

Report # 110**Business and Politics in Muslim World**

South East Asia
Tatheer Zahra Sherazi

From 6 February to 12 March

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Summary

At Political Front

- Indonesia

A critical component of Indonesia's democratic future involves recognition of the special role of Islam in the state. Because most Indonesian Muslims want their government to respect Islamic customs even if they do not support the creation of an Islamic state, the line between support for and opposition to Islamic law is often blurred. Many Indonesians, including those who are only nominally Muslims, hold conservative values and support strict moral laws without necessarily seeing them as purely religious or based on sharia, or Islamic principles. It is easy to mistake support for a conservative moral law as support for political Islam when it is more simply a reflection of basic conservative values.

"A dialogue, if carefully prepared, offers the possibility of addressing longstanding grievances, without calling Indonesian sovereignty into question", says Sidney Jones, senior adviser to Crisis Group's Asia program. "But it will only succeed if all issues -- political and historical, not just economic -- are on the table, and President Yudhoyono gives it visible, public backing".

The urgency of dialogue is underscored by the upsurge of violence in the second half of 2009 and early 2010. The report examines several incidents where members of the KNPB either claimed responsibility for the violence, although in one case playing no direct role, or appeared to be working in co-ordination with local guerrilla commanders of the Free Papua Movement's National Liberation Army (Tentara Pembebasan Nasional/Organisasi Papua Merdeka, TPN/OPM).

An intriguing sidebar to the story of the Indonesian president's visit to Australia this week has been the additional insight into Jakarta's role in trying to solve South-East Asia's biggest problem: the brutal grip of Burma's military regime.

Burma is the most glaring bit of evidence for the critics of the Association of South-East Asian Nations, ASEAN. To them, the regional grouping's inability to persuade Burma's military junta to retreat from political power shows it up as a toothless tiger, unable to provide the foundations for a wider security arrangement in Asia, and its human rights standards to be set at the lowest common denominator. "Among the lessons in democratisation that Indonesia has to offer Burma is the realisation that the 'experts' failed to anticipate Suharto's downfall and the military's retreat to the barracks," Kingston says.

- Thailand

Thailand's weekly cabinet Tuesday decided to impose the Internal Security Act (ISA) during March 11- 23 to ensure law and order in a mass anti-government rally by the United front for Democracy against Dictatorship (UDD) group. The mass rally by the anti-government UDD group will start from March 12 when the UDD or red-shirted supporters from the countryside will travel to capital Bangkok. And, in the morning on March 14 the UDD protesters will stage their mass rally at Sanam Luang, the open field and public square in the center of Bangkok. Thai authorities have deployed 50,000 troops on the streets of Bangkok ahead of rallies by anti-government protesters that they fear could turn violent, the deputy prime minister said

- Malaysia

Parti Keadilan Rakyat (PKR) adviser Datuk Seri Anwar Ibrahim has admitted that the party is facing a problem after three MPs quit recently. He said the resignations served as a good lesson that only loyal members should be chosen as candidates in future elections. "PAS had the same problem when its president quit while the late Tunku Abdul Rahman also quit Umno. Keadilan is now facing a little problem," he said at a political rally at Pulau Gadong on Friday night.

Malaysia's opposition alliance, at one point poised for a possible takeover of the federal government, is now starting to suffer from internal squabbling and an increasing number of defections. The three-party alliance made history two years ago by capturing power in five of the country's 13 states and denying the powerful ruling coalition its two-thirds majority in Parliament. But recently, the opposition has appeared to be struggling to maintain some semblance of control and public confidence. Led by former deputy premier Anwar Ibrahim, the People's Alliance consists of Anwar's People's Justice Party, the hardline Parti Islam SeMalaysia (PAS) and the multiracial Democratic Action Party (DAP).

- Cambodia

The Cambodian parliament [official website] passed a controversial anti-corruption bill Wednesday meant to further transparency in government while opposition parties staged a walkout, saying the new law would stifle criticism and foster corruption. The law will create a national anti-corruption council to oversee investigators, but critics have said that the lack of independence from the government is troubling.

Foreign Relation

- Indonesia

With President Obama's health care bill hanging in the balance, the White House is facing intensifying questions about whether Mr. Obama should take his planned trip to Indonesia and Australia next week. The visit, which has been timed to coincide with spring break for the Obama daughters, Malia and Sasha, is something of a homecoming for Mr. Obama, who spent part of his childhood in Indonesia. The trip is unusual, experts say, in that there is no economic summit or other multinational gathering for the president to attend.

- Malaysia

Malaysia wants to revive the Look East policy with South Korea by broadening areas of co-operation in capacity-building, said Foreign Minister Datuk Seri Anifah Aman. "New areas of co-operation are like green technology and biotechnology as well as initiating co-operation in third countries.

At Economic Front

- Indonesia

Indonesia's central bank raised its 2011 economic growth forecast to as much as 6.5 percent from an earlier forecast of as much as 6 percent as consumer spending accelerates, Deputy Governor Hartadi A. Sarwono said. Yudhoyono, 60, has pledged to double spending on roads, seaports and airports to \$140 billion over the next five years, part of his push to deliver economic growth of at least 6.6 percent by the end of 2014. While countries such as China, India and Vietnam have opened their doors to foreign investment by cutting red tape and lifting other barriers, Indonesia persists in making it difficult for non-Indonesians to do business in this country. The truth of the matter is that without foreign direct investment, Indonesia's economy will never expand at the 7

percent rate that is required to create new jobs and boost new sectors. “The perception that corruption is especially bad in Indonesia will make it more difficult for the country to attract foreign direct investment,” the PERC report said. It noted that “the absolute level of corruption in Indonesia might not be any worse than in any other Asian country.

Last year, I wrote an article that said a big population was good for the economy. As it turned out, the big domestic market size, healthy purchasing power and a tendency to save that kept the big economies of Brazil, China, India and Indonesia from sinking, at least for now.

Indonesia remains the most corrupt country in Southeast Asia and graft is getting even worse, a poll of businessmen said, dealing a blow to the president’s efforts to clean up the country. The Philippines, however, was not far behind and was ranked 13th on the list of 16 countries that included developed economies for comparison purposes.

- Malaysia

Growing demand from traditional markets like the United States and Europe is boosting exports of the local timber industry, which is expected to chart an improved performance this year. Malaysian Timber Council (MTC) chief executive officer Cheah Kam Huan said the industry could surpass its 2008 export figure, at about RM23bil, if the export markets recovered at a faster pace.

The consolidation programme for the domestic banking sector introduced by Bank Negara after the financial crisis in 1998 and the Government’s RM67bil stimulus package to boost the economy have helped to make banks bigger and stronger and more resilient to weather the recent rough global financial problems.

IS the worst over for the Malaysian economy? Prime Minister Datuk Seri Najib Tun Razak last month announced that the country had emerged from the economic crisis, chalking up gross domestic product (GDP) growth of 4.5% for the fourth quarter of 2009. Although the economy shrank by 1.7% for the whole of 2009, this performance was far better than the expected 3% contraction.

- Thailand

To mark the 120th anniversary of their diplomatic relations and the signing of an economic partnership agreement, Japan and Thailand have agreed to vigorous programme to jointly develop Thai small- and medium-size enterprises (SMEs).

- Philippine

New computerized electronic voting machines are meant to prevent fraud in Philippines election in May. But in tests, the voting machines rejected ballots and failed to connect to the cell phone networks to transmit results.

Concerns are rising that the use of electronic voting machines in the May Philippines election, meant to prevent vote-rigging, could fail due to technical problems and end up threatening rather than reinforcing the credibility of the ballot.

Filipino-American leaders are asking the US government to send top-level election monitors to the May 10 elections in the Philippines amid concerns that the Southeast Asian nation’s first automated elections are being rigged to fail.

PHILIPPINE President Gloria Arroyo will not be able to achieve her aim of ending a decades-old Muslim rebellion before she steps down in June, the government’s top peace negotiator said on Tuesday.

Mrs Arroyo has backed years of tortuous negotiations in between outbursts of violence in the southern Philippines, but a ‘comprehensive compact’ that she had wanted is beyond

her reach, negotiator Rafael Seguis told AFP.

At Social Front

- Cambodia

Survivors of rape in Cambodia face limited access to justice, medical services and counselling, Amnesty International says in a report issued today, as rapes of women and girls appear to be increasing.

Sexual violence in Cambodia, issued to mark International Women's Day, exposes how corruption and discrimination within the police and courts prevent survivors of rape from receiving justice and the assistance they require, while most perpetrators go unpunished.

- Brunei

The American State Department yesterday published its Human Rights Report for the year 2009, which for Brunei carried a mixed review of the human rights conditions that can be found, according to their assessment and observations, within the individual, civil, political and worker rights that have been stipulated in the Universal Declaration of Human Rights.

On the whole, the US report that was compiled by the US State Department's Bureau of Democracy, Human Rights and Labour found that among the human rights problems that it listed for Brunei were the "inability of citizens to change their government; arbitrary detention; limits on freedom of speech, press, assembly, and association; restrictions on religious freedom; discrimination against women; restricted labour rights; and exploitation of foreign workers".

At Environmental Front

- Indonesia

The Toba super eruption occurred between 69,000 and 77,000 years ago at Lake Toba (present day Indonesia), and it is recognized as one of Earth's largest known eruptions. The related catastrophe theory holds that this super volcanic event plunged the planet into a 6 to 10 year volcanic winter, which resulted in the world's human population being reduced to 10,000 or even a mere 1,000 breeding pairs, creating a bottleneck in human evolution. Some researchers argue that the Toba eruption produced not only a catastrophic volcanic winter but also an additional 1,000 year cooling episode.

- Malaysia

THE movie 2012 made us to ponder what may happen if disasters such as an earthquake or tsunami were to ravish our home. Are we prepared for such disasters? One should not think that Malaysia is free from all natural disasters. If we may recall, in 2004 a tsunami hit India, Sri Lanka, Aceh as well as Penang and Kedah as a result of an underwater earthquake measuring 9.1 magnitude in the middle of the Indian Ocean.

- Thailand

Thailand's biggest foreign investors have learned to live with a lot in recent years, including mass protests, airport closures and persistent rumblings about military coups. But now there is another issue that has companies such as Ford Motor Co. and a host of petrochemical firms wondering if they should be putting their money somewhere else: the government's struggle to deal with tough new environmental regulation.

Detailed News Monitoring Report

Indonesia

- **Political front**
- **Islamic principles versus Islamic state in Indonesia**

A critical component of Indonesia's democratic future involves recognition of the special role of Islam in the state. Because most Indonesian Muslims want their government to respect Islamic customs even if they do not support the creation of an Islamic state, the line between support for and opposition to Islamic law is often blurred.

Many Indonesians, including those who are only nominally Muslims, hold conservative values and support strict moral laws without necessarily seeing them as purely religious or based on sharia, or Islamic principles. It is easy to mistake support for a conservative moral law as support for political Islam when it is more simply a reflection of basic conservative values.

By the same token, many Muslims in Indonesia reject some social arrangements and norms that are commonly associated with democracy in the West, including our style of pluralism and secularism. But this too makes them neither theocrats nor anti-democratic. While the political debate is often framed by pitting Islamists against non-Islamists, the lines are really much more subtle than this and democratic negotiation will require all parties to recognize this so that they can find common ground. In this regard, Dr. Ahmad Shboul, Chair of the Department of Arabic and Islamic Studies at the University of Sydney, reminds us that keeping religion out of politics is not the same as keeping it out of society in general and that even the most secular governments of the Western world have not attempted to do this.

Shboul suggests that US attempts to secularize Arab politics may have even resulted in a backlash that has contributed to the growth of political Islam. Westerners would do well to remember that there is not only one form democratic society can take.

In fact, we would do well to remember that even in the West, notions over what a democracy is remains in flux and have changed over time. As Robert W. Hefner, Professor of Anthropology and Director of the Institute on Culture, Religion, and World Affairs (CURA) at Boston University, points out, whereas family was once seen as the central base of Western culture, today individual freedom is often elevated above family unity. Additionally, the very notion of family is being redefined as Americans consider a variety of arrangements, including domestic partnerships, civil unions and gay marriage.

Despite our consensus on many central values, there is constant stress in Western societies over the proper balance of individual rights and the needs of the community, equality and freedom, and even the proper role of religion and morality in politics. Just as various Western democratic societies define each of these somewhat differently, Muslim

democracies are likely to have their own brand of pluralism.

The debate over the passage of sharia-based legislation reflects an interest in Indonesia to continue to map out the most central questions concerning the basic shape of its democracy. The debate is less a debate about whether sharia is good or bad, but more about the proper meaning of sharia and its relationship to the state, and thus its relationship to the national ideology of Pancasila, the embodiment of Indonesia's basic pluralism, influenced by Islamic, Hindu, Buddhist and Western thought.

Ultimately, it reflects a deep debate over the very meaning of the Indonesian nation and what it means to be Indonesian. All of us have multiple identities. We may define ourselves as students, scholars, husbands, wives, athletes or musicians from an array of images that form our composite selves. However, for a nation state to succeed it is essential that one of the embedded images that a country's inhabitants hold of themselves is their national identity.

But it is not enough to simply be an American, German, Indonesian or Turk. For a nation to function it is necessary that one's national identity represent some shared sense of community, and thus shared values.

Most nations develop out of a long history with a shared past. In most of Western Europe these shared histories have been bound together by common languages, religions and cultural norms. Thus, while Italian and French populations were largely Catholics, the growing awareness of their differences became an expression of nationalism.

Indonesians similarly may share Islam with others across the globe, but Islam can fulfill only part of the nationalist vision. Of course this is especially true in light of the tens of millions of Indonesians who are not Muslims.

The challenge for Indonesia is to find a place for sharia that neither subverts the uniqueness of Indonesia from rest of the Islam, nor undermines non-Muslim Indonesians.

Blake Respini is a lecturer in the Department of Political Science at San Francisco State University. Herdi Sahrasad is Associate Director at the Center for Islam and State Studies at Paramadina University in Jakarta. This abridged article is distributed by the Common Ground News Service (CGNews) with permission from the authors. The full text can be found at www.thejakartapost.com.

<http://www.thedailynewsegypt.com/article.aspx?ArticleID=28370>

- **Foreign Relation**
- **Rudd, SBY to discuss asylum seekers**

Indonesian President Susilo Bambang Yudhoyono arrives in Australia on Tuesday for a three-day visit which could yield a breakthrough on the issue of asylum seekers. Dr Yudhoyono will receive a ceremonial welcome when he arrives in the nation's capital,

ahead of meetings with Prime Minister Kevin Rudd and an address to parliament on Wednesday. The leaders are expected to discuss issues including security, terrorism and illegal fishing. But with two boats carrying 113 asylum seekers intercepted in a 24-hour period over the weekend, unauthorised immigration will be at the top of their agenda. Twenty boats have been intercepted so far this year, stretching Australia's offshore processing facilities.

Dr Yudhoyono is expected to approve a deal that would see Indonesia criminalise people-smuggling, and Australia improve understanding and consular access for the Indonesian fishermen who ferry the groups, Fairfax reported. Opposition immigration spokesman Scott Morrison said Mr Rudd's handling of the issue had damaged Australia's relationship with Indonesia. "The prime minister has been trying to shove this problem (asylum seekers) off onto Indonesia," he told ABC television on Monday. "The Indonesian government want to see ... some clear commitments and some clear resolve to do things on our side of the fence." Refugee advocates are calling for the leaders to discuss the fate of more than 240 Sri Lankan asylum seekers who have remained on a boat in the Indonesian port of Merak since October last year. Refugee Action Coalition spokesman Ian Rintoul said the day of Dr Yudhoyono's historic address, marked the 150th day of the saga.

Mr Rintoul said the Indonesian government must start processing the Merak group, and the Australian government must commit to resettling those found to be refugees. "Heavier penalties and stiffer sentences will not stop people fleeing persecution," he said. The group has planned rallies around the country for Wednesday. In Indonesia, an Australian man stranded in a Jakarta jail has used Dr Yudhoyono's visit to embarrass the federal government over a bureaucratic error that will cause him to spend an extra two months behind bars. Robert McNeice, 44, has spent 19 months in jail without charge.

Indonesian police arrested him in August 2008 at the request of Australia, where he faces charges of allegedly defrauding Aussie Home Loans boss John Symond and his nephew James out of \$270,000 in 2003. It took 11 months for an Indonesian court to declare him eligible for extradition, and an Australian government error over his name has added to the delay. The extradition request, signed by former home affairs minister Bob Debus and seen by AAP, names "Robert John McNeice". McNeice's middle name is James.

"Who is going to give me that two months back?" McNeice told AAP. The Australian embassy has moved to rectify the problem, which the attorney-general's department declined to comment on.

<http://news.theage.com.au/breaking-news-national/rudd-sby-to-discuss-asylum-seekers-20100308-pqxc.html>

- **Timing of Obama Indonesia Trip Questioned**

With President Obama's health care bill hanging in the balance, the White House is facing intensifying questions about whether Mr. Obama should take his planned trip to Indonesia and Australia next week. The visit, which has been timed to coincide with spring break for the Obama daughters, Malia and Sasha, is something of a homecoming for Mr. Obama, who spent part of his childhood in Indonesia. The trip is unusual, experts say, in that there is no economic summit or other multinational gathering for the president to attend.

Instead, Mr. Obama plans to meet with the leaders of the two countries, and also intends to show his family a bit of his past. The White House says the trip will send a powerful message to Indonesia, the world's most populous Muslim nation, and to Australia, a major trading partner.

But Mr. Obama is also pressing Congress to wrap up work on his health care overhaul by Easter, and on Capitol Hill, some lawmakers, mostly Republicans, are already beginning to question whether he should be out of the country at such a critical time. His press secretary, Robert Gibbs, said Thursday that the visit would go on as planned.

Mr. Gibbs said the president intends to attend a democracy conference in Indonesia, and will highlight that country's counter-terrorism efforts while there. Sparring with reporters during his regular briefing on Thursday, he disputed the suggestion that the trip is a family vacation.

"It's not a vacation at all," he said, adding, "It's an important region of the world, and these are important partners."

<http://thecaucus.blogs.nytimes.com/2010/03/11/timing-of-obama-indonesia-trip-questioned/>

- **INDONESIA: Radicalisation And Dialogue In Papua**

"A dialogue, if carefully prepared, offers the possibility of addressing longstanding grievances, without calling Indonesian sovereignty into question", says Sidney Jones, senior adviser to Crisis Group's Asia program. "But it will only succeed if all issues -- political and historical, not just economic -- are on the table, and President Yudhoyono gives it visible, public backing".

The urgency of dialogue is underscored by the upsurge of violence in the second half of 2009 and early 2010. The report examines several incidents where members of the KNPB either claimed responsibility for the violence, although in one case playing no direct role, or appeared to be working in co-ordination with local guerrilla commanders of the Free Papua Movement's National Liberation Army (Tentara Pembebasan Nasional/Organisasi Papua Merdeka, TPN/OPM). It also looks in detail at the shooting attacks near the giant

Freeport copper and gold mine. In all cases, actions by security forces contributed to the problem, sometimes through poorly targeted arrests that angered the community or through demands for money that made the presence of troops a burden.

Violence and radicalisation in Papua could increase unless political frustrations are addressed. The path to talks will not be easy, however. Some in the central government believe that any discussion of non-economic issues will only fuel support for independence. Some Papuan activists believe that dialogue should only take place with international mediation and with the political endgame left open. Even some of those who accept Indonesian sovereignty as a given believe that Jakarta has a history of promising but not delivering. But the radicalisation of the KNPB is proof of the dangers of leaving political grievances to fester.

Papua is not the land of horrors that some activists would like to portray. It has huge problems, but there also have been huge changes over the last decade. The Indonesian government repeatedly shoots itself in the foot by restricting access and preventing a full picture of Papua from emerging.

"The best way to marginalise the radicals is not to lock them up", says Jim Della-Giacoma, Crisis Group South East Asia project director. "It is to throw the doors wide open to the central highlands and elsewhere in Papua, and let NGOs and journalists report back".

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation covering some 60 crisis-affected countries and territories across four continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

<http://www.scoop.co.nz/stories/WO1003/S00274.htm>

- **Indonesia shows new sympathy in politics and human grief**

INDONESIA could support the US joining an existing regional institution to give life to Kevin Rudd's Asia-Pacific community, according to Indonesian Foreign Minister Marty Natalegawa. In an interview with The Weekend Australian, Mr Natalegawa said Jakarta understood the rationale behind Mr Rudd's proposal and was committed to working with Canberra "to evolve regional architecture".

He said that it would be best to work through existing institutions and nominated the ASEAN Plus Six process, which groups China, Japan, South Korea, Australia, New Zealand and India with the 10 nations of Southeast Asia. He said the emphasis would be on "making that even more inclusive by bringing in countries which are not members now". When asked whether this could include the US, Mr Natalegawa said: "US engagement in the region is a fact of life."

Mr Natalegawa's words are an important indication of the Indonesian position shortly before US President Barack Obama visits Jakarta.

Mr Natalegawa also revealed that he and Indonesian President Susilo Bambang Yudhoyono discussed at length the idea of making a gesture of sympathy to the families of the Australian journalists - the Balibo Five - killed in East Timor in the course of the Indonesian invasion in 1975. "We thought about this a lot," Mr Natalegawa said. "We didn't want to deny what we have been saying, that we are looking forward, not looking back." "But there is an urgent need to reach out in a personal way to the grieving families, to show them that we feel their pain, we feel their grief." "We want to express our sensitivity to them." During his talks with Mr Rudd, Dr Yudhoyono expressed his sympathy for the families of the Balibo Five and authorised a statement to that effect. One of the President's officials approached Shirley Shackleton, widow of Greg Shackleton, at the official lunch at Parliament House and received her letter to the President on the issue. The Indonesian official expressed his condolences to Ms Shackleton. Mr Natalegawa also urged Australians to pick up the tempo of their economic interaction with Indonesia, Asia's third fastest growing economy. He said: "Australians should not wait too long, or opportunities will pass them by."

<http://www.theaustralian.com.au/news/opinion/indonesia-shows-new-sympathy-in-politics-and-human-grief/story-e6frg6zo-1225840231009>

- **What Indonesia can teach Burma**

An intriguing sidebar to the story of the Indonesian president's visit to Australia this week has been the additional insight into Jakarta's role in trying to solve South-East Asia's biggest problem: the brutal grip of Burma's military regime.

Burma is the most glaring bit of evidence for the critics of the Association of South-East Asian Nations, ASEAN. To them, the regional grouping's inability to persuade Burma's military junta to retreat from political power shows it up as a toothless tiger, unable to provide the foundations for a wider security arrangement in Asia, and its human rights standards to be set at the lowest common denominator.

Indonesian opinion makers here for President Susilo Bambang Yudhoyono's visit privately expressed a lot of frustration that their country's new clout in world affairs - as a boisterous democracy of 240 million people with a strengthening economy, and the world's largest Muslim population - has to be filtered through ASEAN.

Indonesia's inclusion in the Group of 20, which combines the major developed nations with the emerging economic powers and gave Jakarta's leaders a taste of being at the centre of things during the global financial crisis, is causing its thinking to wander away from the ineffective ASEAN, to the alarm of other members not in the G20 themselves.

Under SBY, as the president is known, Indonesia is also taking more of a direct role in pressuring Burma's generals towards democratic reform. Later this month, its Foreign Minister, Marty Natalegawa, is visiting Rangoon.

SBY had earlier tried another tack. Soon after the Burmese regime's bloody crackdown on anti-government protest in September 2007, he sent one of his closest military friends, retired general Agus Widjojo, to attend the funeral of the regime's prime minister, a bloody-handed general called Soe Win.

Widjojo was one of the Indonesian military's main reformist thinkers during the 1990s as the country's former New Order regime started to fray, and helped persuade his colleagues in 1998 to push longtime strongman General Suharto into retirement and step back from a direct role in politics.

According to a recent paper by Jeff Kingston, a professor of Asian politics at Tokyo's Temple University, Widjojo didn't explicitly lecture his Burmese counterparts on the Indonesian model of democratic transition. Just sending one of the Indonesian military's leading reformers "was the message".

If so, it doesn't seem to have been loud enough. After the 2007 protests, the regime leader, Senior General Than Shwe, returned to the previous lethargic exercise of building a new "democratic" system that had started after the previous democratic elections in 1990 had produced a landslide victory for the civilian reformist Aung San Suu Kyi, and were immediately annulled.

This week, Than Shwe's officials announced the rules for new elections that will be held some time later this year. One rule bars Suu Kyi from contesting, on the grounds she will be serving a home-arrest jail term for breaking the terms of her previous house-arrest by not stopping an eccentric American from swimming to her Rangoon home across the adjacent Inle Lake.

Kingston says that the new political system of Than Shwe is indeed based on an Indonesian model. Only it's not the model of the present-day Indonesia under popularly-elected SBY, but that built by Suharto after he seized power in 1965-66: an "ersatz democracy" in which the "dwifungsi" (dual function) doctrine authorised a wide range of political and economic involvement by the military.

If the Golkar party was the civilian face of military rule in Suharto's Indonesia, in Burma it will be the Union Solidarity and Development Association set up by the Tatmadaw (the military) in 1993 and now claiming 25.5 million members. Civilian shock troops called the Swan Arr Shin, which carried out a murderous attack on a convoy of Suu Kyi and her supporters in 2003, are analogous to the preman (gangsters) used for voter intimidation in Indonesia.

But present-day Burma is not the Indonesia of 40 years ago, Kingston warns. "The genie is already out of the bottle; holding and then ignoring the 1990 elections introduced dynamics in Burma that Suharto never had to cope with," he said. Emulating a model that Indonesia has already discarded meets no acceptance among Burmese.

When he goes to Rangoon, Foreign Minister Natalegawa might turn up the volume a bit to make the point of reform more clear. To the predictable argument that Burma will be pulled apart by its regional insurgents without a tight army grip - a tired line repeated by ASEAN's nervous nannies like Singapore's Foreign Minister, George Yeo - he can point to the Aceh settlement that followed Indonesia's democratic transition.

The big lesson is the risk of not moving far enough, early enough. Kingston cites Shari Villarosa, a recent US charge d'affaires in Rangoon and an old Jakarta hand too, as pointing out that Indonesia's post-1998 changes were unforeseen as late as the mid-1990s by most Indonesia specialists, because predicting large, paradigm shifting events is difficult.

"Among the lessons in democratisation that Indonesia has to offer Burma is the realisation that the 'experts' failed to anticipate Suharto's downfall and the military's retreat to the barracks," Kingston says.

<http://www.nationaltimes.com.au/opinion/politics/what-indonesia-can-teach-burma-20100312-q40v.html>

- **Foreign Relations**
- **Philippines praises Indonesia for anti-terrorism efforts**

The Philippines president, Gloria Arroyo, has praised the Indonesian government's efforts to fight terrorism after authorities there confirmed the death of a senior member of the Jemaah Islamiyah group, Dulmatin. Dulmatin allegedly masterminded the 2002 Bali bombings, which killed more than 200 people.

Indonesian authorities say they killed him in a raid earlier this week. President Gloria Arroyo says his death is an inspiration for the Philippines to deal with terrorism itself.

Philippines forces have been fighting the local Abu Sayyaf group, which is thought to protect Jemaah Islamiyah members who have fled Indonesia. Philippines officials say Dulmatin was with the Abu Sayyaf in the southern Sulu province last month.

He is believed to have left after Philippines forces killed an Abu Sayyaf leader, Albader Parad, in February.

[http://www.radioaustralianews.net.au/stories/201003/2845091.htm?="](http://www.radioaustralianews.net.au/stories/201003/2845091.htm?=)

- **Economic Front**
- **Indonesia Raises 2011 Economic Growth Forecast to 6%-6.5%**

Indonesia's central bank raised its 2011 economic growth forecast to as much as 6.5

percent from an earlier forecast of as much as 6 percent as consumer spending accelerates, Deputy Governor Hartadi A. Sarwono said.

Gross domestic product may increase by between 6 percent and 6.5 percent next year, Sarwono said in a statement posted on Bank Indonesia's Web site late yesterday. The central bank earlier this week raised its estimate for 2010 growth to 5.6 percent from 5.2 percent. Asian economies from China to Vietnam are picking up speed after policy makers boosted spending and slashed borrowing costs to counter the global recession. Indonesia fared better than its neighbors during last year's world slump because it relies less on exports, and consumer confidence has been buoyed by the most stable political climate since the 1998 ousting of ex-dictator Suharto. The country's economy expanded 4.5 percent last year.

"Private consumption is forecast to grow higher in the first quarter," Bank Indonesia said in a March 5 statement on its Web site. Private consumption accounts for about 68 percent of Southeast Asia's largest economy. PT Bank Mandiri, Indonesia's largest lender by assets, yesterday posted profit of 6.72 trillion rupiah (\$731 million) for 2009. Profit at Indonesian banks such as Mandiri rose as loan demand by consumers and companies remained high, said Joseph Pangaribuan, an analyst at PT Samuel Sekuritas Indonesia in Jakarta. Indonesia's economy grew 5.4 percent in the fourth quarter.

Stocks, Currency

The Jakarta benchmark stock index increased 87 percent last year and the rupiah gained 16 percent, the best performance by an Asian currency outside Japan, as foreign funds sought to take advantage of Indonesia's strengthening economy.

Indonesia's inflation rate may average between 4 percent and 6 percent this year compared with an average 2.78 percent in 2009, the central bank has said.

The bank cut its benchmark interest rate by 3 percentage points between December 2008 and August last year to shield the nation from the global recession. The policy rate has since been maintained at 6.5 percent. Growth in Indonesia's \$514 billion economy has been supported by improved consumer confidence, which according to a central bank index rose in January to near the five-year high recorded in July 2009 when President Susilo Bambang Yudhoyono was elected to a second term.

Infrastructure Spending

Yudhoyono, 60, has pledged to double spending on roads, seaports and airports to \$140 billion over the next five years, part of his push to deliver economic growth of at least 6.6 percent by the end of 2014.

Even so, Indonesia overtook Cambodia as the most corrupt country in the Asia-Pacific region in the eyes of business executives, according to an annual survey by Hong Kong-

based Political & Economic Risk Consultancy Ltd.

“The perception that corruption is especially bad in Indonesia will make it more difficult for the country to attract foreign direct investment,” the PERC report said. It noted that “the absolute level of corruption in Indonesia might not be any worse than in any other Asian country.”

<http://www.bloomberg.com/apps/news?pid=20601013&sid=aLopv6UZjpIU>

- **Smooth the Way for Foreign Investment**

Indonesia cannot afford to distance itself from foreign direct investment due to irrational economic nationalism. That was the clear message of Gita Wirjawan, the chairman of the Investment Coordinating Board, and given his experience and background, the message is telling.

While countries such as China, India and Vietnam have opened their doors to foreign investment by cutting red tape and lifting other barriers, Indonesia persists in making it difficult for non-Indonesians to do business in this country. Not only do we have a negative investment list, but narrowly defined economic nationalism has created a perception of intolerance toward foreign investors.

The truth of the matter is that without foreign direct investment, Indonesia’s economy will never expand at the 7 percent rate that is required to create new jobs and boost new sectors. As Wirjawan notes, foreign investors can form partnerships with local entrepreneurs to develop and manufacture goods and services in Indonesia. Over time, these operations become localized and Indonesia gains from both capital inflows and technology transfer.

Indonesia will need an estimated \$22 billion in foreign investment each year for the next five years to achieve 7 percent gross domestic product growth. Not only are we far from reaching this target, other nations are pulling in far in excess of this figure. In the real world, competition for capital is intense and Indonesia cannot afford to be left out.

Hopefully, a revised negative list expected to be completed by the end of the month will set a more investor-friendly tone. More important, the new decree should eliminate ad-hoc policies that confuse investors and often end up making the situation unnecessarily murky.

Wirjawan is the right man for the job of wooing investors to Indonesia. In the past, he has helped negotiate and close multibillion dollar deals that have benefited the country. He thus cannot afford to be bogged down by administrative issues if he is to pull in the big projects.

The task ahead will not be easy if the bureaucrats continue to think and behave in an outmoded manner. We must therefore professionalize the bureaucracy first and change

the mind-set within the government if we are to move away from the narrow economic nationalism that currently ties us in knots.

Indonesia seems to be moving against the current when it comes to engaging with foreign investors. We say we want investors to park their money here, but our actions and deeds send out the exact opposite message. If we truly believe in the good that foreign investors will bring to this country, we cannot protect selective industries because they are more lucrative. In essence, we cannot have our cake and eat it too.

<http://www.thejakartaglobe.com/opinion/smooth-the-way-for-foreign-investment/361646>

- **The cause of the next global recession**

Last year, I wrote an article that said a big population was good for the economy. As it turned out, the big domestic market size, healthy purchasing power and a tendency to save that kept the big economies of Brazil, China, India and Indonesia from sinking, at least for now.

When another great crash hits the world again, these same economies might also sink if they do nothing to reverse the declining trend of population growth. When the recession started in the United States, signs of a contagious global economic recession suddenly became imminent. The wreckage of the US financial ship sent a profound effect to the rest of the world economy: Bankers and financiers are the ones to blame. However, if we look at the market fundamentals more carefully, we realize that bankers are not the only cause of the global economic crisis; also to blame are the ordinary people who do not believe in the future and have few or no children.

The United Nations published a report last year drawing attention to the problems being created due to a rapidly aging world population and declining birth rate.

Among the main findings of the report were: The current rate of aging is unprecedented in history. By 2045, the population over 60 is expected to outnumber that under the age of 15. The current median age for the world is 28 years, with half the world's population above that age and half below it. By 2050, the median age will likely reach 38 years.

Aging is affecting nearly all countries of the world and will have a major impact on economic growth, savings, investment, labor markets and taxation. Because fertility levels are unlikely to rise again to the high levels of the past population, aging is irreversible and the number of young people is likely to shrink throughout the 21st century. Worldwide there are about nine people of working age to support each older person. By 2050, this will drop to four, with serious implications for pension schemes.

The Western world's population growth rate is virtually 0 percent now, and this has led to a profound change in the structure of society. Russia's population will continue to shrink due to its high abortion rate. It has fallen by 6.6 million since 1993 and could lose a

further 11 million people by 2025. In 2007, Russia had the world's ninth-largest population. By 2050, the UN estimates, Russia will be at No. 15 on the list, with a population less than that of Vietnam.

While Vietnam may be set to surpass Russia, there too sex-selective abortion is causing severe problems. Normally the sex ratio at birth (the number of boys born per 100 girls), is between 104:100 and 106:100.

In Vietnam, the sex ratio at birth for 2006 stood at 110:100, and may cross the 115 mark in a few years from now. If this trend is not reversed, by 2025 Vietnam will have a significant surplus male population, which will have many implications for the country.

The "missing girls" phenomenon is also an issue in China, where a recent report confirmed the continuing practice of sex-selective abortion. The Chinese Academy of Social Sciences says there could be more than 24 million men (equivalent to Malaysia's entire population) unable to find a bride by the end of this decade.

The report blamed the sex-ratio imbalance on China's one-child policy. It has also started to cause a so-called "little emperors" social problem wherein a child gets used to receiving full attention and being spoiled by six adults (their own parents and grandparents).

These "little emperors" are reportedly growing up to be the most individualistic and antisocial people, creating many other social problems. In Japan, meanwhile, the population continues to shrink. In 2009, it decreased by 75,000, or 1.46 times the decrease marked in 2008. It is estimated Japan's population of around 128 million now will dip below 100 million in 2046, and then below 90 million in 2055.

With the decline in births, there are fewer young people productively entering the working world. And there are many more elderly people leave the system of production and becoming a cost for the collective. The consequences of such a reduction will obviously be labor shortages, an aging population and slower economic growth.

In practice, the fixed costs of this economic and social structure - health and social costs - will increase. How dramatically they increase depends on how evidently unbalanced the structure of the population is and how much wealth it has. When this happens, taxes can no longer be reduced.

Another phenomenon impacting the economy due to the stagnation of the population is a decline in savings. This lack of savings will then reduce the capacity of the economy to grow as the blood to be pumped by the heart of the economy is limited; the banking sector will eventually have difficulty breathing.

A decline in development due to a lack of population growth in Western countries is worrying. An effort has been made to compensate for this decline in development with

financial activities and delocalization. As a result, many businesses have started to move all production activities to Asia to bring the goods back to a lower cost, and with greater productivity, as well as to tap the strong and young market of Asia.

But productivity is not without limit, as the trend of declining fertility and an aging population has also spread throughout countries with large populations in Asia, thus threatening global economic stability.

In practice, the highly indebted US economy due exclusively to the consumerism of debt of American households and declining propensity to save was actually the origin of the crisis, which eventually led to the so-called "sub-prime" excesses. The financial instrument of debt leverage - the expansion of credit - was used to compensate for the lack of growth in the economy caused by the 0 percent birthrate.

The origin of the crisis is therefore not in the banking or finance sector per se. Banks and financial firms helped aggravate the crisis, trying to compensate for problems that were already there, namely, the decline in economic development, which some tried to camouflage through financial instruments.

Not to repeat the same fault, the Indonesian economic development path must come in line with a healthy population growth without any government intervention as in the form of family planning or population control. The population growth must come in a natural way as the economy progresses.

Hence, government leaders are more responsible than bankers to ensure that credit expansion is pushed, supported and justified to sustain a growth rate that is based on a strong, productive and sustainable domestic market. This is the foundation to rebuild the economic-financial balance and withstand the next global economic whirlwind. The writer is vice president and senior business economist at PT Asia Select Indonesia and PT AGIndo Research Group. The opinions expressed are his own.

<http://www.thejakartapost.com/news/2010/03/01/the-cause-next-global-recession.html>

- **Social front**
- **Indonesia, RP on corrupt list**

Indonesia remains the most corrupt country in Southeast Asia and graft is getting even worse, a poll of businessmen said, dealing a blow to the president's efforts to clean up the country. The Philippines, however, was not far behind and was ranked 13th on the list of 16 countries that included developed economies for comparison purposes.

The news comes as Indonesian President Susilo Bambang Yudhoyono is under mounting pressure with his vice president and finance minister facing a criminal probe of their role in the controversial bailout of a troubled bank. The annual poll by the Political and Economic Risk Consultancy (PERC), made available to Agence France-Presse on

Tuesday, put Southeast Asia's biggest economy last in a table of regional economies with a score of 9.27 out of the worst possible 10. Indonesia also came in last in 2009, but with a marginally better score of 8.32. Cambodia was ranked the second most corrupt regional nation with a grade of 9.10, followed by Vietnam and the Philippines.

Singapore remained on top of the list with a score of 1.42, while Australia was second with 2.28 and Hong Kong third on 2.67. Zero means the country or territory is seen to suffer the least corruption among politicians and civil servants, PERC said in the report. The Hong Kong-based consultancy said that Indonesian lawmakers' call for a criminal probe of the Yudhoyono government's bailout of Bank Century in 2008 reflected attempts by a corrupt establishment to maintain the status quo.

"Corruption has become a charge being used by corrupt people to protect themselves and to stifle reform," PERC added. "The whole fight against corruption is in danger of being corrupted," it said.

Vice President Boediono and Finance Minister Sri Mulyani Indrawati, who both authorized the \$724-million bailout, have consistently ranked as among the most respected figures in Yudhoyono's Cabinet among foreign investors. The inquiry into their decision to rescue Bank Century may cost them their jobs, but "is entirely manipulated and entirely political," PERC said. Yudhoyono, a liberal ex-general who first came to power in 2004, was reelected in 2009 on promises to root out corruption, which riddles every aspect of Indonesian public life, from the courts to the Customs office.

Hong Kong slides

Hong Kong slipped a place from a year ago, with PERC saying that questionable tactics by powerful property developers in the Chinese territory likely dragged it down.

"There are still criticisms of some practices, particularly in the real-estate sector, concerning tactics used by developers that, to be generous, play on a lack of transparency that would not be allowed in many other markets," it added.

"This could account for why a number of perceptions this year for Hong Kong are slightly worse than last year. However, overall Hong Kong has maintained its favorable ranking in our survey," PERC said.

The United States—included for comparison purposes—placed fourth with a score of 3.42, followed by Japan (3.49), Macau (4.96), South Korea (5.98), Taiwan (6.28), Malaysia (6.47) and China (6.52). But PERC said, "Measuring the level of corruption [in China] is nothing more than guesswork."

"What is fairly clear is that the problem of corruption is more severe at the local level of government and business, particularly state-owned enterprises, than at the national level, although there are plenty examples of graft at the national level too," it added.

PERC's poll was conducted from December to February, and involved 2,147 mid-level and senior Asian and expatriate business executives working in the 16 economies.

The complete listing: 1. Singapore, 1.42; 2. Australia, 2.28; 3. Hong Kong, 2.67; 4. United States, 3.42; 5. Japan, 3.49; 6. Macau, 4.96; 7. South Korea, 5.98; 8. Taiwan, 6.28; 9. Malaysia, 6.47; 10. China, 6.52; 11. India, 7.18; 12. Thailand, 7.60; 13. Philippines, 8.06; 14. Vietnam, 8.07; 15. Cambodia, 9.10; and 16. Indonesia, 9.27.

<http://www.manilatimes.net/index.php/top-stories/13057-indonesia-rp-on-corrupt-list>

- **At Environmental Front**
- **Impact of Ancient Indonesian Volcanic Eruption**

The Toba super eruption occurred between 69,000 and 77,000 years ago at Lake Toba (present day Indonesia), and it is recognized as one of Earth's largest known eruptions. The related catastrophe theory holds that this super volcanic event plunged the planet into a 6 to 10 year volcanic winter, which resulted in the world's human population being reduced to 10,000 or even a mere 1,000 breeding pairs, creating a bottleneck in human evolution. Some researchers argue that the Toba eruption produced not only a catastrophic volcanic winter but also an additional 1,000 year cooling episode.

Newly discovered archaeological sites in southern and northern India have revealed how people lived before and after the colossal Toba volcanic eruption 74,000 years ago.

Ambrose and Rampino proposed in late 90s that this bottleneck could have been caused by the climate effects of the Toba eruption. The supporters of the Toba catastrophe theory suggest that the eruption resulted in a global ecological disaster with extreme phenomena, such as worldwide vegetation destruction, and severe drought in the tropical rain forest belt and in monsoonal regions. This massive environmental change created population bottlenecks in species that existed at the time. Toba may have caused modern races to differentiate abruptly only 70,000 years ago, rather than gradually over one million years. The Toba explosion instantly destroyed all life in its immediate area. The eruption was more powerful than Krakatoa in 1883 that helped lower global temperatures by about 1.2 degrees C in the next year.

It also sent hundreds of cubic kilometers of ash and gases high into the atmosphere, even as the volcano itself collapsed inwards to form a huge sunken caldera (now Lake Toba). The gases, including sulfur dioxide, circled the globe on air currents, while the ash spread out to the north and west fanned by prevailing winds. When the ash began to fall, it covered the Indian subcontinent and rained down into oceans from the Arabian Sea in the west to the South China Sea in the east.

Around this time the earth slipped into a dramatically colder portion of the ice ages, and while this was underway before Toba's eruption, the super volcano undoubtedly had an

important influence.

An international, multidisciplinary research team, led by Oxford University in collaboration with Indian institutions, recently unveiled to a conference in Oxford what it calls "Pompeii like excavations" beneath the Toba ash in India. The seven year project examines the environment that humans lived in, their stone tools, as well as the plants and animal bones of the time. The team has concluded that many forms of life survived the super eruption, contrary to other research which has suggested significant animal extinctions and genetic bottlenecks.

According to the team, a potentially ground-breaking implication of the new work is that the species responsible for making the stone tools in India was Homo Sapiens. Stone tool analysis has revealed that the artifacts consist of cores and flakes, which are classified in India as Middle Palaeolithic and are similar to those made by modern humans in Africa. "Though we are still searching for human fossils to definitively prove the case, we are encouraged by the technological similarities. This suggests that human populations were present in India prior to 74,000 years ago, or about 15,000 years earlier than expected based on some genetic clocks," said project director Dr Michael Petraglia, Senior Research Fellow in the School of Archaeology at the University of Oxford. This exciting new information questions the idea that the Toba super eruption caused a worldwide environmental catastrophe.

An area of widespread speculation about the Toba super eruption is that it nearly drove humanity to extinction. The fact that the Middle Palaeolithic tools of similar styles are found right before and after the Toba super eruption, suggests that the people who survived the eruption were the same populations, using the same kinds of tools, says Dr Petraglia.

Although some scholars have speculated that the Toba volcano led to severe and wholesale environmental destruction, the Oxford led research in India suggests that a mosaic of ecological settings was present in the world, and some areas experienced a relatively rapid recovery after the volcanic event.

Dr Petraglia said: "This exciting new information questions the idea that the Toba super eruption caused a worldwide environmental catastrophe. That is not to say that there were no ecological effects. We do have evidence that the ash temporarily disrupted vegetative communities and it certainly choked and polluted some fresh water sources, probably causing harm to wildlife and maybe even humans."

For further information: http://www.ox.ac.uk/media/news_stories/2010/100223.html

<http://www.enn.com/sci->

[tech/article/41079?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%](http://www.enn.com/sci-tech/article/41079?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%20)

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Malaysia

- **Political Front**
- **Anwar: We have a problem**

Parti Keadilan Rakyat (PKR) adviser Datuk Seri Anwar Ibrahim has admitted that the party is facing a problem after three MPs quit recently. He said the resignations served as a good lesson that only loyal members should be chosen as candidates in future elections. "PAS had the same problem when its president quit while the late Tunku Abdul Rahman also quit Umno. Keadilan is now facing a little problem," he said at a political rally at Pulau Gadong on Friday night.

PKR MPs Datuk Seri Zahrain Mohamed Hashim (Bayan Baru), Tan Tee Beng (Nibong Tebal) and Mohsin Fadzil Samsuri (Bagan Serai) recently quit the party. "We purge the party of such people. It is better for them to leave now than later," Anwar added. He said PKR elected representatives and leaders would be given courses to make them strong in facing challenges and to remain loyal to the party. Meanwhile, PAS has come out in support of Anwar as Opposition Leader despite the resignation of the three PKR MPs.

"The three parties that form Pakatan Rakyat will continue to give full support to Anwar," PAS secretary-general Datuk Mustafa Ali told a press conference here yesterday.

He said the Government and the Dewan Rakyat Speaker had no right to decide on the Opposition Leader as it was determined by Opposition members. The issue followed the resignations of the three PKR MPs to become independents. Mustafa said the resignations did not affect the cooperation of the three Opposition parties. The resignations could be due to frustration as they lacked the financial resources unlike those in the government who received RM1mil each for development projects. He did not discount the possibility that it was connected to Barisan Nasional's quest to garner support from Opposition members to regain the two-thirds majority in Parliament.

<http://thestar.com.my/news/story.asp?file=/2010/3/7/nation/5813995&sec=nation>

- **Economic Front**
- **Growing demand for timber could boost exports to RM23bil**

Growing demand from traditional markets like the United States and Europe is boosting exports of the local timber industry, which is expected to chart an improved performance this year. Malaysian Timber Council (MTC) chief executive officer Cheah Kam Huan said the industry could surpass its 2008 export figure, at about RM23bil, if the export markets recovered at a faster pace.

Plantation Industries and Commodities Minister Tan Sri Bernard Dompok said the timber

industry this year was expected to report better exports than last year due to better economic conditions in the countries that were buying these products.

“Malaysia exported a total of RM19.4bil worth of timber products in 2009, about 15% lower than 2008, while the country’s import of timber products (excluding furniture) amounted to RM1.1bil,” he told a press conference after the launch of the MTC Global WoodMart 2010 yesterday. Dompok said the use of wood globally was increasing and the Malaysian timber industry remained an important contributor to the nation’s economy.

Tan Sri Bernard Dompok holding the logo after the MTC Global WoodMart 2010 launch, accompanied by Malaysian Timber Council chairman Tunku Tan Sri Osman Ahmad (left) and Cheah Kam Huan. On the MTC Global WoodMart 2010, he said buyers and sellers at enterprise level could take the opportunity to exchange views and ideas on trade issues, given the increasing challenges of the international trading environment. MTC Global WoodMart 2010 is organised by MTC to provide a premier one-stop selling, buying and networking platform for suppliers and buyers of timber products worldwide.

The inaugural event to be held from Oct 19 to 20 at the KL Convention Centre will showcase tropical hardwoods, as well as temperate softwoods and hardwoods. MTC aims to attract 90 exhibitors, of whom 30% will be from overseas.

<http://biz.thestar.com.my/news/story.asp?file=/2010/3/9/business/5819023&sec=business>

- **PETRONAS in upstream gas deal**

Petroleum Nasional Bhd (Petronas) yesterday signed a gas sales agreement with upstream contractors Sarawak Shell Bhd and Petronas Carigali Sdn Bhd for the natural gas to be produced from three fields in Block SK308 offshore Sarawak.

The upstream gas sales agreement will see the development of the three gas fields – F28, F14 and E6 – where the gas produced will be delivered by the contractors primarily to meet the supply requirements of the MLNG Tiga plant within the Petronas LNG Complex in Bintulu. — Bernama

<http://biz.thestar.com.my/news/story.asp?file=/2010/3/9/business/5821762&sec=business>

- **Wahid: Pre-emptive measures have supported the economy**

The consolidation programme for the domestic banking sector introduced by Bank Negara after the financial crisis in 1998 and the Government’s RM67bil stimulus package to boost the economy have helped to make banks bigger and stronger and more resilient to weather the recent rough global financial problems.

Maybank president and chief executive officer Datuk Seri Abdul Wahid Omar said these pre-emptive measures had supported the financing needs of the economy so the nation could continue to achieve strong and sustainable growth. “The measures introduced by the Government and central bank have certainly contributed towards the financial system that

we have now, so much so that the economy has not contracted as much we have expected, unlike some Western economies,” he said during a luncheon talk yesterday.

He said the Government, which had forecast in Budget 2010 an economic growth of 2% to 3%, was getting more optimistic as we move forward. “Our own in-house analyst expects the economy to grow 4.5% this year.”

Datuk Seri Abdul Wahid Omar ... ‘Our own in-house analyst expects the economy to grow 4.5% this year.’ The talk was organised by Universiti Tenaga Nasional’s College of Business Management and Accounting. Wahid said he was confident that the economic statistics projected could be achieved as long as measures recommended were responsibly executed. However, one should also be reminded that these developments would be implemented against the backdrop of an expected increase in inflation and interest rates, he said. On the country being able to face the challenges in the recent financial crisis, Wahid attributed it to the way the Government had been managing the economy. Certain countries had high government debts relative to their gross domestic product and unemployment rates as well as soaring credit spending, he said.

He cited the example of the US banking sector where households borrowed beyond their means and bankers gave loans without looking much at the borrower’s credit ability. This, he added, did not exist in Malaysia. “Looking at the way the Government has been managing the economy, I think we are in very good shape. We are very optimistic about the future in Malaysia,” he said. “The moves introduced and implemented by Bank Negara have helped strengthen the banking system, our loans have grown and capital is strong. Even our deposits have grown.”

<http://biz.thestar.com.my/news/story.asp?file=/2010/3/9/business/5821015&sec=business>

- **MCA plans SME one-stop centre**

MCA will soon launch a one-stop centre where businessmen in small-and-medium industries can turn to for help, party president Datuk Seri Ong Tee Keat said. “All the groundwork has already been done. The centre will be launched in due course,” he said. Ong said the centre would help those in small-and-medium enterprises (SMEs) to gain more expertise on how to manage their businesses better as well as address daily issues. The centre will also complement the role played by SME Corp, Credit Guarantee Corp, Malaysia External Trade Development Corp and Bank Negara. “The issue of funding will be addressed because MCA realises funding is a major challenge for those in SMEs. “We want to inform SMEs about where to get funding as well as convey their woes and concerns to the relevant agencies under the various ministries. “We hope these ministries will provide us the support to establish the one-stop centre,” Ong said. The Transport Minister also said MCA saw the need to set up the centre following discussions

with stakeholders and various agencies.

He added that SMEs played a role in nation-building and economic development by providing jobs and keeping production costs down. Ong has repeatedly stressed the need to extend assistance to SME operators because many in this industry lacked knowledge in micro-credit and business opportunities. He had made it known that MCA would play a role as a communication gateway between the Government, finance institutions and entrepreneurs.

MCA is organising an SME exhibition called “Stimulating SME Growth” at Wisma MCA from April 7-10. Two more exhibitions will be held later in Penang and Johor Baru. It is jointly organised by the economic caucus of the MCA consultative council in collaboration with the Malaysia SMI Association. Among the participants are Bank Negara, Maybank and Pusat Tenaga Malaysia.

<http://thestar.com.my/news/story.asp?file=/2010/3/7/nation/5813220&sec=nation>

- **Malaysia seeks to broaden co-operation with S. Korea**

Malaysia wants to revive the Look East policy with South Korea by broadening areas of co-operation in capacity-building, said Foreign Minister Datuk Seri Anifah Aman. “New areas of co-operation are like green technology and biotechnology as well as initiating co-operation in third countries.

“We have conveyed to the South Korean side that we would like more information to be exchanged pertaining to the green growth industry including green technology, nuclear energy and clean development mechanism between Malaysia and the republic’s agencies,” Anifah told reporters after meeting his South Korean counterpart Yu Myung-Hwan in Tuaran near here.

Yu, South Korea’s Foreign Affairs and Trade Minister, is on his first official four-day visit to Malaysia, which coincides with the 50th anniversary of bilateral ties between both countries. Anifah said they discussed the need to conclude ongoing negotiations on a draft memorandum of understanding for both countries to sign in time for South Korean President Lee Myung Bak’s visit in the later half of the year.

“Such an initiative could pave the way for greater co-operation in higher education between both countries,” he said.

<http://thestar.com.my/news/story.asp?file=/2010/3/7/nation/5812418&sec=nation>

- **Al-Islam apologises for hurting Christians’ feelings**

Al-Islam magazine has apologised over a special report last year for “unintentionally hurting the feelings of Christians, particularly Catholics”. The apology was posted on the website of its publisher Utusan Karya on Friday.

It said in a three-paragraph statement that the report was to investigate allegations of

apostasy and the actions of its journalists “were never intended to deride the Christian faith, let alone desecrate their house of worship”.

“The two reporters involved also tendered their apology for not realising that what they have done in the course of their assignment has offended the feelings of Christians. Al-Islam hopes that such a thing will not recur,” it said. The magazine stated that the apology would be published in next month’s publication.

The report entitled *Tinjauan Al-Islam Dalam Gereja — Mencari Kesahihan Remaja Melayu Murtad* (Al-Islam’s investigation in the church — finding the truth on teenage Malay apostates) was published in its May 2009 issue, in which its journalists had posed as Christians and participated in a mass at the St Anthony’s Church in Jalan Robertson near Puduraya. The reporters were said to have admitted to receiving the Holy Communion then spitting it out, an act Catholics consider a sacrilege.

Kuala Lumpur Archbishop Tan Sri Murphy Pakiam had on Thursday said the church would not pursue legal action against the magazine nor its reporters if a public apology was offered. Attorney-General Tan Sri Abdul Gani Patail had said stern action would not be in the interest of justice, peace and harmony at this particular time, adding that the reporters “did not know the significance of the white bread”. Reverend Murphy said he was pleased with the quick response by the publishers, editors and authors. “We accept their apology and extend our hand in peace. The Catholic community is now at peace following the apology. May God bless our country,” he said.

<http://thestar.com.my/news/story.asp?file=/2010/3/7/nation/5813588&sec=nation>

- **SME growth tips for 2010**

IS the worst over for the Malaysian economy? Prime Minister Datuk Seri Najib Tun Razak last month announced that the country had emerged from the economic crisis, chalking up gross domestic product (GDP) growth of 4.5% for the fourth quarter of 2009. Although the economy shrank by 1.7% for the whole of 2009, this performance was far better than the expected 3% contraction.

Moving forward, prospects for 2010 look bullish, with GDP growth projected to exceed the official forecast of 4%, barring unforeseen circumstances, as the Government’s stimulus mechanism continues to unfold efficiently amidst easy credit and improved consumer confidence. Buoyed by the general mood of optimism, businesses – particularly small and medium enterprises (SMEs) that constitute a major engine of growth – are encouraged to embrace growth.

The 1,702 financial professionals surveyed in the Association of Chartered Certified Accountants’ (ACCA) latest Global Economic Conditions Survey released in November 2009 advised small businesses to emerge from survival mode and leverage on growth

opportunities as recovery picks up. Further, Malaysian accountants surveyed view the recovering economy as an opportunity for small businesses to become more efficient and compete internationally.

What strategies should SMEs adopt or retain to succeed in the changed business landscape? Consistently, across almost all sectors and regions surveyed, accountants stressed the need for stronger focus, diligence and improved financial controls. In other words, SMEs should remain alert and avoid distractions, tighten internal controls, manage or avoid risks, and establish policies and apply them consistently.

SMEs are also advised to monitor costs and gearing, which were the downfall of many businesses during the crisis. Small businesses should also take heed of planning and business strategies to identify and capitalise on sources of competitive advantage and distinguish between core and peripheral activities of the organisation.

Accountants also recommend that SMEs pay attention to the prudent management of cash, receivables, working capital and inventories, to safeguard solvency and liquidity. Finally, SMEs need to emphasise quality and customer service to improve quality outcomes such as customer satisfaction, quality management and/or associated strategic decisions to enhance global competitiveness.

Apart from these broad recommendations, it is interesting to note that advice to SMEs from accountants differs according to which category an accountant falls into, which also relates to his or her region of origin and the rate of economic recovery there.

According to the ACCA report, *Living Up to Expectations: Accountants and Small Business in the Recovery*, financial professionals and their advice can be grouped into three distinct categories based on the issues they chose to emphasise: strategists, competitiveness and defenders. However, each category's advice is valuable for small businesses.

Strategists, more common in dynamic Asia, believe that the recovery is already underway and that small business owners need to take the time now to look at the big picture and make robust plans for the future. They advise small businesses to seek out opportunities as markets begin to recover, to invest and to explore new or niche markets. Alongside investment, they emphasise the value of retaining or developing key people and skills and advise small businesses to be as flexible and innovative as they can.

Competitiveness believe that the downturn offers an opportunity for smart businesses to build competitive advantage. They advise on competitive pricing, achieved by cutting costs or building more efficient operations, as well as on maintaining or improving quality and customer service.

All other things being equal, accountants in the Americas are more likely to fall into this

category, as are accountants working for multinationals. However, competitors are rare among very large organisations, from government and large financials to the Big Four. Unlike strategists and competitors, defenders are not counting on a recovery any time soon.

They are preoccupied with maintaining strong cash flow, improving financial controls and reducing reliance on other organisations, including lenders.

Defenders tend to be older and more experienced, and many are from embattled developed regions such as Western Europe.

They have been adjusting income expectations for their own organisations regularly and are acutely aware of how unstable the economic environment is. They are likely to have survived previous recessions and are sceptical that the current recovery could be a “false dawn”.

More than their colleagues anywhere else in the Asia-Pacific region, respondents in Malaysia see the global downturn as an opportunity for small businesses in the country to become more efficient and compete internationally. By regional standards, the competitive segment is over-represented in Malaysia, while defenders are under-represented.

This spirit of optimism among financial professionals based here augurs well for Malaysia, which is on the threshold of the shift towards becoming a higher value-add and higher-income economy. It is hoped that SMEs will be able to capitalise on the advice mentioned above to become more efficient and competitive internationally, while supporting the country’s paradigm shift. The writer is the president of ACCA Malaysia advisory committee and chief executive officer of Perbadanan Usahawan Nasional Bhd (PUNB). For more information on the global survey please visit

www.accaglobal.com

<http://biz.thestar.com.my/news/story.asp?file=/2010/3/11/business/5836723&sec=business>

- **Pakistani rice export to Malaysia may increase four times**

Malaysia is expected to increase its rice import from Pakistan four times this year. This was disclosed by the Commercial Counselor for Pakistan High Commission Wajiullah Kundi in Kuala Lumpur. He said that Malaysian Padiberas National Berhad (BERNAS) and its group of companies which are involved in the procurement and processing of paddy, as well as import, warehousing, distribution and marketing of rice in Malaysia have been actively engaging Pakistan to bring about four fold increase in import of Pakistani rice with the objective to diversify its import base of rice and to minimize its dependence on rice import from Thailand and Vietnam.

The Malaysian import of rice from Thailand and Vietnam make up 45.91% and 34.5%, respectively. Currently Pakistan is the third biggest exporter of rice to Malaysia, but it makes up only 4.1% of the total rice import which now have been projected to increase four fold in the year 2010.

The Commercial Counselor said that during the visit of the Minister of Agriculture and Agro-based Industry of Malaysia from 14th to 17th December, 2009 to Pakistan, the Malaysian importers secured many contracts for Pakistani companies for rice import, the trend will continue the year 2010 leading to substantial increase.

The rice varieties of Pakistan which are priced world over and by Malaysia consumers due to their excellent taste, enchanting flavor and healthy nutritious value includes various varieties of Basmati rice including Super, Shaheen and Kernal, Basmati and other varieties includes NIAB, IRRI-9 and IRRI – 6, Broken rice, Rice in the husk, paddy Husked or brown rice both Semi-milled or wholly milled.

In the year 2008, total rice export to Malaysia was valued at RM 110.97 million. However this sector did not perform well in the same year and registered a decline in its share of export to Malaysia of Pakistan goods from 32% to 14% whereas import of rice during first ten month of 2009 was recorded at RM. 57.523 registering a decline of 46.25% from import of 107% in first ten months of year 2008. This declining trend is being harnessed and in 2010 is expected to register substantial increase of four fold.

http://www.app.com.pk/en_/index.php?option=com_content&task=view&id=98049&Itemid=49

- **ANALYSIS: Malaysia's opposition alliance starts to strain at seams**

Malaysia's opposition alliance, at one point poised for a possible takeover of the federal government, is now starting to suffer from internal squabbling and an increasing number of defections. The three-party alliance made history two years ago by capturing power in five of the country's 13 states and denying the powerful ruling coalition its two-thirds majority in Parliament. But recently, the opposition has appeared to be struggling to maintain some semblance of control and public confidence. Led by former deputy premier Anwar Ibrahim, the People's Alliance consists of Anwar's People's Justice Party, the hardline Parti Islam SeMalaysia (PAS) and the multiracial Democratic Action Party (DAP).

After the March 2008 general elections, Anwar announced plans to take over the federal government through mass defections from the ruling National Front coalition. Not only did the takeover fail to materialize, the past two years have seen four lawmakers jump ship from his own party to become government-friendly independents. Rumours abound of more to come.

The People's Justice Party now has 28 seats in the 222-member Parliament while the PAS has 23 seats and the DAP 28 seats to the National Front's 137. 'The recent developments have made a major dent on the position of the opposition,' political analyst Denison Jayasooria said. 'The triumphant position after March 2008 when they emerged as a government-in-waiting is no longer the case,' he said.

Denison said the alliance lacked a 'collective vision and commitment' and many members were now fighting among themselves for political power. Anwar has said the resignations came as no surprise and publicly apologized for putting up 'less than capable' leaders for election during the polls. 'It's my fault that certain candidates that I had chosen for the general elections in 2008 were not strong,' Anwar said at a recent public event.

'From now on, I will make sure that for someone to qualify as a candidate, that person must first be tested and confirmed fit and capable,' said the politician, who himself is in dire straits politically as he stands trial on criminal charges that he said were brought by his rivals.

In spite of Anwar's apology, observers have noted that public spats and conflicts between individuals within the alliance have weakened the opposition bloc, especially in the eyes of the voters. At the end of 2008, the Merdeka Centre for Opinion Research, an independent pollster, found in a survey that 54 per cent of respondents were favorable to an opposition takeover.

Just months after the opposition's remarkable electoral gains, 40 per cent of respondents told the centre Anwar would make a better leader than Prime Minister Najib Razak, who received 34 per cent of votes in the same survey. In a similar poll conducted by the centre in October 2009, 32 per cent said they thought the People's Alliance was capable of leading the country. Almost 50 per cent said they were unconvinced of the party's abilities.

Political commentator Bakri Musa said the behaviour of some opposition politicians was disappointing and that the hoped-for change in leadership attitudes was not forthcoming. 'It seems that the same cast of lousy actors is back on stage, except that this time, they are wearing different costumes,' he said. The opposition has been quick to deny a loss of stability, saying the defections and internal wranglings have been orchestrated and played up by the government to hoodwink opposition supporters. 'These recent defections have actually been obvious to many people in the party, and it's a long-needed self-cleansing process,' veteran DAP leader Lim Kit Siang said.

'Voters know that those behind these political games only seek to discredit the opposition,' said Lim, a former opposition leader himself for four years from 2004. 'The fact is, these defections will strengthen the alliance.'

Observers have credited Anwar's dynamic leadership style with steering the opposition out of sticky situations in the past and holding the alliance together.'Anwar still has a strong appeal in Malaysian society with his willingness to engage the media and the people,' Denison said.'He still draws the crowds,' the analyst said. '[In fact,] when he is down, he seems to be strong.'Already fighting to regain public support, the opposition also faces the threat of another major setback with the resumption of Anwar's sodomy trial later this month.Anwar was charged in 2008 with sodomizing a former male aide, an accusation he has vehemently denied and claimed is orchestrated by the government to topple the opposition. The government has denied the allegations.If Anwar, who turns 63 this year, is found guilty, he could face 20 years in prison and a ban of at least five years from politics upon his release, effectively ending his political career.'It's open knowledge that there's a conspiracy to put Anwar away from the political stage,' Lim said.While Lim declined to say what the opposition has planned should Anwar be convicted, he said it was prepared for any situation.'I will say that this may end up a gross miscalculation for Najib and the government because with Anwar in jail, it might just be the cause that tips the scale for the opposition to topple the government,' he said.'The government needs to see that whether or not Anwar gets convicted, the people's support will not stop for the opposition alliance.'

http://www.monstersandcritics.com/news/asiapacific/news/article_1538344.php/ANALYSIS-Malaysia-s-opposition-alliance-starts-to-strain-at-seams#ixzz0i54cKyQC

http://www.monstersandcritics.com/news/asiapacific/news/article_1538344.php/ANALYSIS-Malaysia-s-opposition-alliance-starts-to-strain-at-seams

- **Structural problems remain' in Malaysia's economy**

As Malaysia plodded through a grim economic downturn last year, the government threw a hefty lifeline to people like Mrs Rosnah Sharif, a small-scale contractor.Through balloting of projects by state agencies, she won a couple of small jobs in Kuala Lumpur last year. That included a 35,000 ringgit (US\$10,466) job to retile the staircases of the Defence Ministry's staff quarters in the city, and a 80,000 ringgit upgrading of a municipal hall that entailed replacing windows, repainting, and installing new grilles and fences."I am grateful. There were many jobs last year," she told The Straits Times. Mrs Rosnah is among 31,000 small contractors who had been the prime beneficiaries of the government's 67 billion ringgit stimulus packages during the global crisis.

The government had pumped about 1 billion ringgit a month into the system from January last year. Prime Minister Najib Razak said last week that more than 113,000 projects worth 17 billion ringgit had been implemented. These helped Malaysia's economy expand by a better-than-expected 4.5 per cent in the last quarter of 2009,

although it shrank by 1.7 per cent overall last year. This year's growth is expected to touch 5 per cent.

With nearly every sector showing growth in the last quarter, Mr Najib had declared the worst to be over. But opposition leader Anwar Ibrahim debunked it as "not only premature but irresponsible".

He said the latest economic forecast by the International Monetary Fund showed that Malaysia could have the slowest growth among South Korea, Singapore, Taiwan, Indonesia, Thailand, the Philippines and Vietnam this year. US investment bank Morgan Stanley noted recently that Malaysia still faces structural issues in terms of its competitiveness and productivity. It noted that its net investment inflows have lagged behind other Asian economies and its global share of manufactured exports has declined. Since 2007, Malaysia has seen a net outflow of investment as local companies invest more abroad than domestically.

The Edge weekly magazine, citing Bank Negara data, reported last week that the cumulative outflows have come up to 50 billion ringgit in the last three years. It estimated that two-thirds of the surplus earned from trade was being invested abroad, due to a saturated home market and higher profits abroad. Analysts have called this a double whammy as foreign direct investment flows have also slowed in recent years - 22 billion ringgit last year, compared to 46 billion ringgit in 2008.

A former economics professor, Dr Fong Chan Onn, who is also a ruling Barisan Nasional MP, said the government should be concerned about this, and refocus on attracting the right sort of capital investment. "There is a positive upturn in the economy but there remains deep structural problems," he told The Straits Times.

He said Malaysia's main problems lie in its price controls, subsidies and low-cost structure, and the resultant dependence on cheap foreign labour. He said price controls and subsidies, which now eat up 30 per cent of the government's operating expenditure, had kept costs artificially low in Malaysia. This had the effect of dampening wages, and encouraging a dependence on foreign unskilled workers. The government is expected to address some of these issues in its New Economic Model at the end of the month. The unveiling of the plan has already been delayed twice.

<http://www.asianewsnet.net/news.php?id=10565&sec=2>

- **Social Front**
- **Environmental Front**
- **Natural disaster awareness is crucial**

THE movie 2012 made us to ponder what may happen if disasters such as an earthquake or tsunami were to ravish our home. Are we prepared for such disasters? One should not

think that Malaysia is free from all natural disasters. If we may recall, in 2004 a tsunami hit India, Sri Lanka, Aceh as well as Penang and Kedah as a result of an underwater earthquake measuring 9.1 magnitude in the middle of the Indian Ocean.

Malaysians were not prepared in any manner and some Malaysians in Penang and Kedah lost their loved ones, their homes and their tools of trade, especially the fishermen.

Installing “tsunami buoys” alone does not ensure Malaysians will be safe. We need frequent drills to enable us to be prepared and equipped with some form of knowledge to save lives. Recently, Chile, Taiwan and Eastern Turkey were shaken by earthquakes. In Malaysia, we experienced tremors at Bukit Tinggi and Kuala Pilah.

We are also facing a heat wave with temperatures rising up to 37°C-38°C, and surprisingly the reading at Cameron Highlands and Genting Highlands hit 37°C. The dry season has also caused water shortage and anxiety. Further, to add to the heat wave, there are inconsiderate Malaysians who practise open burning.

The movie 2012 is an eye-opener for all of us on what may happen if we anger Mother Nature. The time has come for the Government to find measures to overcome and/or minimise fatalities during such disasters. I believe our present national disaster team together with other related bodies and agencies have responded well during major floods and landslides. They should be praised for their continued dedication and commitment, and the Government should provide the necessary assistance and funds to improve the services. I call upon all Malaysians to join together to save our beloved Earth from destruction.

<http://thestar.com.my/news/story.asp?file=/2010/3/11/focus/5835999&sec=focus>

Thailand

- **Political Front**
- **Thai cabinet resolves to impose act for mass rally security**

Thailand's weekly cabinet Tuesday decided to impose the Internal Security Act (ISA) during March 11- 23 to ensure law and order in a mass anti-government rally by the United front for Democracy against Dictatorship (UDD) group.

The ISA imposition will take effect in the whole area of capital Bangkok and Nonthaburi, which is next to Bangkok, acting government spokesman Panitan Wattanayagorn said.

Deputy Prime Minister for Security Affairs Suthep Thaugsuban has been assigned to control security operations to be conducted by involved security agencies, he said.

Also, the ISA law will be implemented in some 21 districts of six other provinces nearby Bangkok. The six provinces are Pathum Thani, Samut Prakan, Samut Sakhon, Chachoengsao, Nakhon Pathom, and Ayutthaya.

Among the 21 districts, some six districts are located in Pathum Thani and four other

districts in Ay utthaya, which is well known among tourists around the world. The ISA law is essential to be imposed in these areas since during March 12-23, there will be the situation, which will affect the internal security, said the spokesman.

And, the cabinet also approved enforcement of 18 other laws in a bid to support the ISA law, he said. The 18 other laws are concerned with disaster relief, civil defense and emergency medical services, which are designed to deal a possible emergency during the rally. In a bid to ensure maximum security for the UDD protesters, general public, and foreigners, including tourists, during the rally, security officers will be deployed in these areas from March 12, he said. The security officers will not carry any weapons, while they have been instructed to carefully deal with the protesters, said Panitan. Also, the government will not declare March 12 a holiday since it will negatively affect business operators and the general public, he said. The Thai government will be capable to control the rally situation.

In a related development, Metropolitan Police Commander Police Lieutenant General Santan Chayanont said a joint police-army force will be deployed at five check points inside Bangkok and nine others in the areas next to Bangkok, Thai News Agency reported.

The check points are essential to prevent a third hand from entering into Bangkok to incite violence, said the Metropolitan Police Commander. Meanwhile, Crime Suppression Division (CSD) commander Pol Col Supisarn Bhakdeenaruenard said three committees are set up to monitor the movement of three groups of the red-shirted people, including armed protesters, community radio activists, and other red-shirted political activists.

Pol Col Supisarn said involved security authorities also have a name-list of hundreds of the red-shirted guards, who are likely to instigate violence.

These red-shirted people will be immediately charged if they violate the law, the CSD commander said. On Wednesday, at 10.0 a.m., local time, Prime Minister Abhisit Vejjajiva will chair a meeting of the Internal Security Operations Command (ISOC), which will be held at Parliament. The security plans, which were drafted by the government-appointed security monitoring committee, will also be forwarded to the ISOC meeting, said Deputy Prime Minister Suthep.

The mass rally by the anti-government UDD group will start from March 12 when the UDD or red-shirted supporters from the countryside will travel to capital Bangkok. And, in the morning on March 14 the UDD protesters will stage their mass rally at Sanam Luang, the open field and public square in the center of Bangkok.

It is also reportedly said that a scattered rally is planned at ten separated places in capital Bangkok by the UDD protesters during the mass rally.

Their political demand includes resignation of the coalition government or the House dissolution, paving the way for a new general election.

<http://english.people.com.cn/90001/90777/90851/6913917.html>

- **Thai gov't to be able to control mass rally: FM**

The Thai government will be able to control a mass rally, Foreign Minister Kasit Piromya said here on Tuesday. Kasit met with about 100 persons, including foreign ambassadors to Thailand, representatives from international organizations and foreign chamber of commerces ahead of the mass rally to be staged on March 14, according to Thai News Agency.

Speaking after the meeting, Kasit said he informed them that the Thai government with security measures will be able to maintain law and order both for the Thai and foreign people.

Also, the ministry has already established a center to provide information concerning the political situation for foreigners living in Thailand, he said, adding that the center will answer any question concerning the actual situation. The rally by the anti-government United front for Democracy against Dictatorship (UDD) group will start from March 12 when the UDD or red-shirted supporters from the countryside will travel to capital Bangkok.

In the morning on March 14, the UDD protesters will stage their mass rally at Sanam Luang, the open field and public square in the center of Bangkok. It is also reported that a scattered rally is planned at ten separated places in capital Bangkok by the UDD protesters during the mass rally. Their political demand includes resignation of the coalition government or the House dissolution paving the way for a new general election.

<http://english.people.com.cn/90001/90777/90851/6913916.html>

- **50,000 troops deployed ahead of Bangkok rally**

Thai officers and riot gear are seen at a checkpoint on a highway in Ayutthaya province, 80km north of Bangkok. Thai authorities have deployed 50,000 troops on the streets of Bangkok ahead of rallies by anti-government protesters that they fear could turn violent, the deputy prime minister said. The demonstrations by the so-called "Red Shirts", who support fugitive former premier Thaksin Shinawatra, begins today - two weeks after the kingdom's top court confiscated \$1.4bn of the tycoon's assets.

Deputy Prime Minister Suthep Thaugsuban, who is overseeing the security operation, said that "full deployment" began yesterday of 30,000 soldiers, 10,000 police and 10,000 civilian volunteer forces. "If protesters intrude into army bases or police stations, the government will use armed force to crack down immediately, as we consider them terrorists," he told reporters.

The government has invoked a tough internal security act that allows it to call out troops, impose curfews and ban gatherings.

Checkpoints are being set up in and around the city of Bangkok to search protesters for weapons as they arrive from the provinces, mainly their strongholds in the rural north.

The Reds, who resent what they see as an elitist and undemocratic government, say they expect up to 600,000 people to attend the main rally on Sunday but insist it will be peaceful. The government estimates that closer to 100,000 will turn up.

Prime Minister Abhisit Vejjajiva warned on Wednesday that there could be “sabotage”, while Thailand’s main airport, which was besieged by protesters in 2008, said it had made contingency plans for the rallies. The Stock Exchange of Thailand (SET) said it too had prepared measures to ensure that trading was not affected between March 12 and 15.

Thirty-three countries have issued some form of warning to visitors to the kingdom because of the protests, a spokesman for the Tourism Authority of Thailand told AFP.

Britain’s Foreign and Commonwealth Office described the Thai political situation as “volatile” in the latest statement on its website.

“Attacks could be indiscriminate, including in places frequented by expatriates and foreign travellers. You should exercise caution at all times,” it said.

Thaksin, who made his fortune in telecommunications, has been egging on his supporters via text messages, videolink and his Twitter page from self-imposed exile in Dubai, where he is living to avoid a jail term for graft.

The Reds have held a string of protests since another court decision removed Thaksin’s allies from government and brought Abhisit to power in December 2008, after a blockade of Bangkok’s airports by rival, royalist “Yellow Shirts”.

<http://www.gulf->

[times.com/site/topics/article.asp?cu_no=2&item_no=348112&version=1&template_id=45&parent_id=25](http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=348112&version=1&template_id=45&parent_id=25)

- **Cambodia Says Rumour On Presence Of Thaksin Is Untrue**

The Cambodian government said Saturday that the rumors that have spread on the presence of former Thai Prime Minister Thaksin Shinawatra in the country were "untrue", reports China's Xinhua news agency. Foreign Ministry's Spokesman Koy Kuong said that as of Saturday, Cambodia has received no information that Thaksin is planning to come to Cambodia. He said since Friday afternoon, following reports from the Thai press many, inquiries were asked on the presence of Thaksin in Cambodia.

Prak Sokhon, secretary of state of the Council of Ministers and minister attaches to Prime Minister Hun Sen, and who was in charge of facilitations for Thaksin's previous trips to Cambodia, also denied the reports.

Chavanond Intarakomalyasut, secretary to Foreign Minister Kasit Piromya, floated news through Thai press that Thaksin had landed by private jet in Cambodia's Siem Reap province. Thaksin had made several trips to Cambodia since he was appointed advisory role to the Cambodian government and personal advisor to Prime Minister Hun Sen on economic affairs last October.

<http://www.bernama.com/bernama/v5/newsworld.php?id=482218>

- **Economic Front**
- **Japan And Thailand To Jointly Develop Thai SMEs**

To mark the 120th anniversary of their diplomatic relations and the signing of an economic partnership agreement, Japan and Thailand have agreed to vigorous programme to jointly develop Thai small- and medium-size enterprises (SMEs).

Citing Thai Industry Minister Charnchai Chairungrueng on Wednesday, Thai News Agency reported that the countries had formed a sub-committee on cooperation in Thai-Japanese industries to supervise the development of Thai SMEs in five areas.

The areas are namely the development of personnel in the industrial sector, particularly the auto industry, in support of the policy to promote Thailand as the 'Detroit of Asia', upgrading of production technology, development of energy use for industries, expansion of marketing channels of SMEs, and cooperation in in countering pollution and environmental protection.

Meanwhile Industrial Promotion Department Director-General Arthit Vuthikaro said Thailand's projected economic growth of 3.5 to 4.5 per cent this year would help the industrial sector expand up to 7 to 8 per cent. Thailand's SMEs are forecast to grow 5 per cent since purchasing power had increased upon the greater demand for consumer products.

However, he warned, some SMEs, which failed to adjust themselves, might be affected by the ASEAN Free Trade Area Agreement (AFTA).

Under the current economic conditions, he projected that some 15 to 18 per cent of newly-established SMEs would be commercially viable.

<http://www.bernama.com/bernama/v5/newsworld.php?id=477524>

- **Free trade, when it suits**

Search giant Google, which in January threatened to ax its China-based unit if the government in Beijing did not let the company present searches without self-censoring the results, has found backing in the Barack Obama administration, which has shown an inclination to take China's Internet censorship to the World Trade Organization (WTO) as an unfair barrier to trade.

Beijing's policies on the Internet have come under the scrutiny of the US Trade

Representative's office, which is consulting with industry groups that claim China's web restrictions discriminate against US Internet companies and online commerce. By forcing companies to filter their content, China is effectively favoring domestic businesses, in violation of commitments made when China joined the WTO in 2001.

The Computer and Communications Industry Association (which includes Google, Microsoft, eBay and Red Hat) and the California-based First Amendment Coalition, a non-governmental organization supporting free speech, argue that China's web filtering and firewall rules are not applied in an impartial and uniform way.

Even if the WTO considered the issue it would be unlikely to come to a finding in the near term, if at all. Internet censorship is not technically a violation of the WTO, according to Warren Maruyama, a former general counsel of the US Trade Representative's office. The move, however, is a shrewd strategy that other countries may follow if they are considering doing business with China that involves the Internet, which in today's world is just about everything.

Industry

Google's plans to roll out "fiber-to-the-home" broadband connections of up to 1 gigabit to select cities across the US have prompted the mayor of Topeka, Kansas, to rename the town Google. Cities wishing to be involved in Google's high-speed link-up have until March 26 to inform the company of their interest. Naturally the name change will not be a permanent fixture; it will revert to Topeka at the end of the month. It is possible, however, that other interested cities such as Michigan and Louisiana may attempt similar stunts in efforts to woo the Internet giant. Next week, look out for Mouseagain, Laptopana and maybe even LAN Angeles on the map.

The danger of having Google as your Internet Service Provider is that there will be no escaping the Big Brother of the Internet, no matter what e-mail provider, browser, social network or search engine you use.

Telecoms

Apple has getting out its big guns to take aim at Taiwanese handset-maker HTC. A lawsuit filed this week accuses HTC of infringing on 20 patents relating to the iPhone's user interface, architecture and hardware. The US company's chief executive, Steve Jobs, accused the company of theft and stated, "We think competition is healthy, but competitors should create their own original technology, not steal ours."

Relations between HTC and its partners in the US such as Google and Microsoft, which both run its software on their handsets, could be strained should the lawsuit go Apple's way. Carriers in the US may also take a more conservative stance with HTC products if there is a perceived risk of lawsuits. Apple is on the other end of a similar lawsuit in

which Finnish phonemaker Nokia has accused it of infringing on its own patents. Apple has made a counter-claim of its own.

This muscle-flexing over intellectual property is, as we know, bad news for consumers, whose choices will inevitably diminish as a result of corporate grappling.

Hardware

Nvidia is pushing the graphics processing boundaries to the limit with its new Ion 2 platform for netbooks. The technology is expected to boost graphics performance and battery life up to 10 times when used in conjunction with its Optimus power management system.

The discrete Ion graphics processing unit (GPU) with dedicated memory attaches to the Intel Atom processor already in place and delivers rich HD media in games, movies and Internet-based video. The system will bring netbook performance closer to conventional laptops and an array of new machines is expected to be launched in the next few months from all the big players, including Acer, Asus and Lenovo.

Gaming

Digital entertainment companies are joining forces to crack down on piracy and illegal downloading of their products, but their measures could punish legitimate gamers. Ubisoft, the France-based company that has produced top titles such as Far Cry, Assassin's Creed and the Tom Clancy shooter series, announced that it will be removing its unpopular and intrusive digital rights management system in favor of forcing gamers to be online while they play. This will no doubt discourage the millions of potential consumers out there that are not blessed with high-speed Internet connections.

Sony has taken a step further by demanding hard cash from its customers, so if you buy a second-hand game, borrow one from a friend or even rent it, you'll have to give Sony an additional US\$20 to play it. Nintendo is approaching the problem with brute force and scare tactics, with a recent case landing an Australian gamer with a US\$1.5 million fine for uploading Super Mario Bros for the Wii before its launch.

<http://www.newsnow.co.uk/h/World+News/Asia/Thailand/Economy>

- **Social Front**
- **Environmental Front**

Philippine

- **Political Front**
- **Philippines election: Doubts arise over electronic voting machines**

New computerized electronic voting machines are meant to prevent fraud in Philippines election in May. But in tests, the voting machines rejected ballots and failed to connect to the cell phone networks to transmit results.

Concerns are rising that the use of electronic voting machines in the May Philippines election, meant to prevent vote-rigging, could fail due to technical problems and end up threatening rather than reinforcing the credibility of the ballot.

Glitches in the new system could lead to an inaccurate vote count or to manipulation, in a country where election fraud has occurred before and undermined stability. The incumbent, President Gloria Macapagal-Arroyo, was accused of cheating in the 2004 election. She denies this, but has been beset by coup plots and impeachment attempts. In 1986 accusations of fraud led to the overthrow of President Ferdinand Marcos. A survey conducted in January by respected pollster Pulse Asia found that 48 percent of Filipinos expect the May 10 national elections to be clean and the results to be credible. Fifty-four percent “expect trouble” if they are not.

“The feared consequences include, first, public unrest fomented by high expectations that the replacement of the manual system would do away with widespread fraud and, second, such an unrest could give reasons to President Gloria Macapagal Arroyo to declare a failure of elections, allowing her to hold on to office beyond the expiration of her term in June,” says Philippine Daily Inquirer political analyst Amando Doronila.

Speeding up the vote count The old system, in which votes were counted by hand, often took weeks to produce definitive results - and opened the door to fraud claims. “The antiquated manual system has been a breeding ground of election cheating because prolonged delays in announcing official results has offered opportunities for altering results,” says Mr. Doronila. A law passed in 2007 mandated that the vote-counting must be automated for the presidential, congressional, and local elections scheduled for May 10. The Commission on Elections (Comelec) has contracted a Venezuelan company, Smartmatic, to set up a computerized system that will count the votes as they are cast. The company’s vote-counting machines have been used in elections in Venezuela and Curacao.

The new ballot lists the candidates for president and up to 31 other national or local positions. (With the old ballot, the voter had to write down the names of his preferred candidates.) The voter must fill in blank ovals beside the names of his preferences, then feed the ballot into a counting machine, which tallies the votes and encrypts the results.

<http://www.csmonitor.com/World/Asia-Pacific/2010/0309/Philippines-election-Doubts-arise-over-electronic-voting-machines>.

- **No Muslim peace accord**

PHILIPPINE President Gloria Arroyo will not be able to achieve her aim of ending a decades-old Muslim rebellion before she steps down in June, the government's top peace negotiator said on Tuesday.

Mrs Arroyo has backed years of tortuous negotiations in between outbursts of violence in the southern Philippines, but a 'comprehensive compact' that she had wanted is beyond her reach, negotiator Rafael Seguis told AFP.

'A final peace treaty under this present administration will not be possible for obvious reasons,' Mr Seguis said. He said demands made by the Moro Islamic Liberation Front (MILF) negotiators 'will require legislative action or constitutional changes'.

Congress has already adjourned ahead of the May 10 elections, when 50 million Filipino voters are due to elect a successor to Mrs Arroyo and candidates for thousands of other, lower posts. Parliament is due to sit again only on the last Monday of July, when the new president will make his or her traditional 'State of the Nation' address to lay out the new administration's key policies.

However, the 12,000-member MILF had already said after the end of the last round of talks in Malaysia last week that the two sides remained 'deadlocked,' and that it was not looking to sign any permanent deal with Mrs Arroyo. Nevertheless, Mr Seguis said the peace process was not dead in the water, stressing that the government would continue peace talks with the rebels in Kuala Lumpur.

In the absence of a final peace treaty, he said the Arroyo government was aiming for an 'interim peace agreement' with the MILF. He said an interim accord would preserve terms that had been agreed so far between the two sides, chiefly a ceasefire and conflict resolution mechanisms. -- AF

http://www.straitstimes.com/BreakingNews/SEAsia/Story/STIStory_499954.html

- **Filipino leaders urge US teams to monitor polls**

Filipino-American leaders are asking the US government to send top-level election monitors to the May 10 elections in the Philippines amid concerns that the Southeast Asian nation's first automated elections are being rigged to fail.

Loida Nicolas Lewis, the chairman emeritus of National Federation of Filipino-American Associations (NAFFAA), said that a "worrying mix of events" prompted their group to ask the State Department and Capitol Hill to send observers to the May national elections, similar to what happened in the 1986 snap elections. "The coming elections are crucial to Philippine democracy, and we're hoping the presence of international monitor teams, including from the US, would somehow discourage those who may want to mess the process up," she said by phone from New York City. Lewis, a highly respected businesswoman based in New York City, cited what she called disturbing events that could jeopardize the elections, including power outages, delays in the printing of ballots and President Gloria Arroyo's decision to surround herself with generals loyal to her. "All these developments, taken together, are warning signs that Filipino voters could be

disenfranchised in the elections,” she said.

Lewis, a known supporter of Liberal Party standard-bearer Sen. Benigno “Noynoy” Aquino 3rd, added that their request for US election monitoring teams would benefit no particular candidate but all candidates who want fair and honest elections.

She cited the positive reaction of Secretary of State Hillary Clinton when she personally handed the top US official a letter on Wednesday (Thursday in Manila) detailing their concerns over the Philippine polls. “Once she [Clinton] had the paper in her hand, her face changed and she said, ‘I will take this seriously.’ She said it three times,” Lewis said, describing Clinton’s favorable reaction.

The letter was signed by Lewis and other prominent leaders of the ethnic Filipino community in the US.

The leaders enjoined overseas Filipinos, who want democracy to flourish in the country, to let their voices be heard and remain extra vigilant about plots to rig the May 10 elections. “The United States will never condone and never accept a president that is not expressive of the will of the Filipino people. Let us be reminded that the whole world will be watching this,” said Marlon Pecson, the vice chairman of NAFFAA’s National Election Commission.

- **Economic Front**
- **Economic policies of Philippine presidential hopefuls**

Aquino, a first-time senator, has vowed to go after tax evaders and big smugglers, a campaign he hopes would collect 150 billion pesos (\$3.3 billion) and raise the government's tax efficiency rate by 2 percentage points from the current level of around 13 percent.

He said he would strengthen an existing carrot-and-stick mechanism at the country's two main tax agencies to raise the Philippines' perennially weak revenues and push for higher salaries for these agencies to prevent workers from resorting to corrupt practices. Aquino told Reuters last month he may consider raising taxes if elected if it was clear the budget shortfall was unlikely to be cut quickly by anti-evasion and anti-smuggling measures.

He said he would streamline fiscal incentives offered to investors, such as tax holidays, to bring in more revenues. Aquino's action plan for his first 100 days as president includes forming a group to review possible changes to constitutional provisions such as restrictions on foreign investment. The Philippine constitution was one of the most important legacies of his mother, democracy icon Corazon Aquino, during her term as president from 1986 to 1992.

His action plan also includes a "zero budgeting" measure, in which all major ticket items under the 1.541 trillion pesos (\$33.4 billion) 2010 spending budget will be re-examined

in a move aimed at getting back some of the 280 billion pesos lost to corruption in 2009. Aquino says he does not want to impose a tax on SMS text messages because it would directly hit the lower-income classes.

SENATOR MANUEL VILLAR

Villar said he cannot promise not to impose new taxes if he is elected president because the next administration would inherit empty coffers, but he vowed to plug tax leakages and spend public funds wisely and prudently. He hopes to increase the tax-to-GDP ratio to 17 percent, the peak recorded during the administration of former leader Fidel Ramos in the mid-1990s, but has not given details on how he would raise tax collection.

The property developer-turned politician also promised "zero tolerance" of graft and corruption, adding he would pursue smugglers and tax evaders. He said he would push for live broadcast of public bidding for infrastructure projects to make the process more transparent.

He said he would level the playing the field for investors by making clear-cut investment rules, and simplify current tax laws.

FORMER PRESIDENT JOSEPH ESTRADA

Estrada has promised not to impose new taxes and raise tax rates and even vowed to lower consumption taxes, but he did not give any details of his fiscal programme. Like other candidates, he has said he would focus on removing corruption in the revenue agencies. He vowed to overhaul these agencies and reshuffle key personnel in his first 100 days as president. Estrada's strategy for attracting foreign and domestic investment is to improve peace and order by defeating communist and Muslim rebellions and lowering crime such as kidnappings and robberies. He promised to spend more on agriculture and rehabilitation of badly needed infrastructure.

FORMER DEFENCE CHIEF GILBERTO TEODORO

Teodoro said he would avoid imposing new taxes but if such a move was necessary, he favoured raising consumption taxes from the current 12 percent to 15 percent. In exchange for a higher sales tax, he vowed to eventually lower personal income tax rates.

The former legislator and defence chief has promised to study an increase in the excise taxes on tobacco and alcohol and simplify tax administration. Teodoro, who topped the lawyers' licensure exams in the Philippines in 1989, said he would move the government's balanced budget target by a year to 2014 given the slow global economic recovery.

He also said the government may resort to more borrowing, if necessary, to fund its budget deficit. Teodoro said corruption could be reduced by strengthening a carrot-and-stick approach at the country's revenue agencies. He also vowed to jail oil smugglers and

tax evaders.

<http://www.reuters.com/article/idUSSGE62408W20100311?rpc=401&feedType=RSS&feedName=bondsNews&rpc=401>

- **Presidential move on power crisis**

Philippine President Gloria Macapagal Arroyo has declared a “state of calamity” on the southern island of Mindanao to address worsening power shortages in the resource-rich area, her senior adviser announced. The move is a response to daily brownouts of 5-8 hours that are hurting the local economy, presidential adviser for Mindanao Jesus Dureza said. Arroyo’s spokesman, Gary Olivar, said the declaration would allow local governments to tap their calamity funds to generate additional power supply.

Mindanao, the country’s food basket, is experiencing severe power shortages of more than 700MW due to the dry spell brought by the weather phenomenon El Nino, drying up dams that run hydropower plants. A month ago, the daily power shortage was less than 200MW.

Under a state of calamity, the government can hasten deals to deliver electricity, such as leasing generation sets, transferring power barges and tapping power supply generated by private firms.

“This declaration will take effect soon until July, when the rains come and we expect the hydropower plants to generate the necessary electricity there,” Olivar added.

Agriculture is being hit hard by a dry spell that has resulted in farm losses amounting around 7bn pesos (\$152mn) as of last month, the government had said.

<http://www.gulf->

[times.com/site/topics/article.asp?cu_no=2&item_no=348111&version=1&template_id=45&parent_id=25](http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=348111&version=1&template_id=45&parent_id=25)

- **Elections in the Philippines**

RIGGED elections and the instability they create have been the bane of the Philippines for much of its democratic history. Filipinos are fervently hoping that the computerisation of the vote-counting in May’s presidential, congressional and local elections will solve the problem. But faith in the technology is less fervent. Many fear it is no solution.

In past elections voters had to write down the names of their preferences for up to 32 national or local positions on blank ballot forms. Their votes were tallied by hand at the precinct, municipal, provincial and finally national levels. Definitive results could take weeks to emerge, giving ample opportunity for vote-padding and shaving. Vote-rigging by President Ferdinand Marcos led to his downfall in 1986. The incumbent president, Gloria Macapagal Arroyo, has had a shaky grip on power since she was accused of rigging her election in 2004.

This year the candidates' names will be printed on the ballot forms, and voters must ink in ovals beside their choices. They then have to feed the forms into machines that count the votes and transmit the totals—usually through public wireless networks—to central servers. The Commission on Elections (Comelec) expects definitive results in 48 hours. Comelec's supplier, a Venezuelan-owned company, says the system cannot be hacked. But Comelec tests have shown that the machines often reject ballots, and sometimes fail to connect to the servers. An opinion poll found that most voters do not know how the system works. Many could be bewildered by a ballot 60cm-long, printed on both sides. Noynoy Aquino, a senator whom opinion polls make the favourite in the presidential election, has spoken darkly of a plot to “affect the outcome”, but gave no details. Comelec has said it is investigating reports that 5,000 wireless signal-jammers have been illegally imported. It says it is ready, if there are breakdowns, to count up to 30% of the vote by hand. But manipulation of a lower share may be enough to sway the expected close contest between Mr Aquino and another senator, Manny Villar. Other politicians have voiced fears that a disputed result might leave a power vacuum, which could be filled by the armed forces or by Mrs Arroyo's staying on. Computerisation is meant to reinforce stability, but might even have the opposite effect.

http://www.economist.com/world/asia/displaystory.cfm?story_id=15675618&fsrc=rss

Social Front

- **Mindanao now under state of calamity**

President Gloria Arroyo on Thursday placed Mindanao under a state of calamity as the region continued to reel from the effects of the El Niño weather phenomenon.

Defense Secretary and National Disaster Coordinating Council (NDCC) Chairman Norberto Gonzales proposed to President Arroyo on Wednesday the declaration of the state of calamity in Mindanao to counter the effects of El Niño in the region.

Earlier, the President said that she would adopt a recommendation of Energy Secretary Angelo Reyes to declare a power crisis in the southern region, a move that would allow the government to contract additional power sources for Mindanao. Congress has to approve the recommendation. During a press conference on Thursday, Malacañang deputy spokesman Gary Olivar emphasized the “immediacy” of coming up with solutions to the power crisis in Mindanao, which is dependent on hydroelectric for much of its power needs.

Early measures

Gonzales said that the business sector in Mindanao has adopted earlier proposals to address the power crisis in the region, like leasing power generation sets.

Another measure that was proposed for businesses in Mindanao is for manufacturing

firms to operate during “off-peak” hours from 10 p.m. to 5 a.m., which was strongly opposed by workers and manufacturers.

“Even though there has been resistance among workers in Mindanao’s business sector, I can say that they [business sector] are in favor of it,” Olivar said noting that the scheme is better than closing down plants. The power deficiency in Mindanao remains at a high level, specifically a 650-megawatt shortage as against peak demand of 1,447 megawatts, because of the reduced capacity of hydroelectric facilities in the region. Water elevation of hydro power plants in Mindanao is still below critical level. Lake Lanao is at 699.02 meters, which is below the critical level of 699.15 meters. With Mindanao under a state of calamity, local governments in affected areas can use their calamity funds, which make up five percent of their yearly budgets. Meanwhile, the Palace dismissed as speculations that there would be a failure of elections because of the power situation in the country. “These speculations are simply unfounded, they have no foundation,” Olivar said. He called for a deeper understanding of the term “failure of elections” before making a judgment. “It’s so easy to talk about failure of elections, yet no one defines it,” Olivar said.

Luzon power stabilizes

The limited power supply and skyrocketing electricity rates in the Luzon grid are expected to ease with the completion of maintenance works at the Malampaya natural gas platform in offshore Palawan.

The National Grid Corporation of the Philippines (NGCP), the country’s power transmission utility and system operator, said that the Malampaya facility is now available to provide fuel to three natural gas-fed power plants, which have a total capacity of 2,700 megawatts. The additional supply will help augment the Luzon grid’s power supply, which has been unreliable since the start of the year because of the unavailability of a number of plants and increasing demand.

The Malampaya, which is run by a consortium led by Shell Philippines Exploration B.V., has been under scheduled maintenance shutdown since February.

Prior to the natural gas field’s recommencing of operations on Thursday, the National Grid said that the Luzon grid suffered a supply deficiency of about 29 megawatts, which resulted in power interruptions between 1 p.m. and 2 p.m. in parts of the island.

<http://www.manilatimes.net/index.php/top-stories/13189-mindanao-now-under-state-of-calamity>

- **Environmental front**
- **Thailand tackles environment**

Thailand's biggest foreign investors have learned to live with a lot in recent years,

including mass protests, airport closures and persistent rumblings about military coups. But now there is another issue that has companies such as Ford Motor Co. and a host of petrochemical firms wondering if they should be putting their money somewhere else: the government's struggle to deal with tough new environmental regulation.

In September, a Thai court sided with the country's growing green movement and suspended \$12 billion in investments on Thailand's industrial eastern seaboard—the world's eighth-largest petrochemical hub—until their environmental impact can be properly assessed. The move caught the government by surprise, and leaders worry the injunction could shave half a percentage point off Thailand's expected 4%-5% growth rate this year.

The move also provided new evidence that environmental activists are gaining ground in parts of developing Asia after years of largely ineffective lobbying—a development that could further ramp up regulatory hurdles for large investors. Activists have likewise stepped up their lobbying in Indonesia, Vietnam and China over the past several years, at times pressuring their governments to slow or cancel environmentally sensitive projects.

Bangkok hopes to set up a new environmental-monitoring agency within five months to quickly assess and approve new projects and keep investment flowing into the country. But a growing number of companies, including many that aren't involved in the oil and chemical industries and have solid green credentials, now are becoming increasingly concerned about the changes and the uncertain regulatory environment they have created, and they want the investment crisis solved as soon as possible.

Ford is among them. It already exports vehicles to more than 50 countries from its Thai manufacturing plants. Last month, the company told *The Wall Street Journal* in a statement that it wasn't ready to commit to plans for a new passenger-car plant it is considering building, shocking Thai authorities who have counted on big investments from foreign auto makers to boost growth. Ford said there are "ongoing assessments" of its plans for the new car plant, and stressed that "a number of related factors must still come together before any decisions could be considered."

The Japanese Chamber of Commerce in Thailand, meanwhile, on Jan. 28 warned that some of its members were considering relocating to other countries if the problem drags on.

Munenori Yamada, president of Japan's External Trade Organization for South and Southeast Asia, told reporters in Bangkok in late February that the latest crisis is a bigger turn-off than Thailand's persistent political conflicts, which led to a military coup in 2006 and a siege of Bangkok's airports by antigovernment protesters in 2008. Some Japanese companies are already struggling financially as they absorb costs related to the

Map Ta Phut impasse, he said, and may seek financial support from the Thai government. Thai industrial conglomerates Siam Cement PCL and PTT PLC have warned the Map Ta Phut problems will weigh on earnings, with PTT saying its net profit could fall 5% in 2010 and more in 2011 if the suspensions remain in force. Siam Cement and PTT have both said they comply with international standards and will work with the government to resolve the problems at Map Ta Phut.

"The Thai activists are wielding an incredible hammer to effect change, and this is a real test to see whether the Thai government can put in place the right system of checks and balances," says Denny Larson, executive director of California-based Global Community Monitor, an environmental advocacy and community support group.

For decades, Thailand's industrial zones expanded unhindered by the kind of safeguards demanded by citizens in more developed countries such as the U.S. or in Europe. Residents affected by toxic spills or contaminated groundwater rarely took their grievances to the local authorities, and if they did, they were routinely ignored, although the Thai government says it follows international standards. It was the same in many of the developing world's high-growth zones.

In more recent years, environmental groups have forged stronger international links, emboldening local activists. International pressure from environmentalists and some governments, meanwhile, has helped speed up some countries' efforts to reduce carbon emissions, while some authoritarian countries are growing more nervous about nascent green movements. In Vietnam, for instance, young activists have joined forces with aging war heroes to oppose a Chinese-backed bauxite mine, though the project appears likely to continue. In Thailand's Map Ta Phut region, one of the key players in the transition toward stricter environmental oversight is a durian farmer named Suthi Atchasai.

He says he has noticed his durian orchard on the outskirts of the Map Ta Phut industrial zone deliver a smaller yield of the spiky, pungent fruit in recent years—something he suspected was related to growth of petrochemical businesses in the area. Thailand's National Cancer Institute in 2003 recorded bladder, breast, liver, throat and blood cancers rates in the area that were the highest in the country—something that activists and medical experts say could be attributable to the heavy pollution levels in the area.

Then, in 2005, the government diverted water away from Mr. Suthi's orchard toward water-hungry businesses in the industrial zone. It was the final straw. Mr. Suthi joined forces with environmental activists and a lawyer, Srisuwan Janya, to build a case forcing Thailand's government to live up to a commitment to clean air and water that it had written into its constitution.

They won. Sixty-four projects at the Map Ta Phut site valued at around \$8 billion are still

on hold after Thailand's Administrative Court initially suspended 76. Last month, the same court said building work at nine more projects could go ahead. In the meantime, local activists now are looking at starting legal action to suspend 181 other projects across Thailand. "The Map Ta Phut case is a small step forward to ensuring that there are real community rights in Thailand. Not just lip service, but something real and concrete," says Mr. Suthi, 33 years old.

Taking a stand against some of Thailand's most powerful business interests and the politicians who protect them was—and still is—a potentially dangerous course of action, activists say. In an interview with *The Wall Street Journal*, Mr. Suthi said that when he was preparing to file his lawsuit two years ago, 10 men came to his house to warn him to back down. He wasn't there, but they left a message with his mother and 4-year-old son to tell him to stop. Mr. Suthi said his mother told him to keep going.

On Jan. 18, Mr. Suthi informed police in Map Ta Phut that people were attempting to intimidate or trick other residents into withdrawing their names from the lawsuit—something that might hurt the activists' plans to pursue other cases—but declined to say who he thought was behind it. Police acknowledged receiving Mr. Suthi's complaint, and his account couldn't be independently verified.

"There's an underground movement trying to divide us—but we won't let them," he says. http://online.wsj.com/article/SB30001424052748704182004575056421383885014.html#mod=todays_asia_page_one

Cambodia

- **Political Front**
- **Cambodia learns lessons of its bloody history**

As a six-year-old, he saw Pol Pot's army roll into his village in Cambodia's scrappy southern countryside. Fascinated by the rare sight of a car, he trundled up to a tyre as the men stood distracted, unscrewed the cap and let out a hiss of air. Moments later he was dragged and bound, set, like many others, for death by bludgeoning.

"They tied my arms behind my back and stuffed me in a sack. I'm lucky that one of the neighborhood women begged with them for so long that they let me go," Bin Cheat says with a laugh. Many older Cambodians remember the brutality of the Khmer Rouge. Up to two million people were killed through executions, starvation and forced labour as the ultra-communist regime attempted to create an agrarian utopia, while erasing the history and memory of a people. For younger generations of children, that forgetting has continued, with the four years of the Khmer Rouge regime left off the school curriculum.

Only now, after years of debate, are teachers like Bin Cheat tentatively beginning to explain Cambodia's full history. The process is delicate and painful, as former Khmer

Rouge are spread throughout society, from Prime Minister Hun Sen downwards.

Key to that process is a new textbook for high school students, *A History of Democratic Kampuchea (1975-1979)*, produced by the Documentation Centre of Cambodia (DC-CAM), a non-profit organisation given the task of recording the history of the genocide.

Other books teach the history up until the Khmer Rouge's rise in 1975 and then fall silent, only to pick up the thread long after the overthrow of the Khmer Rouge in a Vietnamese invasion, explains DC-CAM director Youk Chhang. The one concession granted over the years was a single photo of a seated Pol Pot, accompanied by a brief description of his regime and its genocide. "I believe in prosecution to reach full forgiveness. But at the same time, for the future, to move beyond the Khmer Rouge, one way to prevent (such things from recurring) is to teach the children," Youk Chhang says.

Conceived in 1996, the idea for the book received only limited in-principle support from the government in 2004 and began being taught in a small number of schools at the end of last year. The plan is to have a million Khmer-language editions of the books in schools by the end of the year, being taught by 3200 teachers.

Re-engaging with the issue is proving a challenge. Of the country's 14 million people, only five million were alive during Khmer Rouge rule. The government of Hun Sen, a former Khmer Rouge cadre who defected to Vietnam and rose to the country's leadership after the regime's 1979 fall, has been at best a reluctant participant in efforts to bring former regime leaders to justice. "The Khmer Rouge aren't just in the government, trust me. They are in the opposition, the NGOs, the private sector, everywhere," he says. "In the classroom I can assure you that at least 30 per cent are the children of former Khmer Rouge, another 70 per cent are the children of the victims." Among these 3000 teachers I can assure you almost 25 to 30 per cent are former Khmer Rouge themselves. "This is a broken society, it is a fragile society, so I think you have to live for the future, commit for the future, teach for the future." At Bin Cheat's school in Kampong Trach near the southern border with Vietnam, amid a landscape of red earth and lonely palm trees and sheer hills, the Khmer Rouge's shadow stretches longer than in most places.

Throughout the 1990s, Khmer Rouge rebels fighting the government in Phnom Penh lingered in the nearby hills, periodically sweeping down to abduct officials, including local teachers, and holding them for ransoms of rice, food and fuel. Those who were not ransomed were killed.

The students here respond blankly to questions of this recent history.

Ny Pagnavuth, 17, says he heard stories of the Khmer Rouge when he was growing up, including vague tales of an uncle and aunt killed. But he knew little of how the Khmer

Rouge came to power or why they did what they did, and was shocked to hear the broader story in class."I was surprised and I felt it was strange. Why did the regime empty out Phnom Penh? Cities are where industry and the economy grows," he says.

<http://www.theaustralian.com.au/news/world/cambodia-learns-lessons-of-its-bloody-history/story-e6frg6so-1225840209892>

- **Cambodia parliament passes controversial anti-corruption bill**

The Cambodian parliament [official website] passed a controversial anti-corruption bill Wednesday meant to further transparency in government while opposition parties staged a walkout, saying the new law would stifle criticism and foster corruption. The law will create a national anti-corruption council to oversee investigators, but critics have said that the lack of independence from the government is troubling. Members of the opposition Sam Rainsy Party (SRP) [party website] and foreign NGOs criticized [Phnom Penh Post report] the law because it could potentially punish whistle blowers with prison terms, and does not require government officials and their spouses to disclose their assets. The UN mission in Cambodia [official website] released a statement [text] tentatively supporting the bill but calling on the government to allow more time for public debate.

Transparency International (TI) [advocacy website] has criticized Cambodian corruption, and the country is ranked [TI corruption index] near the top of the list of most corrupt countries in the world. Last year, the UN cut off funding for the Extraordinary Chambers in the Courts of Cambodia [official website], a court set up to prosecute Khmer Rouge officials, after it was accused of corruption [JURIST report] through a kick-back scheme. The UN and Cambodian officials later failed to reach an agreement on a system to monitor corruption [JURIST report] and the court had to rely on international donations [JURIST report] to make up for the shortfall.

<http://jurist.law.pitt.edu/paperchase/2010/03/cambodia-parliament-passes.php>

- **Cambodia passes anti-graft law**

The ruling Cambodian People's Party made the law public just one week ago, before announcing that it would be put to parliament

The ruling Cambodian People's Party made the law public just one week ago, before announcing that it would be put to parliament. Cambodia's parliament has approved a controversial anti-corruption law, more than 15 years after the legislation was first proposed. Cambodia is consistently ranked as one of the most corrupt countries in the world and the government has repeatedly come under fire from foreign donors and activists over its apparent unwillingness to tackle the problem.

The opposition Sam Rainsy Party staged a walkout during the vote on the bill, angered by the limited timeframe for debating the law and the government's decision to ignore its

proposed amendments. SRP legislator Son Chhay says this is a law that will foster corruption, not punish it. "I believe it is a bad day for the country," he said.

"We are waiting for so long to have a law, a system, a mechanism that can be used to fight corruption. We have at least 45 percent of the population are living below the poverty line, and we have a handful of families who become billionaires in this country while there are so many starving. So it is a very, very, very hard time at the moment for the country."

The ruling Cambodian People's Party made the law public just one week ago, before announcing that it would be put to parliament, which the ruling party controls, on Wednesday.

The new law includes provisions forcing politicians, military personnel, police, judges, and civil servants must disclose their wealth to the anti-corruption body. Yong Kim Eng, from the Coalition for Integrity and Social Accountability, a collection of anti-corruption civil society groups, says a key flaw is that the anti-corruption bodies established under this law will be staffed by appointees of the ruling party, and will report directly to the prime minister. "We want to have enough independence that this body can take action, can reduce the corruption in Cambodia," he said. "We cannot say good day or bad day right now. But we wait to see the implementation, the law enforcement, and the process of recruitment of the people to work in the Supreme National Council and the anti-corruption unit."

<http://www.radioaustralianews.net.au/stories/201003/2844056.htm?>

- **Geo-Strategic Front**
- **Economic Front**
- **Tourism recovery begins**

Passengers disembark after a flight last year at Phnom Penh airport. Flight arrivals rose 4.75 percent year on year in January.

FIGURES released by the Ministry of Tourism Thursday suggested Cambodian tourism is starting to recover after a difficult 2009, as total visitors rose an annualised 6.36 percent in January, which included a nearly 5 percent increase in all-important air arrivals. Data also showed a dramatic rise in tourists from Cambodia's two main sources – South Korea and Vietnam – capping a steady upswing from a low base at the start of 2009, the period in which the Kingdom was hit hardest by the global economic crisis. Although overall arrivals climbed 1.7 percent in 2009, air arrivals dropped 10.3 percent, official figures showed. "We have already received the impact from the crisis. And now it is over, so the sector is on the way to recovery," Kong Sophearak, director of the Statistics and Tourism Information Department, said Thursday. South Korean visitors led

the spike in air arrivals, reclaiming the top spot with a 39 percent rise in travellers to the Kingdom over second-placed Vietnam, almost all of whose visitors come overland, with a 22 percent increase in arrivals. South Korean Airlines Asiana, which suspended flights to Siem Reap from Incheon for nearly three months ahead of the tourism high season at the end of last year, saw full loads on its flights four times per week in January to Cambodia's main tourism hub, Nhim Kimny, the airlines sales and marketing supervisor, said Thursday. Those full loads extended into February, she said, but the real test will once again be at the height of the low season come midyear – flights in January and February were similarly full last year, she added.

“It's [South Koreans'] holiday period now,” Nhim Kimny said.

Most countries among the top 10 sources of visitors to the Kingdom saw more tourists travel in January compared with last year, including Japan (2.6 percent more), whose economy has struggled to recover from the crisis with just a 0.9 percent official rise in GDP in the last quarter. Australia sent 8 percent more tourists, and visitors from Taiwan increased by 41 percent.

The United States, the number three visitor to Cambodia, saw tourists drop 10 percent, while China saw an unexpected 20 percent fall in tourists to the Kingdom, a surprise given its booming economy and recent high demand for overseas travel as disposable incomes climb and restrictions on foreign holidays are eased.

Overall, however, analysts said the figures were positive, and that a firm recovery would likely take hold throughout the remainder of 2010. “This year, we are confident of increasing tourism arrivals to Cambodia because the country has an advantageous relationship between quality and price, good customer service and a diversity of offers,” said Mohan Gunti, an adviser to the Cambodian Association of Travel Agents. “There is so much to see in Cambodia.” Phnom Penh International Airport saw arrivals rise 7.56 percent in January year on year, Thursday's figures showed, while Siem Reap arrivals climbed just 2.73 percent. However, Sihanoukville Airport has still not confirmed any flights since renovation was finished at the end of last year. Asian carriers are expected to post profit of US\$900 million in 2010, reversing losses of US\$2.7 billion in 2009, as the International Association of Travel Agents on Thursday halved its loss forecast for the global airline industry to \$2.8 billion on the back of an Asian-led recovery, AFP reported. In terms of a Cambodian forecast for the overall industry, Kong Sophearak said Thursday he expected 3-7 percent growth this year. “The sector is in a good position now,” he said. Mohan said efforts to attract foreign tourists through attractive packages and affordable prices supported by accommodation partners and travel operators would form the strategy

for the remainder of 2010.

“All these factors and more will definitely boost the growing tourism industry,” he told the Post.

<http://www.phnompenhpost.com/index.php/2010031233563/Business/tourism-recovery-begins.html>

- **Businessmen back graft law but doubt it will be enforced**

BUSINESS leaders expressed optimism regarding the potential effectiveness of Cambodia’s anticorruption law to stave off graft within the private sector, as the long-awaited legislation was passed Thursday.

Though there was little mention of business regulations in the law, which was 15 years in the making, Article 19 declares that a soon-to-be-formed Anticorruption Committee will have the power to command any public or private figure to disclose personal financial information. Kith Meng, president of Phnom Penh’s Chamber of Commerce and CEO of the Royal Group, one of Cambodia’s most prominent conglomerates, said Wednesday that passing the bill is a sign that the government is dedicated to combating corruption in the Kingdom, which would produce positive results for the private sector. “With more transparency, the private sector will become more open for foreign investors from all over the world. It will ultimately be a good thing for the private sector and a good thing for the country,” he said, adding that he was not concerned about the law’s lack of material regarding the business community.

Stephen Higgins, CEO of ANZ Royal bank, added Wednesday: “Anything that improves transparency is a good thing for business.” The Kingdom’s business leaders share an air of optimism about the new law, which they view as a promising sign of change; however, some believe that other concerns will need to be addressed for Cambodia’s economy to reach its full potential.

Khaou Phallaboth, president of Khaou Chuly Group, a conglomerate with holdings in Cambodia’s agricultural and construction sectors, said Thursday: “It is good news for all of Cambodia, but for businesses, corruption is not the most important point.

“The most important concerns are political stability and investment regulations, so [that] a business climate that provides incentives for all kinds of investors can exist.” Marc Faber, a Hong Kong-based economic analyst and head of the investment advisory and fund-management firm Marc Faber Group, expressed mixed feelings on the new legislation in an email Thursday. Faber said that the law is not likely to have an impact on the private sector because it will probably not be rigidly enforced. However, he agreed that Cambodia is set for further economic development. “I have no doubt that it will improve. I am very optimistic about the prospects of Cambodia,” he wrote.

Corruption ingrained

Earlier this week, a survey of business executives found that Cambodia was perceived as the second-most corrupt country among 16 nations in the wider Asia-Pacific region. The survey was carried out by the Political and Economical Risk Consultancy (PERC) and examined both domestic political and social risks.

Bob Broadfoot, managing director of the PERC, said Wednesday ahead of the law's being finalised: Passing the law "is a step in the right direction, but I don't think any businessperson in Phnom Penh thinks corruption is going to be immediately fixed."

Transparency International's annual Corruption Perception Index for 2009, assigned Cambodia a score of two – with one being the most corrupt and 10 being the least – in a survey of 180 countries across the world.

<http://www.phnompenhpost.com/index.php/2010031233558/Business/businessmen-back-graft-law-but-doubt-it-will-be-enforced.html>

- **Sudanese interested in farming investment**

SUDAN has expressed an interest in investing in Cambodian agriculture, the spokesman for Prime Minister Hun Sen said Thursday.

Eang Sophalleth told reporters after a meeting between the Kingdom's premier and the Sudanese Special Envoy and Vice Minister of Foreign Affairs Ali Ahmet Karti Mohamed, that the African nation is interested in making investments in Cambodia. "Sudan wants to boost cooperation between the two countries," Eang Sophalleth quoted Ali Ahmet Karti Mohamed as saying. In response, Hun Sen welcomed any kind of investment from Sudan, particularly in the agricultural sector, he added.

His spokesman added that Hun Sen told Sudan's delegation that Cambodia used to export rice to Sudan and has sent military personnel there as part of the United Nations Peacekeeping programme. Sudan is among a number of countries that have recently expressed their interest in investing in Cambodian agriculture. Chan Tong Yves, secretary of state at the Ministry of Agriculture, Forestry and Fisheries (MAFF), said the United Arab Emirates, Kuwait and Qatar have all visited the Kingdom in recent months to discuss involvement in the sector.

According to a MAFF report, 912,275 hectares of economic land concessions have been given to 65 domestic and foreign private companies since August 2007. The government has also voided deals with 37 companies involving 332,240 hectares of land because they did not follow agreements or a master implementation plan.

- **Social Front**

- **New report highlights violence against women in Cambodia**

Survivors of rape in Cambodia face limited access to justice, medical services and

counselling, Amnesty International says in a report issued today, as rapes of women and girls appear to be increasing.

Sexual violence in Cambodia, issued to mark International Women's Day, exposes how corruption and discrimination within the police and courts prevent survivors of rape from receiving justice and the assistance they require, while most perpetrators go unpunished.

"Dozens of survivors told us that they face extortion, ignorance and disbelief from officials whose job it should be to assist them and protect their rights," said Donna Guest, Amnesty International's Asia-Pacific Deputy Director. "For too many survivors of rape, the pursuit of justice and medical support adds further distress to the initial abuse," she added. Amnesty researchers found sex workers and women living in poverty faced serious obstacles in seeking justice and medical services. They were unable to pay bribes which were often required of them from the police and others, and could not afford legal or medical services.

The report includes 30 interviews with women and girls aged between 10 and 40. The family of a 19 year-old girl with a learning disability explained how police officers ignored their complaint when Mony was raped in late 2009.

"The police only work if you have money, if you can pay. With around 100,000 riels [approx 25 US\$] perhaps we could have secured an arrest, but we don't have that," said her father.

He said that Mony lived in constant fear of the perpetrator, who remained at large. The family also struggled to afford the medicine she needed, and described transportation costs to court and police as very difficult. Cambodian society, like many around the world, exhibits deeply engrained gender discrimination that stigmatises survivors of sexual assaults, while perpetrators, who mostly remain at large, face limited, if any, sanction.

"With the lack of social support towards victims, it is crucial that the government breaks the silence and publicly condemns sexual violence, to show that it will not tolerate such serious crimes and to acknowledge the pain of the survivors," said Donna Guest.

With a new Penal Code entering into force in late 2010, Amnesty International calls on the Cambodian government to firmly address inadequate law enforcement, extra-judicial settlements, weak prosecution and widespread corruption in cases of suspected sexual violence. Amnesty International has also urged the government to train and equip the police, utilise female police officers, and allocate necessary budgets so that they can investigate allegations of crimes promptly, professionally and sensitively.

Data provided by police and NGOs indicates that incidents of rape are increasing in

Cambodia, but the extent of the increase is hidden by a lack of monitoring and limited reporting and coordination of statistics. Authorities should accurately obtain such information and use it to inform policy and plans of action. “Cambodia has made important inroads into tackling gender-discrimination, with a focus on domestic violence and human trafficking,” Donna Guest said. “It is time the government incorporated sexual violence against women into these categories to address its failure to meet the human rights obligations under the Convention for the Elimination of Discrimination Against Women.” The 60-page report presents extensive research and recommendations to reverse increasing sexual violence against women. The analysis was released as part of Amnesty International’s global campaign to Stop Violence against Women.

<http://www.ekklesia.co.uk/node/11450>

Singapore

- **Political Front**
- **MM Lee visiting United Kingdom from March 9 to 12**

Minister Mentor Lee Kuan Yew will be visiting the United Kingdom from March 9 to 12. The Prime Minister's Office said that during his visit, he will meet government and business leaders.

They include First Secretary of State and Secretary of State for Business, Innovation and Skills Lord Peter Mandelson, Chancellor of the Exchequer Alistair Darling and former prime minister Tony Blair.

<http://www.channelnewsasia.com/stories/singaporelocalnews/view/1042293/1/.html>

- **Amendments to Constitution, Parliamentary & Presidential elections to be tabled Thursday**

Ministers will table three amendment Bills related to the General Election and Presidential Election in Parliament on Thursday.

Deputy Prime Minister Wong Kan Seng will move amendments to the Constitution of the Republic of Singapore, while Law Minister K Shanmugam will table amendments to the Parliamentary Elections Act and Presidential Elections Act. These come in the wake of two key announcements - the increase in the number of single-member seats from the current nine to 12, and a cooling-off day after the campaigning period, before Singaporeans cast their votes.

<http://www.channelnewsasia.com/stories/singaporelocalnews/view/1042787/1/.html>

- **Economic Front**
- **Economists raise 2010 growth outlook for Singapore to 6.5%**

Economists have upped their growth outlook for Singapore as the city-state's key industries continue to rebound from last year's recession, according to a central bank poll.

The Monetary Authority of Singapore's survey of 20 private-sector economists showed they expected average growth of 6.5 per cent this year, higher than the previous forecast of 5.5 per cent in December. The economists also raised their outlook for the island-state's major industries including manufacturing, which is now predicted to expand an annual 9.7 per cent this year - higher than the previous forecast of 6.3 per cent.

Wholesale and retail trade is seen growing 8.4 per cent instead of 7.0 per cent while construction is tipped to expand 8.9 per cent, from a previous projection of 7.1 per cent.

The government in February upgraded its 2010 economic growth outlook to 4.5-6.5 per cent from 3.0-5.0 per cent. Singapore's economy contracted 2.0 per cent last year due to the global economic downturn. But it has managed to pull out of recession and rebounded strongly. Improving global trade and continued consumption by major Asian markets like China spurred a rapid recovery in the beginning of this year.

Song Seng Wun, regional economist at CIMB-GK Research, said: "We see a very strong start to the year for the manufacturing sector, led by the pharmaceuticals sector, as well as a firmer contribution from the tech sector itself. So, collectively it looks like we're off to a very strong start for the year, and for the first quarter. Indeed the first-half performance may lift the overall figures for the full year itself."

Private-sector economists surveyed by the central bank said they expected GDP growth of 9.5 per cent for the first quarter. Sector-wise, they said the long-term prospects for the financial services sector remain strong although it is expected to lag behind the others in the first quarter. David Cohen, director of Asian economic forecasting at Action Economics, said: "Those numbers can fluctuate quarter on quarter, and as far as the financial services, the outlook is still bright in the long term. The fact that the stock market has bounced back nicely from a year ago should help support investment activity."

As for 2011, GDP growth estimates for Singapore came in at 5.5 percent. Experts said the lower expectation is the result of the inventory restocking cycle being over, and concerns over the pace of recovery in the more developed OECD economies.

http://www.channelnewsasia.com/stories/afp_singapore_business/view/1042662/1/.html

- **EU wants to develop regulatory environment for greater access of complex products**

Singapore and the European Union have completed their first round of negotiations on a free trade agreement. EU said its top concern is to develop a regulatory environment for greater market access of complex products.

But it added that it will not compromise standards in order to create more trade

opportunities. The EU said the negotiations are centered on levelling the playing field with local investors rather than just lowering tariffs.

One key area it wants to see moving forward is the certification of highly complex products. This will allow companies to easily move their products between Singapore and the EU without the regimes that drive up business costs. Rupert Schlegelmilch, chief negotiator, European Union, said: "It's really the regulatory environment that we can freely market our goods without any red tape in Europe and in Singapore." "Here we talk about all the things that impact our companies. We talk about technical regulations, customs measures, consumer safety issues which might hold up trade. So, that is quite forward looking." According to the EU, the discussions also include providing the best possible investment rules and a stable and predictable environment in the long term. Rupert Schlegelmilch added: "Sustainable development is a theme where we want to make sure that our efforts to attract investments and trade are not a downward spiral for labour and environment conditions." "We just have to make sure that we don't have to lower our standards in EU and in Singapore in order to create more trade." EU is hoping that the free trade agreement will lead to similar pacts with countries in the region such as Vietnam. The second round of talks with Singapore is expected to take place at the end of May in Brussels.

<http://www.channelnewsasia.com/stories/singaporebusinessnews/view/1043250/1/.html>

- **HIV testing, treatment in S'pore should be free: Nobel laureate**

When French virologist Françoise Barre-Sinoussi co-discovered the Human Immunodeficiency Virus (HIV), little did she expect that 27 years later, stigma would be one of the biggest obstacles that patients would face, and worse - that many would not have access to treatment. Today, despite the progress made in research, about 60 per cent of HIV-infected patients are still not treated. "I'm very furious," said the 2008 Nobel Prize of Medicine winner. "I'm furious also to see that people are discriminated (against)."

The self-described "scientist-activist" also lamented that "we will not reach the (global) objective of universal access to treatment by 2010". In Singapore's case, "the stigma, the fact that they (people) have to pay everything, it's the worst condition for stimulating people to be tested and treated", said Professor Barre-Sinoussi.

Prof Barre-Sinoussi, who was at the Biopolis last week to share her latest research findings on natural protection against Aids, said she was initially impressed with Singapore's "wonderful facilities". "Then, I rebalanced my positive view," she said. Singapore's proportion of new HIV cases - there were 456 in 2008 and 423 in 2007 - to the general population is "a little more" compared to France, said the research director. Throw in "stigma and discrimination" - the No 1 barrier to tackling HIV/Aids - and the

figures are probably under-reported, she said. "Coming from a country (France) where everything is free, this is difficult to accept," she added. "HIV, like cancer, is a very severe deadly disease and should be considered as 100 per cent free for patients," she stressed. When contacted, the Ministry of Health (MOH) agreed that the stigma of HIV was "still prevalent" here.

It is working to encourage greater acceptance of people with HIV. But MOH pointed out that unlike France, where the state-funded healthcare system "means a higher tax burden", Singapore's approach of "heavy Government subsidies and co-payment" allowed for affordable healthcare without heavy taxes. "Like all other patients, HIV/Aids patients have access to subsidised ... care," said MOH. Patients here can use Medisave and Medifund. HIV prevalence among Singapore residents is "similar" to other developed nations, said MOH. It was about 0.1 to 0.2 per cent last year, while UNAIDS 2008 figures showed France's HIV prevalence at 0.4 per cent. MOH said it had "expected" that more HIV-infected people would be discovered as MOH encouraged testing. Over half of 2008's new cases had late-stage HIV infection. But what is the cost to the economy when young people who should be working die, asked Prof Barre-Sinoussi, suggesting that Singapore conduct studies to determine the cost. "The answer (in similar studies) was clearly in favour of access to free treatment," she said. Action for Aids' executive director Lionel Lee said free treatment subjects the healthcare system to abuses and "may not translate to long-term economic benefits" because of the side effects of HIV medication. For now, the "test and treat" concept on trial in some countries is "very attractive" to Prof Barre-Sinoussi.

It aggressively tests for HIV, and promptly treats those infected with anti-retroviral drugs. Patients are much less likely to transmit the disease, and reports say this approach could halt the HIV epidemic by 2040. But it would be complicated to apply this concept universally because of, for instance, stigma, said Prof Barre-Sinoussi. The next step is to ensure access to treatment in developing countries, she said.

But Prof Barre-Sinoussi is "very sceptical" that the virus will be conquered in this lifetime because "it's almost impossible" to eliminate all the HIV-infected cells. Researchers are working at developing a vaccine to suppress HIV replication, she said, as this will delay the development of Aids and reduce transmission.

Research has found a group of "elite controllers" - under 0.3 per cent of the HIV-infected - who have developed a "natural protection" against the development of Aids, and they are "fine, without any treatment," she said. Her views on HIV have come a long way since the virus was first discovered in 1983. Prof Barre-Sinoussi said her confidence then in treating HIV was "so naive". She and her fellow researchers only started realising the

"magnitude of the epidemic" in 1986, when an African colleague had sought help for his country during a conference, at the risk of being thrown in jail.

<http://www.channelnewsasia.com/stories/singaporelocalnews/view/1042172/1/.html>

- **Economic recovery likely to spur more financing needs by SMEs: Stanchart**

The ongoing economic recovery will likely spur more financing needs by small- and medium-sized enterprises (SMEs) in Singapore this year.

According to Standard Chartered Bank, the growth will be led by businesses supporting the two integrated resorts. At an industry conference on Tuesday, the lender also said it is expecting to see healthy loan growth across the region.

This is despite possible interest rate hikes by central banks across Asia. Phang Yew Kiat, GM, SME Banking (Singapore & Malaysia), Standard Chartered Bank, said: "I think 2010, we see the economy generally across Asia registering a very healthy strength of growth. Many of them have a very decent percentage of GDP growth." "So with the level of economic activity happening, we can see a trend of higher financing needs compared to 2009 when there was an element especially in Q1 and Q2. There was a general trend of uncertainty. So when there was volatile, uncertainty the companies tend to have less need for financing."

<http://www.channelnewsasia.com/stories/singaporebusinessnews/view/1042527/1/.html>

- **Social Front**
- **Environmental Front**

Laos

- **Political Front**
- **Political System of the Lao PDR**

The political structure of the Lao PDR includes the Lao People's Revolutionary Party (LPRP), the government of the Lao PDR, the Lao Front for National Construction and mass organisations along with mechanisms, rules and regulations.

Established on 22 March 1955, the LPRP led people of all ethnic groups to fight against the imperialist invaders and to gain the great victory on 2 December 1975. Since then the Party has continued leading the people to carry out the historical tasks on national defence and development, and restoring the people's democracy by moving toward socialism step by step. The Party aims to make the country rich and strong, to help people improve their living conditions and society to be prosperous and moral.

<http://www.kplnet.net/english/news/newsrecord/05.03.2010/edn7.htm>

- **Geo-strategic**
- **Economic Front**
- **Lao , Singapore businessmen network to collaborate in businesses**

Members of the Lao National Chamber of Commerce and Industry met Singapore business representatives from 18 companies, logistics, agriculture and trade, to network and find business opportunities when they were on a business mission to the Lao PDR from March 2 to 5. The Business Mission to the Lao PDR was organised by the Singapore Business Federation, ASEAN Business Group, International Enterprise Singapore and Container Depot Association Singapore.

The Singaporean businessmen were bent on identifying new businesses and investment opportunities in the Lao PDR, especially in trading, logistics and agriculture. They also gave a high priority to networking with key government agencies, local business leaders and business associations in order to know the latest updates on Lao PDR's economic and investment policies.

We hope to increase the business to business interactions between Singapore and Lao companies. We brought a delegation of 21 business people from 18 different companies to come over to Laos to look for business opportunities and to collaborate with Lao businessmen," said Mr. Kow Juan Tiang, Group Director, Southeast Asia Division and International Operations Group, International Enterprise Singapore. Ms. Sengdavone Bang-onesengdet, LNCCI Deputy Secretary, said such a form of business matching is very useful for Lao businesses, enabling them to gain knowledge on new techniques and experiences from the experienced and savvy Singapore businessmen.

Over the years there were quite a few business missions from Singapore to the Lao PDR but this mission was a big one. Whenever we have business networking sessions with our counterparts from overseas, we explored new businesses and pondered on how to introduce them to Laos said Ms. Sengdavone Bang-onesengdet, deputy secretary, LNCCI.

Mr. Kow Juan Tiang explained that Singapore had accumulated extensive experiences and expertise in logistics, trading and other areas so that its businessmen would be able to add value and assist Lao businesses in these particular areas. He added that through networking, Lao and Singapore businessmen would be able to understand one another's businesses and then they could collaborate in business ventures. According to the latest half annual report from the World Bank, the Lao economy had performed well and the GDP growth rate reached 6.4 percent in 2009, the second highest in the East Asia region after China. This push factor could attract interest from foreign countries to invest in Laos, said the deputy secretary of LNCCI.

<http://www.kplnet.net/english/news/newsrecord/09.03.2010/edn3.htm>

- **Rubber latex plant breaks ground in Laos**

The construction of a rubber latex producing plant with an annual capacity of 15,000

tonnes broke ground in Pakse district, Champassak province, Laos on March 10.

Prominent among the guests at the ground-breaking ceremony were Champassak province's Deputy Governor Somsanit Bouttivong, Vietnam's Consul General in Laos Bui Quang Hoang and other high-ranking officials of the two countries. Located in the material area of Vietnam-Laos Rubber Joint Stock Company, the 13-hectare plant, the first of its kind in this Laos's southernmost province, will be built at a cost of 68 billion VND (roughly 3.6 million USD) and equipped with modern and comprehensive facilities to ensure high-quality products. It is expected to be operational within seven months and provide its first products by the end of this year. Addressing the ceremony, Somsanit Bouttivong said the project helps create more jobs for ethnic people in the province, contributing to poverty reduction and economic development in the province in particular and in Laos in general. The project not only exemplifies fruitful cooperation between the company and the Lao province but also contributes to bolstering friendship between the two countries, he said.

<http://www.kplnet.net/english/news/edn6.htm>

- **Vietnam, biggest foreign investor in Laos in 2009**

Vietnam was the biggest foreign investor in Laos in 2009 with 48 projects valued at 1.5 billion U.

S. dollars, the Lao newspaper Vientiane Times reported Tuesday.

So far this year, Vietnam continues to be the leading foreign investor in Laos, said Khamla Nakkhavong, Vice President of the Vietnam Cooperation and Investment Business Association in Laos of the Lao National Chamber of Commerce and Industry, the body that assembles all Vietnamese companies that are doing business in Laos. Vietnam's investment is not only poured into projects of hydropower, mining and industrial crop plantations but has also been expanding into telecoms, finance, banking and insurance, said Khamla. Lao investment environment in the past few years has become more attractive, offering more incentives for foreign investors.

<http://www.tmcnet.com/submit/2010/03/09/4663554.html>

- **Lao-Thai SME fair opens**

The Small and Medium Enterprises (SME) Fair 2010 opened on Wednesday and will run until 7 March at the Lao International Trade Exhibition and Convention Centre (Lao-ITECC), under the slogan "SME Capacity Building: win for ASEAN market. The exhibition was sponsored by the Small and Medium Enterprises Office of Thailand and the Lao-Thai Business Chamber.

The main objective of the SME fair is to improve entrepreneurship and expand SME market to international market in the future. This is the second time we hold SME fair

after our first one in Luang Prabang receive good feedback from businesses, said Director General of Office of Small and Medium Enterprises of Thailand, Mr. Yuthasak Supasorn. The fair will provide opportunity for Lao and Thai SME entrepreneurs, he said. Deputy Minister of Industry and Commerce, Ms. Khemmany Pholsena said at the opening ceremony on Wednesday that the SME promotion was very important because it contributed to the improvement of living condition of the Lao people and the national economic growth.

- **The fair features around 300 booths of Lao and Thai entrepreneurs.**

Goods and products were displayed and on sales at the fair, including household utensils, consumer goods and food products. Deputy President of the Lao National Chamber of Commerce and Industry, Mr. Sanan Chounlamany, Deputy Minister of Industry and Commerce, Ms. Khemmany Pholsena, Ambassador of Thailand to Laos, Mr. Wiboon Khusakul, Director General of Office of Small and Medium Enterprises of Thailand, Mr. Yuttasak Supasorn and representatives of relevant sectors were present at the <http://www.kplnet.net/english/news/newsrecord/04.03.2010/edn4.htm>

- **Social Front**

- **Job Fair for the disabled**

The Ministry of Labour and Social Welfare would stage a three-day job fair for disabled people, in the National Culture Hall, from 10 to 12 March, with the objectives of developing the disabled people in Laos, giving them a sense of dignity and integrating them into society.

This was said by the Deputy Head of the Office of the Ministry of Labour and Social Welfare, Mr Phetsavang Sounnalath during a meeting on holding this job fair in Vientiane on 3 March. Mr Phetsavang Sounnalath said that one of the aims of this job fair was to get the government and private companies to recruit the disabled to become members of their work force. From now till the day of the job fair we would be advertising in the various media platforms to get such companies to attend this event, □ said Mr Phetsavang. Another aspect of this job fair, he added, would be to get the disabled people from all over the country to register. At least 20 companies are expected to be at this event. Provision of work for the disabled would be based on two conditions, that the company provides them with comfortable working conditions and that the disabled are happy with such conditions and put in their level best.

This job fair will be jointly funded by Japan and ASEAN. They have been funding such fairs in Laos, Vietnam, Cambodia and Myanmar since 2007-2008.

<http://www.kplnet.net/english/news/newsrecord/03.03.2010/edn2.htm>

- **Government has a special policy for Hmong people**

The governor of Vientiane province, Mr Khammeung Phongthady said the local authority of Vientiane province would be relocating a group of Hmong people from Phagnaeng Tay village, Saysomboune district to Feuang district.

He also said to the Deputy Standing President of the Lao Front for National Construction, Mr Tong Yeutho, last week, that some Hmong people had to be relocated because of the construction of the Nam-Ngum II dam and the government would compensate them.

In his clarification about the socio-economic development of Laos, Mr Tong said that it was part of the Party-State policy to provide jobs and land and at the same time to consolidate small villages into larger villages, particularly the villages that are affected by government projects. He said that the Party and government had a special policy for the Hmong people, especially on housing and land for farming.

Mr Tong urged the Hmong people who would be relocated to Feuang district to realise the importance of building their family economy, to strive for good living conditions and to care for the national security

<http://www.kplnet.net/english/news/newsrecord/03.03.2010/edn4.htm>

Vietnam

- **Political Front**
- **Economic Front**
- **Indonesia, Vietnam seek extra diesel supplies**

Indonesia and Vietnam are looking to buy more diesel in April. Tightening of Asian supplies could narrow the east-west price gap that affects arbitrage flows to the US west coast.

Indonesia could be looking to import 3.2mn bl of 0.35pc sulphur diesel in April, including 800,000 bl from the spot market during 6-23 April.

Larger than expected spot import requirements from Vietnam have also boosted the market. Vietnamese state-owned importer Petrolimex issued a tender to buy around 860,000 bl of 0.05 or 0.25pc diesel for end-March/early April loading. Its last tender for mid-March loading was only for 140,000 bl of either grade.

The increased Vietnamese requirements point to another problem at the country's 145,000 b/d Dung Quat refinery, which has been hit by a series of problems since its start-up in February last year. Prompt supplies of Bach Ho crude have already been offered for April loading by state-owned marketer PVOil, with most of the grade's output normally reserved as feedstock for the refinery.

- **Vietnam's Corruption Fight To Focus On Seven Areas In 2010**

Provinces and cities in Vietnam should take drastic measures to further the fight against corruption, focusing on seven major fields in 2010, according to Vietnam news agency.

The seven target areas namely land use, taxation, mineral resource management, personnel recruitment and appointment, capital construction, addressing complaints and petitions relating to corruption, and handling important cases relating to the problem as well as the equitisation of State-owned enterprises. Citing Chief of the Office of the Central Steering Committee for Corruption Prevention Vu Tien Chien said the committee will coordinate with relevant agencies to strictly settle major corruption cases of public concerns, helping create positive changes in each area.

<http://www.bernama.com/bernama/v5/newsworld.php?id=482274>

- **Vietnam's development investment to rise 12.3 pct**

Vietnam's total development investment is set to increase 12.3 percent from 2009 to VND791 trillion (US\$41.4 billion) this year, a government official said Thursday.

The total investment will be equal to 41 percent of the country's gross domestic product, Minister of Planning and Investment Vo Hong Phuc said during a video conference on construction investment.

Investment from the state budget, government loans and bond proceeds will account for 30 percent of the total number while the rest will come from foreign investors, local businesses and other sources, he said. Most of this year's government bond proceeds will be allocated to infrastructure, healthcare and education projects, Phuc said. Prime Minister Nguyen Tan Dung told the conference that infrastructure construction is a priority for the country this year. It's important that capital is raised and used effectively so that the country can achieve its social and economic development targets, he said. Dung also asked the Ministry of Natural Resources and Environment to work with cities and provinces to speed up land clearance and support relocated residents.

<http://www.thanhniennews.com/2010/Pages/Development-investment-to-rise-12pct.aspx>

- **Social Front**
- **Environmental front**

Brunei

- **Economic Front**
- **Opportunities In The Land Of The Rising Sun**

More Bruneians are keen to take Japanese language courses because of the long-term benefits one can reap from mastering the language, said Minako Keaney, a Japanese language lecturer at Universiti Brunei Darussalam (UBD), yesterday.

"More and more students are now showing interest in the language. From my observations, the interest among Brunei youths in the language sparked from Japanese pop culture influence such as Manga (Japanese comic books), Anime (Japanese

animation) and video games," she told The Brunei Times.

Minako added that when the course started in UBD nine years ago, there were only as few as 20 students, but over the years the numbers have gradually increased. Today, about 100 students are studying Japanese language on campus.

"It is important for these students to learn Japanese for their careers, such as working in foreign affairs and for Japanese companies," Minako said, adding that there have never been more Japanese companies operating the Sultanate. She explained that some of her previous students are now working with Brunei Methanol Company (BMC), and some are in Japan pursuing their masters degrees in the language.

Andree Asmara Hj Abidin, a student studying in Japan but back home in the Sultanate on a semester break, said there are about 20 Bruneians, including himself, currently studying in Japan. Although they are few, the number is gradually increasing, he added.

"There are many benefits of learning to communicate in Japanese. Many people, particularly in Brunei today, have a love of Japanese culture through drama, literature and technology, and so learning the language helps to understand the culture more deeply. In fact, Japanese language isn't really as difficult as one might think," said the 32-year-old.

Andree said it was essential for people who intended to conduct business with Japanese to learn the language. "Culturally, the Japanese people are not very open to outsiders, but by being able to learn their language and culture, they are more willing to share their knowledge and ideas with you. This is beneficial for those looking for business opportunities in Japan," he said.

"Learning Japanese language and culture isn't just about being able to read Japanese books or understand Japanese films and dramas or to get around Tokyo. It benefits students in their career prospects, such as working for a Japanese firm in the Sultanate or abroad," said Mohd Afif Firdaus Hj Ghazali, a UBD undergraduate and member of the Japanese Culture Club. "In fact, having a knowledge in Japanese language and culture may benefit Bruneian students in terms of career opportunities in Japan as the country is seeking to import more foreign workers in the areas of business management and accounting," he added.

The fourth Japanese Language and Culture Week, held at UBD's Chancellor Hall since March 10, ends today. The event is co-organised by the Embassy of Japan and Universiti Brunei Darussalam (UBD) in an effort to develop a better understanding of Japanese culture among the public. The event, themed "Culture Fusion (Traditional and Modern)", showcases Japanese culture, both past and present, through its various booths and entertainment.

Among the highlights of this year's festival were the Japanese tea ceremony conducted by

a member of the Brunei-Japanese Association, a Wadaiko (Japanese drum) performance, a Bonodori performance, a Japanese cooking demonstration, a Cultural Arts in Clothing Trends Competition and an origami class.

- **Social Front**
- **Clean Bill On Rights**

The American State Department yesterday published its Human Rights Report for the year 2009, which for Brunei carried a mixed review of the human rights conditions that can be found, according to their assessment and observations, within the individual, civil, political and worker rights that have been stipulated in the Universal Declaration of Human Rights.

On the whole, the US report that was compiled by the US State Department's Bureau of Democracy, Human Rights and Labour found that among the human rights problems that it listed for Brunei were the "inability of citizens to change their government; arbitrary detention; limits on freedom of speech, press, assembly, and association; restrictions on religious freedom; discrimination against women; restricted labour rights; and exploitation of foreign workers".

With regard to their observations on 'respect for the integrity of the person' (human rights), the report stated that the country's "laws prohibit the mistreatment of prisoners" and "there were no reports of such mistreatment". However, it noted that "caning is mandatory for 42 criminal offences, and as of October, official statistics reported 184 persons caned, most commonly for drug-related offences and immigration violations", which were carried out in the presence of a doctor.

Speaking about prisons, "conditions generally met international standards". The reports stated, "There were 372 convicted persons and 14 persons awaiting trial". But it noted, "In January, four policemen were charged for culpable homicide not amounting to murder and voluntarily causing grievous hurt to Abdul Rahman Tan, who died in police custody".

The Royal Brunei Police Force received further mention, as well as the Internal Security Department, for being "considered free of major corrupt practices, although there were reports of petty corruption", and that "there were no reports of prosecution or conviction of police or military personnel for corruption".

On the Internal Security Act, it "permits the government to detain suspects without trial for renewable two-year periods ... information on detainees was made public only after their release". However, it allowed that "the government regularly convened an independent advisory board consisting of executive and judicial branch officials to review individual ISA detentions and recommend whether they should be renewed for an

additional two years". It cited "in January, foreign national Aji Ajak was released from detention under the ISA ... for his involvement in counterfeiting activities". It went on to point out that as of November, "the government confirmed there were no detainees being held under the ISA".

On the issue of 'denial of fair public trial', the US report found that "the courts appeared to act independently, and there were no known instances of government interference with the judiciary".

Civil courts were generally unbiased, the report also found, based on the fact that "individual government servants who act outside their authority resulting in a civil wrong may be subject to fines or prosecution". On the issue of 'official corruption and government transparency', it found that "there were reliable reports of corruption in the government" and cited several examples of the government successfully prosecuting a number of low-level officials, as well as the case of the former government minister, as well as six out of the 24 customs officers that were charged under the Prevention of Corruption Act.

On the issue of 'arbitrary interference with privacy, family, home or correspondence', the report cited statistics from the International Telecommunications Union for 2008, approximately 55 per cent of the country used the Internet and acknowledged that "the law permits government intrusion into the privacy of individual persons, families and homes", and that "the government monitored citizen's e-mails, cell phone messaging and Internet chat room exchanges believed to be subversive". Furthermore, it also noted that due to the country's Syariah Law, "during the year, 262 khalwat' (proximity) cases were reported". The report went on to state "there was anecdotal information that fear of government surveillance reduced the number of visitors to Internet forums".

On the issue of 'freedom of speech and press', the report noted: "The country's daily newspapers, the Borneo Bulletin and the Brunei Times, practised self-censorship" in which "letters to the editor often included comments critical of government handling of certain social, economic and environmental issues" where "on occasion, the government responded to public opinion on topics concerning social or environmental problems and the delay of public services".

Under 'academic freedom and cultural events', the report found "the government generally respected academic freedom, however, some researchers chose to publish under a pseudonym from overseas when they perceived that subject matter would not be well received".

Discrepancies that the US Human Rights report found on 'freedom of association' were that "in November 2008, the Registrar of Societies deregistered the Football Association

of Brunei for failing to submit annual general meeting reports for the previous two years" and that "a Brunei , political party maintained that government restrictions limited the party's , growth".

On the 'freedom of movement, internally displaced persons, protection .of refugees and stateless persons', the report found that "the law for freedom of movement" was "generally respected in practice". It mentioned that in September "the government introduced guidelines stating that no government officials may travel alone and non-related male and female officers may not travel together".

For stateless persons, it acknowledged that "according to unofficial sources, there were approximately 20,000 stateless persons in the country" and that "the birth of the Dusun and Iban indigenous groups living in rural areas were often not registered".

On the issue of 'discrimination, societal abuses and trafficking in persons', the human rights report found that "the police were generally responsive in the investigation of domestic violence" and that "during the year there were a total of 124 cases of spousal abuse reported".

On 'freedom of religion', the report stated that "in practice the government restricted non-Islamic religions and non-Shafi' i Islamic groups" and "used its internal security apparatus against persons it considered to be purveyors of radical Islam, non-Muslims who attempted to proselytise and religious groups that did not belong to the official religion". It went on to note that "there continued to be credible reports that certain Christian groups were denied permission to register or chose not to register out of the expectation that their applications would be rejected", as well as "occasionally denying entry to foreign clergy, banning the importation of religious teaching materials or scriptures and denying requests to expand or build new churches, temples, and shrines".

Muslims who wished to renounce their religion also faced "considerable difficulties". In 2009, the Ministry of Religious Affairs recorded four applications from Muslims wishing to renounce the religion and that the year before; the ministry sanctioned one renunciation of Islam. But as of July 2008, 653 persons had converted to Islam. Further in the report, it stated that private Christian schools were also not allowed to give Christian instruction to Christian students and that "during the year, the government warned Christian schools that they or their personnel could be fined or imprisoned for teaching non-Muslim religious subjects".

<http://www.brudirect.com/index.php/2010031217586/First-Stories/clean-bill-on-rights.html>

