

THE WEEK IN REVIEW

September 6-19, 9 (2), 2010

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I. COUNTRY REVIEW

A. SOUTH ASIA

BHUTAN

(SEPTEMBER 13-19)

- **Revised tariff rates for High Voltage users from 2011; Nepal-Bhutan trade talks to be held in November 2011**

Power tariffs in Bhutan are set to be revised and the subsidies for high voltage (HV) users will end by 2011. For the medium voltage (MV) users, subsidy will end in 2020. However, with regards to the low voltage (LV) or household users, the policy does not mention when subsidy will end. Because of this move, confusion has surfaced regarding the subsidy rates, as seventy percent electricity in Bhutan is consumed by high voltage (HV) users. Allegations have been made that high voltage tariffs have a hidden subsidy element in them.¹

On the bilateral front, Bhutan and Nepal will hold trade talks on November 2010. Bhutan's export to Nepal during 2008-09 was around Rs 300 billion whereas Bhutan's import from Nepal was at Rs 200 million.²

SRI LANKA

(SEPTEMBER 6-12)

- **Controversial 18th Amendment to the Sri Lankan Constitution passed; Tamil National Alliance calls 18th amendment as the final nail on the coffin of democracy in Sri Lanka; US sought views from India on developments in Sri Lanka; Sri Lanka dismisses report on a member of the Lashkar-e-Taiba having been trained in Sri Lanka**

The controversial 18th Amendment to the Constitution of the Democratic Republic of Sri Lanka was passed on 8 September 2010 after a nine-hour debate in parliament with 161 voting for and 17 against. Six United National Party (UNP) MPs and eight Sri Lanka Muslim Congress (SLMC) MPs voted with ruling coalition MPs in favour of the Bill while MPs of the Democratic National Alliance (DNA) and Tamil National Alliance (TNA) voted against.³ The main

¹ "Hidden subsidy for big hitters," *Kuensel*, September 6, 2010, at <http://www.kuenselonline.com/modules.php?name=News&file=article&sid=16618>

² "Nepal-Bhutan trade talks in November," *Himalayan Times*, September 19, 2010, at <http://www.thehimalayantimes.com/fullNews.php?headline=Nepal-Bhutan+trade+talks+in+November&NewsID=258393>

³ "161 in Favour and 17 against", *The Daily Mirror*, September 9, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/20995-161-in-favour-and-17-against-.html>

opposition party United National Party (UNP) member except those who are supporting the bill boycotted the session.⁴ Tamil National Alliance (TNA) MP M.A. Sumanthiran has called the 18th amendment as the “final nail on the coffin of democracy” in Sri Lanka.⁵

At international level, the United States is closely observing the political developments in Sri Lanka. The US Government had called for a special report from India as to how politics in post war Sri Lanka would affect the region.⁶ It is the only government so far to openly criticize the 18th amendment.⁷ Meanwhile one of the two Lashkar-e-Taiba terrorist suspects arrested in India over a bomb explosion had claimed that he was trained in Colombo to carry out terrorist attacks on Indian soil.⁸ However, Sri Lankan Government had denied the allegations.⁹

(SEPTEMBER 13-19)

- **Sri Lanka’s position rose in the Global Competitiveness Ranking; Two more vessels to Sri Lanka’s shipping fleet; Indian firms began railway line construction in Sri Lanka; Sri Lankan government prepares to amend 13th Amendment; British government expresses concern over human rights situation in Sri Lanka**

According to World Economic Forum Sri Lanka has shot up by 17 places in the Global Competitiveness Rankings and is placed at No. 62 as against the last ranking of 79. On the other hand, Times of New York has categorized it as a top 10 growth economy in the world. National Geography Channel has ranked it a top tourist destination.¹⁰ According to Tourism Board data, Sri Lanka's tourist arrivals rose by 35.7 percent in August compared to a year earlier. According to

⁴ “D-Day Today”, *Daily Mirror*, September 8, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/20896.html>

⁵ made the remark during the Debate in the Parliament, “161 in Favour and 17 against”, *The Daily Mirror*, September 9, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/20995-161-in-favour-and-17-against-.html>

⁶ “US wants Report on Sri Lanka”, *The Daily Mirror*, September 10, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/21128.html>.

⁷ “US opinion on 18 A”, *Daily Mirror*, September 13, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/21335.html>.

⁸ “L-e-T Terrorist Trained in Lanka”, *The Daily Mirror*, September 10, 2010 at <http://www.dailymirror.lk/print/index.php/news/news/21117.html>

⁹ “Lanka did not Train L-e-T terrorists-Govt.” *The Daily Mirror*, September 11, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/21244.html>

¹⁰ “SL Poised to be a tOp 50 Country within a Year”, *Daily Mirror*, September 14, 2010 at <http://www.dailymirror.lk/print/index.php/business/127-local/21398.html>

Central Bank data earnings from tourism jumped 68.8 percent in the first seven months of this year to \$301 million.¹¹

Sri Lanka's shipping fleet received has two new vessels 'Merco Uva' and 'Merco Uhana' after 25 years. These ships have been constructed in Dutch Bodewes Ship Yard in Netherlands.¹² Meanwhile, two Indian firms have begun work for the construction of the railway line from Medawachchiya to Talaimannar with locals making up about 80 per cent of the labour force. Four Indian Engineers are in overall management with the cooperation of Sri Lankan railway Engineers.¹³

In other developments, Sri Lankan government is preparing to bring amendments to the 13th Amendment.¹⁴ However, the British government has expressed concern over the continuing human rights situation in Sri Lanka. The UK government has spent 13.5 million pounds to support IDPs.¹⁵

MALDIVES

(SEPTEMBER 13-19)

- **Maldives takes its seat for the first time during the 15th Session of the United Nations Human Rights Council, expresses commitment to human rights; Indian Navy carries out routine patrol in Maldives' EEZ ; Maldives and Turkey sign framework agreement of Military cooperation; Dutch Ambassador to Maldives discusses potential private sector investments in Maldives; MNDF participates in Operation Pacific Angel 2010-04 for the first time**

In the 15th Session of the United Nations Human Rights Council which began on 13 September 2010 in Geneva, the Maldives took its seat for the first time as one of the Council's 47 member States.¹⁶ It also participated in a dialogue with the UN High Commissioner for Human Rights, H.E. Ms. Navi Pillay, and used the

¹¹ "Tourist Arrivals Up 36%", *Daily Mirror*, September 14, 2010 at <http://www.dailymirror.lk/print/index.php/business/127-local/21403.html>

¹² "Merchant Shipping Receives New Vessel after 25 years", *The Island*, September 14, 2010 at http://www.island.lk/index.php?page_cat=article-details&page=article-details&code_title=6670

¹³ "Indian Firm begins Work on North Rail Line", *Daily Mirror*, September 14, 2010 at <http://www.dailymirror.lk/print/index.php/news/news/21446.html>.

¹⁴ "Changes to 13 A. also Coming Soon" *Daily Mirror*, September 14, 2010 at <http://www.dailymirror.lk/print/index.php/news/front-page-news/21464.html>.

¹⁵ "UK 'Concerned'", *Daily Mirror*, September 14, 2010 at <http://www.dailymirror.lk/index.php/news/6579-uk-concerned.html>

¹⁶ "Maldives Takes Seat at Human Rights Council", September 13, 2010 at <http://www.foreign.gov.mv/v3/?p=news&view=sep&nid=3266>

opportunity to update the international community on recent political developments in the Maldives and the country's efforts to strengthen the rule-of-law and root-out corruption.¹⁷ As a first step to its commitment to the issues of human rights, government of Maldives has invited a delegation from the International Commission of Jurists (ICJ) to identify, observe and advise the judicial issues in the country. A three member delegation headed by the former Special Rapporteur on the Independence of Judges and Lawyers, United Nations Human Rights Council, Mr Leandro Despouy visited the Maldives on 13 September 2010 and discussed with President Mohamed Nasheed the importance of reforming the judiciary and strengthening integrity and accountability of the judiciary.¹⁸ Meanwhile, Indian Navy along with the Maldives Coast Guard, Maldives National Defence Force (MNDF) carried out routine patrol in the Maldives Exclusive Economic Zone (EEZ) from 11-18 September.¹⁹

Turkey's Defence Minister met his Maldivian counterpart in the Turkish capital of Ankara on 15 September 2010 and discussed cooperation in defence industry, military training and other defense issues. To boost the current military cooperation both the countries had signed the framework agreement of military cooperation.²⁰ While, during her courtesy call on the President of the Maldives, the Ambassador of the Netherlands to the Maldives, Mrs Leoni Margaretha Cuelenaere discussed potential Dutch private sector investments in the Maldives.²¹

In other developments, for the first time Maldives National Defence Force (MNDF) had participated in Operation Pacific Angel 2010-04 held in Sri Lanka. This operation is a Multinational Humanitarian Civic Action Mission on foreign soil sponsored by US Pacific Command (USPACOM).²²

¹⁷ "Maldives updates Human Rights Council on Domestic Political Situation", September 13, 2010 at <http://www.foreign.gov.mv/v3/?p=news&view=sep&nid=3267>.

¹⁸ "President Meets with Visiting Delegation from International Commission of Jurists" *Haama Daily*, September 13, 2010 at <http://www.haamadaily.com/englishdetails.php?news=19004>. "ICJ Begins Work on Improving Maldives Judiciary", *Haveeru Daily*, September 13, 2010 at <http://www.haveeru.com.mv/english/details/32248>.

¹⁹ "Indian Navy to Patrol Maldives EEZ in Routine Patrol", *Haveeru Daily*, September 13, 2010 at <http://www.haveeru.com.mv/english/details/32245>.

²⁰ "Turkey, Maldives to Sign Framework Deal on Military Cooperation", *World Bulletin*, September 15, 2010 at http://www.worldbulletin.net/news_detail.php?id=63924.

²¹ "Netherlands Ambassador Pays a Courtesy Call on the President", September 16, 2010 at <http://www.presidencymaldives.gov.mv/4/?ref=1,5,5294>

²² "Mndf Sends its First ever Officers on a Multinational Humanitarian Civic Assistance Mission", *Haama Daily*, September 15, 2010 at <http://www.haamadaily.com/englishdetails.php?news=19046>.

MYANMAR
(SEPTEMBER 13-19)

- **Detained opposition leader Aung San Suu Kyi barred from casting vote in November elections; Election commission abolishes NLD and other parties; NLD supporters warned against dissent over its dissolution; Myanmar's elections to be held on township basis, not population basis; Burma excludes some areas from electoral process**

Myanmar's detained opposition leader Aung San Suu Kyi is officially barred from voting in November elections. According to electoral rolls posted on Monday Suu Kyi's name did not figure in the list of eligible voters. Ahead of the November 7 polls, the junta had enacted several laws aimed at effectively banning the Nobel laureate from voting the electoral rolls, posted at local election commission offices officially confirmed it.²³

Burmese state media have warned the political party of the opposition leader Aung San Suu Kyi National League for Democracy (NLD), to drop protests against its dissolution and have threatened jail for anyone who impedes the coming election. An election commission announcement abolished the NLD and other parties on the grounds that they had failed to register for the poll drew strong criticism from outside the country.²⁴

Elections in Burma conducted on the basis of townships could mire candidates contesting the 7 November polls in trouble as military junta's elections will not be based on population, but on townships.²⁵

According to Myanmar officials some ethnic minority areas will not be allowed to vote in the November 7 poll as the atmosphere there is not conducive to a "free and fair" election. In this regard, more than 200 villages will be excluded from voting. The villages are in the ethnic minority states of Kachin, Kayah, Kayin, Mon and Shan, having bases of armed rebel groups.²⁶

²³ "Myanmar's detained opposition leader Suu Kyi left off electoral rolls for November elections", Macleans at September 20, 2010 at <http://www.macleans.ca/article.jsp?content=w4574615>

²⁴ "Burma warns against dissent over elections", The Sunday Morning Herald, September 20, 2010 at <http://www.smh.com.au/world/burma-warns-against-dissent-over-election-20100919-15hx2.html>

²⁵ "Burma's elections on township basis not population basis" *Burma News International*, September 17, 2010 at <http://www.bnionline.net/news/shan/9372-burmas-elections-on-township-basis-not-population-basis.html>

²⁶ "Burma Excludes Some Areas From Election", VoA News, September 16, 2010 at <http://blogs.voanews.com/breaking-news/2010/09/16/burma-excludes-some-areas-from-election-2/>

B. EAST ASIA

CHINA

(SEPTEMBER 6-12)

- **US Deputy National Security Advisor visits China; Chinese Defence Minister tours Latin America; China and Myanmar willing to enhance defence cooperation further; “Peace Mission 2010” kicks off; New regulations for control on radio promulgated; The PLA organizes a seminar on “Foreign Publicity Work” aimed at portrayal of positive image of the PLA**

In a significant development, Xu Caihou, vice chairman of the Central Military Commission, met with visiting US Deputy National Security Advisor Tom Donilon, in Beijing on September 08. In this meeting, views on major issues of common concern such as the relationship between China and the US were intensively exchanged. Xu Caihou reiterated that the relationship between the militaries was an important component of the relationship between the two countries.²⁷

Chinese Defense Minister and State Councilor Liang Guanglie was on a visit to Latin American countries. The purpose of the visit was to promote bilateral military cooperation with the regional countries. He held talks with Colombian President Juan Manuel Santos on September 6 and vowed to make joint efforts to further enhance bilateral military ties. Liang acknowledged that the military ties were an important component of bilateral ties between China and Colombia and had been considerably strengthened, with great achievements made in the fields of mutual visits and personnel training.²⁸ He met his Brazilian counterpart Nelson Jobim on September 8. On this occasion, Liang averred that the ties between China and Brazil have maintained a good momentum in political and trade realms. Now, cooperation in the fields of technology, culture and education is also intensifying. He stressed that Sino-Brazil relations were an example of “South-South Cooperation”.²⁹

However, Chief of the General Staff of the Chinese People's Liberation Army Chen Bingde met with a member of the State Peace and Development Council of Myanmar Thura U Shwe Mann on September 7 in Beijing. Chen Bingde

²⁷ “Xu Caihou meets with U.S. deputy national security advisor”, *PLA Daily* (Online), 09 September 2009, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/09/content_4294922.htm

²⁸ “Colombian president, Chinese defense minister hold talks on bilateral ties”, *PLA Daily* (Online), 08 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/08/content_4293809.htm

²⁹ “Chinese, Brazilian DMs hold talks on military cooperation”, *PLA Daily* (Online), 10 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/10/content_4295088.htm

reiterated that China attached great importance to the military relations with Myanmar and hoped that the two militaries would work together to carry forward the traditional friendship. While Thura U Shwe Mann acknowledged China's assistance to Myanmar in economic and defence construction and said that Myanmar would work with China to boost pragmatic cooperation between the two militaries and the two countries.³⁰

"Peace Mission 2010", a joint anti-terror military drill under the aegis of the Shanghai Cooperation Organization (SCO), started on September 10 in Almaty, Kazakhstan. The PLA troops are also participating in this exercise. Chinese Defense Ministry claimed that the exercise aimed at demonstrating SCO member states' determination and capacity to combat terrorism, separatism and extremism.³¹ Meanwhile, senior Chinese commander Chen Bingde informed on September 9 that China and Kazakhstan would further enhance their military cooperation to ensure regional security.³²

The Regulations containing a total 13 articles on Radio Control of the People's Republic of China introduced by the State Council and the Central Military Commission (CMC) have come into force. The purpose of these Regulations is to ensure effective measures in radio control and safeguard national security and social public interests.³³

The PLA organized a seminar on "Foreign Publicity Work" in the Shanghai Campus of the Nanjing Institute of Politics of the PLA on September 9. More than 160 papers were presented in the seminar, which covered five special topics which are "strategy of image positioning and image-portraying of the PLA", "basic paths and ways in portraying international image of the PLA", "strategy for spreading military image in diversified military tasks", "basic experience and thought innovation in portraying international image of the PLA" and the "foreign military image building and its inspirations." The thrust of the arguments put forward in the seminar was that portrayal of the positive image of the PLA was a systematic project, which should be subordinated to and serve the peaceful development strategy of the state. This project should focus on building a distinct image of the PLA as a peaceful force as well as a mighty, but at the

³⁰ "China values military relations with Myanmar, says senior officer", *PLA Daily* (Online), 08 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/08/content_4293691.htm

³¹ "SCO anti-terror drill kicks off in Kazakhstan", *PLA Daily* (Online), 10 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/10/content_4295451.htm

³² "Senior Chinese commander calls for strengthening military cooperation with Kazakhstan", *PLA Daily* (Online), 10 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/10/content_4295128.htm

³³ "Regulations on radio control of PRC promulgated", *PLA Daily* (Online), 07 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/07/content_4293522.htm

same time a civilized force. It should also focus on foreign publicity work of the PLA in a more systematic way.³⁴

(SEPTEMBER 13-19)

- **The Chinese military wants to expand its international contacts; The PLA receives hosts of foreign military leaders and sends its good-will delegation to foreign countries; The PLA peace mission earns appreciation from the UN General; A PLA brigade carries out a rigorous military exercise in Tibet; Countries conduct live ammunition drill under the framework of SCO joint exercise**

A Chinese Defense Ministry official Zeng Wenyong, has stated that China's armed forces were ready to expand communication and cooperation with their counterparts worldwide in order to promote global peace. He made these remarks on the occasion of the 200th anniversary of Mexico's independence in Mexico City on last Tuesday. Zeng Wenyong went to Mexico along with a 34-member honour guard unit from the Chinese People's Liberation Army (PLA) to participate in a military parade in the Mexican capital to mark the 200th anniversary of Mexico's independence on September 16. Representatives from 15 other militaries also participated in this parade.³⁵

In consistent with the line of establishing cooperation with other militaries, the PLA hosted many foreign military leaders during the week which include Gotabaya Rajapaksa, Secretary of the Ministry of Defence, Public Security, Law and Order of Sri Lanka³⁶, Songkitti Jaggabatar, Supreme Commander of Royal Thai Armed Forces³⁷, Chief of the Swiss Armed Forces, Lieutenant General Andre Blattmann³⁸, and Cambodian Deputy Prime Minister and Minister of Defense Tea Banh³⁹. China also sent a good-will delegation to Jordan and Egypt⁴⁰. China also received an Australian warship⁴¹ and will soon begin a joint naval exercise with Australian Navy⁴².

³⁴ "Theoretical seminar on PLA foreign publicity work held", *PLA Daily* (Online), 10 September 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/10/content_4295594.htm

³⁵ "Chinese Military Open to More Int'l Cooperation: Senior Officer", *PLA Daily* (Online), September 16, at 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/16/content_4298430.htm

³⁶ "China, Sri Lanka vow to boost military cooperation", *PLA Daily* (Online), September 17, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/17/content_4299201.htm

³⁷ "China, Thailand vow to further military ties", *PLA Daily* (Online), September 18, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/18/content_4300020.htm

³⁸ "China, Switzerland vow to enhance military cooperation", *PLA Daily* (Online), September 17, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/17/content_4299267.htm

³⁹ "China, Cambodia agree to further military ties", *PLA Daily* (Online), September 18, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/18/content_4300053.htm

⁴⁰ "PLA goodwill delegation visits Jordan and Egypt", *PLA Daily* (Online), September 17, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/17/content_4299548.htm

Lt. Gen. Patrick Nyamvumba, force commander of the African Union / United Nations Hybrid Mission in Darfur (UNAMID), and Brig. Gen. Gage, commander of the Southern Darfur Theatre of the UNAMID, paid a visit to the 4th Chinese peacekeeping engineer detachment to Darfur of Sudan. Lt. Gen. Patrick Nyamvumba appreciated the role played by the Chinese peacekeeping engineer detachment and said that it was a major force of the UNAMID. He also said that he was hopeful of the detachment accomplishing all the tasks entrusted by the UN on schedule.⁴³

Reports noted that a brigade of the Chinese People's Liberation Army (PLA) stationed in a "depopulated zone" (almost 5,000 meters above sea level) in China's Tibet Autonomous Region has set a new record of camping training on plateau. Since late July this year, the brigade had organized continuous high-intensity and highly-difficult training in uninhabited gorges, remote mountains and snowfield. The purpose of this exercise was to study the influence of different regions on combat operations, test the psychological and physiological changes in the troops stationed in the "depopulated zones". This drill was concluded on September 14, 2010.⁴⁴

Meanwhile, the troops of countries have carried out joint exercise under the aegis of Shanghai Cooperation Organization (SCO). They conducted their second live-ammunition drill on September 19 in the Southern Kazakh training ground. The live firing involved tanks, armored vehicles, fighter planes, bombers, rockets and anti-aircraft missiles.⁴⁵

⁴¹ "Australian warship to visit China", *PLA Daily* (Online), September 17, 2010, at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/17/content_4299271.htm

⁴² "Chinese and Australian navies to hold joint maritime exercise", *PLA Daily* (Online), September 19, 2010, http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/19/content_4300938.htm

⁴³ "UNAMID force commander speaks highly of Chinese peacekeeping engineers", *PLA Daily* (Online), September 17, 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/17/content_4299786.htm

⁴⁴ "Brigade stationed in Tibet sets new plateau training record", *PLA Daily* (Online), September 17, 2010 at http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/17/content_4299758.htm

⁴⁵ "SCO troops conduct second live-ammunition drill", *PLA Daily* (Online), http://eng.chinamil.com.cn/news-channels/china-military-news/2010-09/19/content_4300794.htm.

**SOUTHEAST ASIA
(SEPTEMBER 6-12)**

- **Prime ministers of Thailand and Cambodia are to discuss bilateral disputes on the sidelines of the upcoming UN General Assembly; Malaysia and China to sign Mutual Recognition Agreement Act (MRA) to promote cooperation the education sector**

Thai Prime Minister Abhisit Vejjajiva will meet his Cambodian counterpart Hun Sen on the sidelines of the UN General assembly meeting which is to be held in New York from September 24, 2010. During their meeting, both leaders would discuss various issues, including border disputes, cross border trade and tourism.⁴⁶

Malaysia and China are to sign a Mutual Recognition Agreement Act (MRA) to promote student exchange between the two nations. Under the proposed MRA, university degrees from China would be recognized in Malaysia. This step is expected to encourage Malaysian students to study in China subjects like nuclear science, automotive and aerospace engineering where the Chinese universities are highly proficient. Efforts will also be taken to make Malaysia an attractive destination for the Chinese students.⁴⁷

(SEPTEMBER 13-19)

- **ASEAN Secretary General calls on China to discuss bilateral dialogue partnership; Malaysia and Singapore to enhance bilateral relations; Indonesia and the United States pledge to expand cooperation on global issues**

While addressing recently in the China-World Bank Group Conference on a Partnership and other issues of mutual interest, ASEAN Secretary General Dr. Surin Pitsuwan emphasized on how ASEAN-China relationship has flourished in all sectors since the time of the complete implementation of the ASEAN-China Free Trade Area on January 1, 2010. He also called on China to discuss about ASEAN-China dialogue partnership. Dr. Pitsuwan also pointed out that ASEAN-China combined GDP now stands at US\$6.6 trillion and had a combined

⁴⁶ “Abhisit to meet Hun Sen in NY”, *The Bangkok Post*, September 7, 2010, at <http://www.bangkokpost.com/breakingnews/195068/abhisit-to-meet-hun-sen-in-ny>

⁴⁷ “Malaysia and China to sign MRA to recognize Higher Education Degree”, *Bernama.com*, September 9, 2010, at <http://www.bernama.com/bernama/v5/newsindex.php?id=527279>

FDI of more than US\$183 billion (16.4% of the global FDI) in 2008. He emphasized that China's growth has benefitted the East Asian region in general and ASEAN region in particular. Dr. Pitsuwan also stated that along with Japan and South Korea, China has contributed 80% of the US\$ 120 billion financial pool which is also known as the Chiang Mai Initiative Multilateralisation (CMIM).⁴⁸

Malaysian Prime Minister Datuk Seri Najib Razak went on a one-day working visit to Singapore on September 19. During his visit, Najib was scheduled to have meeting with his Singaporean counterpart Lee Hsien Loong. This meeting was to be a follow up of the initiative that both the nations laid out on their earlier meeting on May 24, 2010 aimed at enhancing bilateral relationship. It is worth noting that the May 24 meeting was historic one since it made an attempt to resolve some of the long-pending issues between the two countries, particularly on the Points of Agreement (POA) on the Keretapi Tanah Melayu Berhad (KTMB) land in Singapore. September 19 meeting was expected to take further measures for the resolution of the KTMB issue, including the relocation of the KTMB Tanjong Pagar Station to Woodlands, the establishment of a joint-venue company between Khazanah Nasional Berhad and Teasek Holdings Ltd., and the KTMB land swap and its potential development.⁴⁹

However, Indonesian Foreign Minister Marty Natalegawa, while speaking at a meeting of the Center for Strategic and International Studies in Washington, DC, on September 18, stated that both Indonesia and the US have pledged to cooperate on various global issues, including on the role of Islam and the Middle East conflict. Both the nations have also decided to cooperate on recent bilateral agreements, particularly on boosting student exchange between the two sides and fighting climate change. Natalegawa mentioned about fostering mutual understanding in resolving regional tensions as well, ranging from Israeli-Palestinian conflict to the nuclear issue in the Korean peninsula.⁵⁰

⁴⁸ "ASEAN-China cooperation brings mutual benefits", *Bernama.com*, September 16, 2010, at <http://www.bernama.com/bernama/v5/newsindex.php?id=528314>

⁴⁹ "PM Najib arrives in Singapore for bilateral talks", *Bernama.com*, September 19, 2010, at <http://www.bernama.com/bernama/v5/newsindex.php?id=528783>

⁵⁰ "New US-Indonesia alliance", *The Bangkok Post*, September 18, 2010, at <http://www.bangkokpost.com/breakingnews/196923/us-indonesia-pledge-work-on-hot-button-issues>

C. WEST ASIA

(SEPTEMBER 13-19)

IRAN

- **President Ahmadinejad changes his decision to obey Supreme Leader's instruction; Opposition leader Mousavi's office raided by Iranian forces**

Acting on Supreme Leader's advice against parallel activities especially in foreign policy areas, Iranian President Ahmadinejad has converted his special envoys as advisors in international affairs. In separate decrees, the President has also set the areas of responsibility for each of his advisors and highlighted the importance of fostering ties with countries in the designated regions in order to exploit their great potential. Earlier, on September 7, 122 Iranian lawmakers had written a letter to the president calling on him to obey the Supreme Leader's instructions with regard to the national foreign policy and remove his special envoys.⁵¹

Iranian security forces have raided the office of opposition leader Mir Hossein Mousavi. This has been reported by Mousavi's website by calling it as a "new phase of restrictions". However, the Iranian government has not commented on the development. Earlier this month, home of another opposition leader, Mehdi Karroubi, was attacked by the members of a militia linked to Iran's Revolutionary Guards. The two opposition leaders continue to maintain that Ahmadinejad's re-election last year was the result of massive vote rigging. Following the June 2009 vote, thousands of opposition supporters were rounded up after the mass street protests.⁵²

IRAQ

- **29 killed and many injured in twin blasts in Iraq**

According to Iraqi official said that 29 people have been killed in twin car bomb blasts in Baghdad. Providing details of the blasts, Army Brig. Gen. Ali Fathal said that 12 people were killed when a car bomb went off in western Baghdad's Mansour neighbourhood. Minutes after this another car bomb exploded in Kazimiyah neighbourhood's Adan square in the northern sector of the city in

⁵¹ "Ahmadinejad changes special envoys to advisors," *Tehran Times*, September 16, 2010, at http://www.tehrantimes.com/index_View.asp?code=226720

⁵² "Iran forces 'raid' office of opposition leader Mousavi," *BBC News*, September 16, 2010 at <http://www.bbc.co.uk/news/world-middle-east-11331311>

which least 9 people were killed. Two policemen were also killed in the blast, he added.⁵³

II. DEFENCE REVIEW

(SEPTEMBER 6-12)

- **India, Russia sign agreement to jointly develop multirole transport aircraft; RFI issued for Rs. 50,000 Crore submarine project**

India and Russia have signed a shareholder agreement for setting up a joint venture (JV) company for joint development and production of Multirole Transport Aircraft (MTA). The JV to be formed between India's Hindustan Aeronautics Ltd (HAL) and Russia's United Aircraft Corporation and Rosoboronexport, will be headquartered in Bangalore. A total of 205 MTAs are initially planned for production, with equal work share equally between the two countries and each contributing US\$ 300.35 million to the project. "The main features of MTA are: Maximum take-off weight 65 tonnes, Payload Capacity 15-20 tonnes, Cruise Speed 800 kmph, Range 2500-2700 km, Service ceiling 12 km. The Aircraft will have two engines, state of the art features such as fly-by-wire, full authority digital engine control, modern avionics and glass cockpit", noted a government press release.⁵⁴

The Ministry of Defence issued Request for Information (RFI) to major global vendors for acquisition of six submarines, valued over Rs. 50,000 crore. The submarines to be acquired under the project P-75I are in addition to the six that India has already contracted with transfer of technology (TOT) agreement with France, under which the domestic naval shipbuilder Mazagon Docks Ltd (MDL) is carrying out the construction work. Of the six submarines under P-75I, two are planned to be procured from off-the-shelf from the selected vendor, and rest four to be build in Indian shipyards.⁵⁵

⁵³ "Twin car bombs kill 29 in Iraq," *Khaleej Times*, September 19, 2010, at http://www.khaleejtimes.com/DisplayArticle09.asp?xfile=data/middleeast/2010/September/middleeast_September411.xml§ion=middleeast

⁵⁴ "Agreement for Setting up of JVC for Design and Development O\of Multirole Transport Aircraft Signed", *Press Information Bureau, Government of India*, September 10, 2010, <http://pib.nic.in/release/release.asp?relid=65661&kwd=>

⁵⁵ "50,000cr deal for 6 subs: Govt invites bids from firms", *The Time of India*, September 08, 2010 at <http://timesofindia.indiatimes.com/india/50000cr-deal-for-6-subs-Govt-invites-bids-from-firms/articleshow/6516140.cms>