20, 2010 at http://www.dailytimes.com.pk/default.asp?page=2010\07\20\story_20-7-2010_pg1_1

¹² "US hopes K-L funds will bring about change in Pak policies", *Dawn*, July 19, 2010 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/16-us-hopes-kerrylugar-funds-will-bring-about-change-in-pakistan-policies-970-hs-06>

¹³ "Kayani to serve for 3 more years", *Daily Times*, July 23, 2010 at http://www.dailytimes.com.pk/default.asp?page=2010\07\23\story_23-7-2010_pg1_1

¹⁴ "US urges Pakistan to act against Haqqani network", *Dawn*, July 24, 2010 at <http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/the-newspaper/front-page/us-urges-pakistan-to-act-against-haqqani-network-470>

¹⁵ "Mullen seeks strict steps against LeT", *The News*, July 25, 2010 at http://www.thenews.com.pk/top_story_detail.asp?Id=30278

Chinese President Hu Jintao, recently, urged the armed forces to strengthen Communist Party of China in a more scientific way. Hu asked the forces to consider party building as a most important political task. President Jintao who is also General Secretary of the Communist Party of China (CPC) Central Committee and Chairman of the Central Military Commission (CMC), made these remarks during a seminar on party building in which the many PLA officials and delegates participated.¹⁶

Addressing at 17th ASEAN Regional Forum (ARF) meeting in Hanoi on Friday, Chinese Foreign Minister Yang Jiechi said that the situation in Asia-Pacific region was generally stable, though the unstable and uncertain factors were on the rise. Jiechi offered five proposals to the ARF aimed at enhancing regional security. He proposed that first, countries should accord top most priority to the regional peace and stability when dealing with sensitive regional issues; secondly, countries should adopt a new security concept emphasizing upon cooperation rather than confrontation and protect legitimate interests of others'; thirdly, countries should strengthen mutual trust and work towards long-term, healthy and stable relations; fourthly, countries should settle disputes through peaceful means; and fifth and finally, countries should make use of multilateral mechanism like Shanghai Cooperation Organization, ASEAN Regional Forum and Six-Party Talks to promote common interest and common security.¹⁷

Meanwhile, in an important development at economic front, the People's Bank of China (PBOC), the central bank, has signed a 150-billion-yuan (US\$22.12 billion) currency swap agreement with the Monetary Authority of Singapore (MAS). According to the statement issued by PBOC, the agreement has a three-year maturity and can be extended if both sides agree.¹⁸

Angola's Minister of Defense Candido Pereira dos Santos Van-Dunem visited China and met Vice Chairman of China's Central Military Commission Guo Boxiong in Beijing on Wednesday. During this meeting, the Chinese side pledged to enhance military exchanges with Angola.¹⁹

The media reported that the Chinese and Kazakhstani troops recently conducted a joint inspection around the No.132 marker along the Sino-Kazakhstani border,

¹⁶ "Hu Stresses Party Building in Armed Forces", *China Daily* (Online), July 24, 2010, at http://www.chinadaily.com.cn/china/2010-07/24/content_11045467.htm

¹⁷ "China Makes 5 Proposals to Enhance Regional Security", *China Daily* (Online), July 23, 2010, at http://www.chinadaily.com.cn/china/2010-07/23/content_11043766.htm

¹⁸ "China Signs Currency Swap Pact with Singapore", *China Daily* (Online), July 23, 2010, at http://www.chinadaily.com.cn/china/2010-07/23/content_11043563.htm

¹⁹ "China, Angola Eye Enhanced Military Exchanges", *PLA Daily* (Online), July 22, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-07/22/content_4263845.htm

as a confidence-building measure. In this 5-hour-long activity, the combined troops inspected facilities on the border including wire netting. This exercise was carried out by ways of walking, using motor vehicles and riding horses in one square km area of China-Kazakh border.²⁰

The National Defense University (NDU) organized a week-long workshop on combat readiness of transportation infrastructure, which was concluded on July 19, 2010. In this workshop, Member of the Central Military Commission (CMC), State Councilor and Defense Minister Liang Guanglie stressed that the combat readiness of transportation infrastructure was equally helpful both for military and civil purposes. He also reiterated that the integrated military-civil development of transportation infrastructure would be further strengthened.²¹

The Yangtze River valley is facing a grave flood situation. The PLA is at forefront to aid and assist civilian authorities to flood-fight in the region and has deployed nearly 80,000 personnel to handle the situation. It has kept another 100,000 servicemen and militiamen as back-up for the disaster management. Here, it is noteworthy that the PLA constitutes an important component in China's disaster management strategy.²²

In other developments, the Anti-Chemical Command and Engineering College of the Chinese People's Liberation Army (PLA) and the Organization for the Prohibition of Chemical Weapons (OPCW) have jointly organized the 2nd International Assistance and Protection Training. The week-long training started on July 19 2010 in Beijing. Trainees from 21 countries participated in this programme.²³

²⁰ "Chinese and Kazakhstani Servicemen Make Joint Border Inspection", *PLA Daily* (Online), July 22, 2010, available at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-07/22/content_4264557.htm

²¹ "Workshop on Combat Readiness of Transportation Projects Concluded in NDU", *PLA Daily* (Online), July 21, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-07/21/content_4263604.htm

²² "80,000 Servicemen and Militiamen Work Strenuously in Frontline of Flood-Fighting", *PLA Daily* (Online), July 20, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-07/20/content_4262787.htm

²³ "International Assistance and Protection Training Held in Beijing", *PLA Daily* (Online), July 21, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-07/21/content_4263605.htm

C. WEST ASIA

IRAN

- **Iran launches nuclear fusion reactor programme**

According to the head of Iran's fusion research institute Asghar Sediqzadeh, Iran has launched a nuclear fusion reactor programme. He noted that initial studies would last for two years, and a reactor would take 10 years to build. At a ceremony to mark the launching of the fusion project, Mr Sediqzadeh said 50 scientists would be working on this project. Meanwhile, the head of the Atomic Energy Organisation of Iran Ali Akbar Salehi said that institute would have a budget of 80bn rials (£5.2m; \$8m). It would be noteworthy that Iran is already under UN sanctions because of its nuclear activities. Although, Iran has constantly maintained that its nuclear programme is intended only for peaceful purposes.²⁴

IRAQ

- **Head of Iraqia Alliance met Moqtada al- Sadr to discuss about formation of new government in Iraq**

Pro-Western Iraqi leader Iyad Allawi who is also head of the al-Iraqiya Alliance has sought support of Iranian-backed cleric Sayyed Moqtada al-Sadr to form the new government. Once bitter rivals, Sadr and Allawi met at a hotel in the Syrian capital Damascus. Although, Sadr, an anti-US figure who has emerged as a kingmaker in Iraqi politics, did not endorse Allawi but said Allawi had shown more willingness to compromise than Prime Minister Nuri al- Maliki. After the meeting, Allawi noted that Sadr's views were "positive, showing care to preserve Iraq and accelerate forming a government". Allawi expressed hope that "Sayyed (Sadr) will honour his word." An aide to Allawi noted that he could become prime minister if he is able to secure the support of Sadr and the two main Kurdish blocs. It is noteworthy that Allawi has good ties with key Arab rulers and the US, and he has been trying to exploit discord between Iraq's main Shi'ite factions over Maliki's attempt to win a second term.²⁵

²⁴ "Iran launches nuclear fusion bid," BBC News, July 24, 2010, at <http://www.bbc.co.uk/news/world-middle-east-10749405>

²⁵ "Allawi seeks Sadr's support to become Iraqi PM," *Khaleej Times*, July 20, 2010, at http://www.khaleejtimes.com/DisplayArticle08.asp?xfile=data/middleeast/2010/July/middleeast_July345.xml§ion=middleeast