

Report # 112
BUSINESS AND POLITICS IN THE MUSLIM WORLD
Turkey, GCC, Fertile Crescent, Central Asia, East Asia, South Asia, India & China
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Weekly Report from 20 March to 26 March 2010
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This report is based on the review of news items focusing on political, economic, social and geo-strategic developments in various regions namely; Turkey, GCC, Fertile Crescent, Central Asia, East Asia, South Asia, India & China from 20 March to 26 March 2010 as have been collected by interns.

TURKEY

Political Front:

After a long time, the New Year Nevruz has been celebrated peacefully in Turkey. Many analysts have claimed that government's democratic initiative has helped people to avoid demonstrations and to attend New Year celebrations calmly. As soon as the government introduced constitutional reforms a wave of criticism erupted in various circles of people. The most controversial issue proved to be the proposed amendments within judiciary that would increase administrative influence upon judiciary. The main opposition party i.e. Republican People's Party (CHP) has announced to oppose amendments package. The government however claimed that constitutional amendments would take country towards strengthening democracy and would make it easy for her to join EU. PM also condemned opposition parties for giving preference to their own privileges and interest over national interest. Meanwhile Turkey's top administrative court, has applied to the Constitutional Court to demand the overturning of a legal article that enables state institutions to hire temporary personnel. The Cage plan that is an alleged navy plot to undermine the Justice and Development Party (AK Party) by assassinating prominent non-Muslim figures in Turkey and putting the blame for the killings on the party; seems to be operationalized in various parts of Turkey.

Geo-strategic Front:

Ireland's President has reaffirmed his country's support for Turkey's EU accession process. Meanwhile Sweden has extended full support to Turkish government's effort to bring reforms in the country. EU's commissioner for enlargement claimed that Turkey has yet to reach a consensus in passing reforms necessary for EU accession. The Friends of Turkey informal parliamentary friendship group was established this week by 47 European Parliament members. President Abdullah Gül has dismissed further talks with the US administration on easing tensions over a congressional panel vote endorsing Armenian claims of genocide, saying the ball is in the US court now to work on ways to restore ties. Meanwhile Syria has offered to assist Turkey and Armenia to resolve their issues. Turkey has extended her support the efforts of all international organizations to solve Darfur problem. The Turkish Air Forces Command has confirmed that two Israeli fighter jets which flew over Turkey had been given official permission to do so after fulfilling certain conditions. All the while Turkey has asked Israel to abide by international law in Palestine. As far as Iranian issue is concerned Turkey has denied US

call to join economic sanctions against Iran and declared diplomatic ways to be a better option to deal with Iranian issue.

Economic Front:

World Bank has announced to lend 1.3\$ billion to Turkey. In a new energy plan for 2010-2014, Turkey plans to generate more of its own power, diversify natural gas suppliers, increase the amount of oil pumped to Turkey's oil hub of Ceyhan and begin the construction of a nuclear power plant. Turkish President has invited Irish business community to invest in his country. Trade links between Egypt and Turkey have been strengthening for the last few years.

Social Front:

An American Professor Carroll has appreciated Gulen Movement in her book on the basis of its teachings based on morals, freedom and responsibility. More than 40 people, including professional football players, have been detained on allegations of match fixing and manipulating football games.

GCC

Political Front:

A Kuwaiti conservative MP has been putting pressure on the government to ensure that the Open University would not tolerate mixed education. Hours before a crucial confidence vote by the Kuwaiti parliament in the information minister, Kuwaiti media speculated that most of the MPs would rally behind Sheikh Ahmad Al Abdullah. An issue of arrest of Bahrainian MP on the charges of money laundering grabbed attention of people belonging to civil society.

Geo-strategic Front:

Kuwaiti embassy in Washington has raised around \$2.1 million that would help her to build 60 schools and educate 20,000 people in Pakistan and Afghanistan. Kuwait has denied a media report claiming that it had instructed the interior ministry not to allow Iranian citizens to enter the country. In Bahrain, a society dedicated to resisting the normalization of ties with Israel has urged the upper chamber of the bicameral parliament to endorse a draft law to criminalize contacts with Israelis.

Economic Front:

Saudi shares gained points this week. Meanwhile the industrial cities development project has observed extensive growth. The United Arab Emirates, in a call made at the United Nations, has urged the international community to overcome political and financial obstacles that prevent full implementation of the 'Monterrey Consensus and Doha Declaration on Financing for Development'. Oman has made significant gains in cutting down on the flaring of natural gas.

Social Front:

A recent survey carried by Gallup indicated that most of Arabian young and educated people would prefer to leave their homelands on finding opportunity. In the meantime A recent survey showed that most of the people in the kingdom oppose Saudi women

working as housemaids. Prominent Saudi scholars slammed a recent call by another scholar to demolish the Al Haram Mosque and reconstruct it in a way that would prevent the mingling of men and women during circumambulation (Tawaf) and prayers. They agreed in unison that this was a ridiculous call by a scholar, who had no authority or jurisdiction to do so. A researcher has recently reported that 38 per cent of Saudis using Face book are women. The membership of Dubai Press Club (DPC) has expanded to include media professionals from all platforms, including broadcast and online media instead of only print, as part of its new initiative. A move by four Kuwaiti women to open a diwaniya (open house) for men and women in Al Jahra has sparked negative reaction among Kuwaitis.

A Yemeni court on Tuesday sentenced a leading member of a southern separatist movement to 10 years in prison, a move that could further heighten tensions between secessionists and the government. All the while Saudi state media has announced the arrest of over 100 members of Al Qaida cells that were plotting attacks on oil facilities in the kingdom.

Lastly, Oman's Deputy Prime Minister for the Council of Ministers, has underlined the need for efforts to address challenges facing the water sector in GCC states.

Fertile Crescent:

One hundred independent and opposition MPs held a joint press conference in front of the People's Assembly calling for the discussion of a new law they drafted which lays the foundations for the elections. Egypt's government has made draft to curtail various NGOs from monitoring elections. The 36 group however protested against the legislation. In a separate step, 100 opposition lawmakers introduced a bill of their own aimed at allowing free and transparent elections. With nearly 80 percent of the votes counted from Iraq's March 7 parliamentary elections, the main winners appear to be Prime Minister Nuri al-Maliki and challenger Iyad Allawi. But the two front-runners are neck and neck. The vote count so far shows Allawi's Al-Iraqiyah coalition narrowly ahead of Maliki's State of Law alliance by less than 9,000 votes. All international supervision has confirmed the soundness of the Iraqi elections. Meanwhile Iraqi President Jalal Talabani has issued a statement urging a recount in some areas of votes from the country's March 7 parliamentary elections. But Iraq's Independent High Election Commission rejected the idea. Tawheed Movement head and former minister reiterated calls for Lebanese President Michel Suleiman to resign.

Geo-strategic Front:

Egypt has strongly condemned Israel for its illegal and provocative measures in Jerusalem. Iran has congratulated Iraq for successfully holding elections. Lebanon and Jordan signed 16 agreements, protocols and memoranda of understanding in Beirut.

Economic Front:

The World Bank announced a \$300 million loan to Egypt to finance micro and small enterprises (MSEs). The Enhancing Access to Finance for Micro and Small Enterprises Project would boost job creation and economic growth in the poorest layers of Egyptian society. Iraq has agreed with Turkey to renew an accord to operate an oil pipeline from its northern oil fields near Kirkuk to the Turkish Mediterranean port of Ceyhan.

Meanwhile U.S. Secretary of State Hillary Clinton and Secretary of Defense Robert Gates have requested an extra \$37.5 billion from Congress to fund military and civilian operations in Afghanistan, Pakistan, and Iraq. Lebanon has been placed at number 8 among 36 upper-middle income countries included in the 2010 survey.

Social Front:

Egypt has banned calls via internet. One of the telephony firm *Skype* condemned Egyptian action. The Egyptian Center for Women's Rights (ECWR) demanded the immediate issuing of a law to combat discrimination in the country in order to secure "equality, citizenship and efficiency for all Egyptians. Transparency International reported that regulations and poor law enforcement are part of the problems in Egypt toward the fight against corruption. Workers at the influential Muslim website IslamOnline.net said that they would launch an alternative website where they could demonstrate their ability to separate what they call "editorial policies from money". In this regard they have also launched strike. Iraqi women have demonstrated against lack of security and public services. Lebanon has got high expectations about growth in tourism this year.

CENTRAL ASIA

Political Front:

Kazakh opposition parties, nongovernmental organizations, and both pro-government and opposition journalists have urged the country's leaders to quit the CIS Customs Union that unites Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan. Some of the closest allies of Kyrgyz President Bakiev have criticized his policies at a national assembly the president had gathered as a show of support for his government. Elections to the Upper Chamber of Parliament have been held this week.

Geo-strategic Front:

Armenian President recently said that Azerbaijani territory currently held by Armenian forces could be returned in exchange for security and self-determination for the disputed territory of Nagorno-Karabakh. Meanwhile Talks between Turkey and Azerbaijan over securing the Nabucco gas pipeline have stalled due to disagreements over Turkey's attempts to normalize relations with Armenia. Kazakhstan and Ukraine have discussed prospects for implementing joint space projects in a phone conversation. Turkmenistan and Tajikistan support peaceful resolution of problems in Afghanistan through political and diplomatic means and methods with the active involvement of the United Nations and its specialized institutions. The Tajik Foreign Ministry has summoned the Uzbek ambassador to hand over a protest note about blocked rail freight.

Economic Front:

The new Ukrainian government has announced her plan to restore transit of Kazakh crude oil via the Druzhba pipeline. In the meantime Kazakhstan has decided to increase uranium exports to Japan and boost its share on the Japanese uranium market to 40 percent from current 4 percent. CIS Statistics Committee has predicted an increase of 4% in Kyrgyz GDP this year. The forum of business circles of Uzbekistan and Oman was held at Tashkent's International Business Center on 23 March.

Social Front:

Nevruz has been celebrated in Central Asia with pomp. The U.S. Helsinki Commission has criticized a Baku court's rejection of appeals by two Azerbaijani bloggers against their prison sentences. Meanwhile an Azerbaijani opposition journalist jailed on what supporters say were politically motivated charges has been recently pardoned. Thousands of people have been evacuated from the flooded villages in Kazakhstan. All the while Oil workers in the southwestern Kazakh town have ended their strike that began two weeks ago. The chief editors of independent Kyrgyz media outlets gathered in Bishkek to discuss the establishment of a union to protect their rights. In the rating of the dirtiest cities in the world the capital of Kyrgyzstan – Bishkek city – took the 14th place. A car bomb was exploded in Tajikistan that injured a policeman.

EAST ASIA

Political Front:

Thousands of Indonesians rallied in the capital to protest Israel's plan to expand settlements in disputed east Jerusalem. Many Malaysians have started looking towards their PM for his new planes to run the government that he would declare soon. Thailand's prime minister offered to send government officials to hold talks with protesters trying to force him from power with massive demonstrations in the capital, but refused their demand to immediately call new elections. Red Shirt Protestors however rejected his offer and claimed that they would like to meet him directly. The organization responsible for setting up elections in the Philippines has issued a downbeat prediction of candidate behavior, including expected violence, in the run up to Election Day. The Cambodian government warned the United Nations Resident Coordinator to stop interfering in the internal affairs of the country or he would be expelled.

Economic Front:

Tensions at Thai political front have badly affected the country's economy. Recent protests have strongly damaged tourist industry in Thailand. Meanwhile in the past five years, China has become Cambodia's most important source of foreign investment: Cambodia has approved \$6 billion of Chinese investments since 2006, while China provided at least \$2 billion more in grant aid and loans. Meanwhile EU also seems keen to increase its imports of agricultural produce from Cambodia under its "Everything But Arms" trade initiative.

Social Front:

The Indonesian Constitutional Court has rejected a challenge to a controversial anti-pornography law. Critics challenged the bill for being too broad, discriminating against women, and targeting aspects of Indonesian tradition and culture, but the court rejected those arguments. Some areas of Indonesia, such as Bali, however have refused to enforce the law. Extensive growth in the number of tourists visiting Singapore has been witnessed in the last three months. The Philippines military and the rebel Moro Islamic Liberation Front have pledged to help repatriate about 60,000 internally displaced people in the southern province of Mindanao.

SOUTH ASIA

Political Front:

Bangladesh held its National Day celebration with great pomp and show. Many analysts claim that most of the Bangladeshi Muslim population would prefer to have a secular state yet a small group of Extremists Muslims would not accept it rather would put effort to destabilize their country. The former Maoist guerrillas began a war council of its top leaders here Friday to decide their future course of action following a public statement by Gyanendra that monarchy was not yet dead. Meanwhile a conflict of seniority has been reportedly seen among the Nepali Congress (NC) leaders following the death of erstwhile President Girija Prasad Koirala. The Srilankan Election Department has taken the decision to set up special polling centers for the detained LTTE cadres following a written request from them to the Election Commissioner asking for necessary facilities to exercise their right to vote at the upcoming parliamentary elections. Amidst international pressure Srilanka has asked for more time to settle the internally displaced persons (IDPs) due to infrastructural constraints and the danger of landmines at their original habitats. Sri Lanka Election Commissioner has approved ten local election watchdogs to monitor the upcoming general election. All the while Sri Lanka's main opposition United National Party has filed a writ application today (24) before the Court of Appeals challenging the conduct of the Elections Commissioner. All the while a Sri Lankan woman who converted from Buddhism to Islam has been arrested by the authorities on suspicion of anti-state activities.

Geo-strategic Front:

China has agreed to help finance \$8.7 billion deep-sea port in Bangladesh and set up road and rail links between the two countries. Myanmar has proposed drawing up of a new line to demarcate the maritime boundary with Bangladesh which is currently in talks with its western neighbor India on the sea border issue. India and Bhutan have signed Memorandum of Understanding to build Power projects in the later. Iran has formerly invited Sri Lankan President to attend the 'Group of 15' summit to be held in Teheran from 17 – 18 May 2010.

Economic Front:

President Mohamed Nasheed ratified the Tax Administration Bill that will put in place a broad tax regime in the country. Nepali currency weakened against US dollar this week, rendering imports expensive but raising income of exporters and remittance receivers. All the while negative trend in Nepali Stock Exchange has also been found. However improvement in Srilankan Stock exchange remained visible.

Social Front:

Five groups of ethnic minorities mainly Buddhists have demanded a probe into violence by Muslim settlers in the Chittagong Hill Tracts (CHT) in Bangladesh. They also demanded \$6,800 compensation for each affected family, reconstruction of damaged shrines and rehabilitation of the victims. The UN agency has asked Bangladesh to take quick action to combat arsenic contamination in water and food affecting at least 20 million people. The Maldives and La Compagnie Benjamin de Rothschild (CTBR) have agreed a strategic partnership to take-forward the country's pledge to become carbon

neutral by 2020. As Nepali government has yet to decide the official religion of the Republic hence some of the Hindu groups have started pressurizing ruling parties to reinstate Hinduism as Nepal's religion. Some of the extremist groups in Western Nepal even launched violent protests in favor of restoration of Hinduism as official religion of Nepal. Thirty Nepali cleaners have gone on strike at King Abdul-Aziz International Airport in Saudi Arabia over poor working conditions and unpaid wages. Despite the fact that services for TB patients in Nepal are still inadequate however mortality rate has dropped.

INDIA

Political Front:

Opposition has started criticizing 'Nuclear liability bill' before government's move to initiate debate over that in the parliament. The bill deals with the liabilities in case a nuclear mishap occurs. BJP also claimed that by signing such bill government would allow foreign private companies to enter Indian nuclear market.

A 48-hour band called by Maoists in seven States began on a violent note, with extremists blowing up a rail track between Midnapore and Godapiasal in West Bengal. The West Bengal government has started raising a counter-insurgency force to be trained by the elite Greyhounds force based in Andhra Pradesh for specializing in counter-guerrilla activities of Maoists active in certain parts of the State.

Geo-strategic Front:

The Indian Ministry of External Affairs has advised the government to walk out of the proposed Iran-Pakistan-India (IPI) gas pipeline but continue talks with Tehran for a deep-sea pipeline that avoids Pakistan. Meanwhile leader of Hürriyet Conference Mir Waiz Umer Farooq held meeting with Chinese Director of Foreign Affairs and discussed a possible Chinese role in resolving Kashmir issue.

Economic Front:

The Reserve Bank of India raised its key short-term lending and borrowing rates by 25 basis points each as part of its tight money policy to combat inflation. Overseas investors have infused a net 14,732 crore rupees in Indian stock markets in March, taking their total inflow so far in 2010 to nearly Rs 15,500 crore.

Social Front:

The chairman of the National Minorities Commission has asked the Centre to review its decision on allowing Tasleema Nasreen to stay in India; who used derogatory language for our Holy Prophet and his family's women. Meanwhile BJP president Nitin Gadkari stressed greatly on the need for a modern idiom to articulate Hindutva for the youth. The controversial Bill to bring about a ban on cow slaughter and draught cattle received approval of the Andhra Legislative Assembly amidst stiff resistance put up by the Opposition. All the while the Supreme Court in its special judgment permitted Andhra Pradesh to provide four per cent reservation in jobs and education for backward members of the Muslim community.

CHINA

Political Front:

Chinese PM has decided to set up supervision bodies at various levels in order to combat corruption. Meanwhile China's anti-corruption chief has urged to strengthen supervision within the Communist Party of China (CPC) by improving the system and practices of intra-Party inspection.

Geo-strategic Front:

Diplomatic exchanges have been taking place between Mainland China and Taiwan; that has been regarded as a positive move, by analysts. In the meantime, China has reacted angrily to Google's decision to stop censoring search results in the country and redirect users to a portal in Hong Kong. Furthermore China has donated 1 million U.S. dollars to quake-torn Chile. Chinese efforts to boost ties with Israel well as Russia also grabbed attention. Meanwhile growing relationship of China with South Africa, Egypt, Belarus, Namibia, Peru, Japan etc has also been observed.

Economic Front:

It is generally assumed that the transformation of China's economic growth pattern will provide new opportunities for the world economy. Chinese Premier urged all countries and companies not to start trade and currency wars, which would be harmful to the recovery of world economy.