Report # 117

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Turkey, GCC, Iran, Central Asia, East Asia, South Asia, India

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Weekly Report from 24 April to 30 April 2010

Presentation: 28 April 2010

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, Iran, Central Asia, East Asia, South Asia & India from 24 April to 30 April 2010 as have been collected by interns.

TURKEY

Political Front:

Government of Turkey has allowed Labor Union to celebrate May Day. Three Military officers who were suspected to be involved into Sledgehammer security operation plan have been released.

Geo-strategic Front:

Turkey has reiterated its commitment with diplomatic resolution of Iranian nuclear issue. Turkey, Iran, Iraq and Syria have launched cooperation on environment and meteorology. Israel has expressed serious concern regarding Turkey-Syrian Military Exercises. Meanwhile Turkey seems keen to enhance ties with Newzeland, Australia and Georgia.

Economic Front:

Azerbaijan has agreed to provide gas to Turkey at cheap prices. All the while inflation has increased in Turkey.

Social Front:

A Turkish prosecutor has rejected a demand to investigate the wives of the president and prime minister for wearing an Islamic headscarf at official functions etc. The US-based independent watchdog organization Freedom House has appreciated Turkish Press for being open and free yet claimed that it usually lacks news and focuses more on insignificant issues.

GCC

Political Front:

Yemeni Shia rebels have demanded release of 1,000 prisoners.

Geo-strategic Front:

Bahrain and Kuwait have expressed interest in enhancing ties with one another. Kuwait and the other member states of the Gulf Cooperation Council (GCC) have emphasized greatly on coordination in face of terrorism, possible nuclear threats and external aggression. The foreign minister of the United Arab Emirates has refused to back down

in the face of Iranian anger and repeated his call for Tehran to end its "occupation" of three islands in the Gulf. The GCC Secretary General has greatly admired the relation between GCC states and Russia. He further appreciated Russian efforts to urge Tehran to solve the problem of the three UAE islands currently occupied by Iran either through direct negotiations or international arbitration.

Economic Front:

Inflation rates remained low in Gulf countries. IMF has appreciated fiscal policies of Gulf countries to effectively counter economic crisis. Saudi Arabia's Ministry of Commerce & Industry and General Electric Company (GE) announced strategic partnership aimed at building sustainable economy through industrialization, research and education, and creating new jobs for Saudi nationals. The government of the Sultanate of Oman and the United Arab Emirates (UAE) have signed an agreement for electrical as part of the GCC power grid. The two sides have also signed technical agreements for the exchange of energy between the respective companies and authorities in both countries to benefit from the linkage project. Kuwait's crude oil exports to China have jumped 26.4 percent in March from a year earlier to 945,100 tons, equivalent to around 224, 000 barrels per day (bpd). Wind and solar power resources have been regarded as best possible means to cope with Bahrain's energy needs.

Social Front:

Kuwaiti women have called on the parliament and government to treat them equally to their male compatriots in accordance with the country's constitution. A human rights campaigner in Kuwait slammed the government's decision to rule out the introduction of a minimum wage for foreign workers.

CENTRAL ASIA

Political Front:

Police in the Azerbaijani capital detained dozens of opposition activists on their way to a rally outside the mayor's office. Kazakh authorities have refused to allow the People's Power political bloc to hold demonstrations on May 1. The former chief of staff of Kyrgyzstan's presidential office has been arrested. Kyrgyz interim regime has announced that it would allow Kyrgyz first president Askar Akaev to return from Russia. Kyrgyzstan's interim government has introduced a draft constitution that would alter the country's political system by giving more power to parliament while reducing the president's authority. Leaflets and compact discs have been circulated in southern Kyrgyzstan calling on citizens to create a "South Kyrgyzstan Democratic Republic" with ousted President Bakiev as its leader.

Geo-strategic Front:

Pakistan and Azerbaijan have discussed ways to enhance cooperation in the field of defense. Meanwhile growing Azeri ties with China also grabbed attention. Dozens of Kyrgyz activists gathered in front of the Kazakh Embassy to demand an apology from Kazakh President Nursultan Nazarbaev for contemptuous comments he made about the uprising in Kyrgyzstan. Tajik officials have asked Russia to detain and deport 41 people suspected of belonging to the banned Islamic Movement of Uzbekistan (IMU). President

of Turkmenistan has paid visit to China. President of Uzbekistan held meeting with member of Chinese State Council.

Economic Front:

Russian PM has called Nabucco pipeline project to be useless as it just intends to alleviate dependence on Russian gas. The European Union has appreciated Azerbaijan-Turkey agreement on gas transportation. Uzbek and Chinese Ministries signed economic cooperation protocol.

Social Front:

During court trial Azerbaijani journalist tried to prove his innocence by claiming that drugs were planted in his cell. Some reports have indicated outbreak of polio in Tajikistan.

EAST ASIA

Political front:

Thai security forces and anti-government protesters clashed on 28 April in Bangkok leaving dozens of people injured. A Malaysian opposition politician, who lost a recent by-election in the rural Hulu Selangor constituency, said that he would ask a court to nullify the result, claiming he was a victim of vote buying and other irregularities by the ruling party. Meanwhile the Barisan Nasional's (BN) recapture of a parliamentary seat in central Selangor stat gave the coalition a much-needed boost after losing seven out of nine previous by-elections since disastrous national polls in 2008. The Philippines' largest Muslim rebel group has agreed to help avoid violence on a troubled southern island during voting in next month's national and local elections. Philippine presidential candidate Aquino has posted a double-digit lead over his nearest opponent in an opinion poll published just two weeks before elections are to be held. The poll, conducted on April 16-19, by Social Weather Stations, showed that support for the son of the country's late democracy icon, Corazon "Cory" Aquino, edged up 1 point to 38%. The Cambodian government has told all foreign diplomatic envoys to avoid criticizing the country, insisting it is not a "banana republic".

Geo-strategic Front:

Indonesia has offered assistance to Thailand in order to bring back stability and order over there. In this regard Thai foreign Minister held meeting with his Indonesian counterpart.

Economic Front:

Indonesian coal prices have increased on strong demand from China and India, while wet weather hindered supplies in Kalimantan, the country's coal producing region on Borneo Island. President Susilo Bambang Yudhoyono has pledged to make Indonesia the world's biggest user of clean, renewable geothermal energy, and urged private investors to back him. Malaysia has declared Chinese economic growth to be a source of motivation for her and not a threat. Thai political crisis has adversely affected country's economy. Cambodian PM has expressed optimism regarding country's future economic growth.

According to a report in the Voice of Vietnam News, Vietnam has been ranked second among coffee exporters.

Social Front:

Census has started in Indonesia. The number of malaria cases recorded in Cambodia has increased significantly.

FERTILE CRESCENT

Political Front:

One of the opposition leaders has out rightly denied any opposition within Muslim Brotherhood. The Egyptian Parliament approved a law on combating human trafficking during its parliamentary session. Former President's son Gamal Mubarak returned to politics, paying visits to Egyptian villages and supervising preparations for Shura Council elections. The Iraqi prime minister harshly criticized calls by his rival for international involvement in setting up a new government following the close-fought parliamentary elections, saying such a role would harm Iraq's efforts to become a self-reliant country. Nouri Al-Maliki also hinted at some sort of international plot to stage a coup through ballots — in the latest escalation of the war of words in Iraq's post-election impasse following the March 7 vote. The front-runner in Iraq's recent parliamentary elections has called for the formation of an impartial caretaker government to prevent the country from sliding into violence and counter efforts to change the vote results. Thousands of protestors have gathered in Beirut to demand a separation of politics and religion in Lebanon. The demonstrators marched on parliament chanting "secularism" and waving placards calling for the recognition of civil marriage in the Mediterranean country. The idea of a secular political system has faced stiff opposition from ruling politicians.

Geo-strategic Front:

Egyptian President has assured Lebanon that Israel would not launch an attack against the later. Meanwhile Israeli officials also denied any chances of such attack. Israeli Prime Minister Benjamin Netanyahu has expressed hope that the stalled peace process between Israel and Palestine would resume next week. Representatives of the Muslim Brotherhood and the Kifaya (Enough) coalition, along with a number of independent politicians have filed a report to state prosecutor demanding the immediate arrest of Netanyahu when he arrives in Egypt on Monday for talks with President Hosni Mubarak. The overwhelming majority of Nile Basin countries in east Africa, including Kenya, decided to sign a new treaty that governs the future usage of the Nile River, which the Egyptian government has rejected. Iraq's foreign minister blamed the US and Britain for not taking an active role in resolving his country's bitter election dispute, and accused Washington of being more concerned with sending home US soldiers.

Economic Front:

Iraq has completed 25% of the plan to develop its Nasiriyah oil field. Meanwhile Iraq has asked Iran to continue supplying it with electricity in the future. Economic front: Business representatives from the controversial Turkish Republic of Northern Cyprus held meeting with a handful of Lebanese businessmen in a bid to expand their business ties in Lebanon and alleviate their state of isolation.

Social Front:

Human Rights Watch has called for a thorough investigation into the detention centre and has urged Iraq to prosecute those responsible for the abuse, which came to light when the prison was discovered and closed down this month by Iraq's Human Rights Ministry. Nouri al-Maliki, the Iraqi prime minister, has denied any connection with the facility, which housed mainly Sunni Arab prisoners from the volatile northern city of Mosul.

INDIA

Political Front:

Union Minister of State for External Affairs Shashi Tharoor has resigned amidst allegations of his involvement in the Kochi IPL cricket franchise bid. Meanwhile BJP has strongly condemned UPA ruling regime for its inability to control prices on common goods. They even launched a cut motion to pressurize government but could not win support of parties like SP and RJD. Opposition parties have also criticized government for phone tapping by calling it to be against individuals' liberty.

Government has failed to conduct census in areas under Naxalites control

Geo-strategic Front:

Chinese Foreign Minister has assured that the dam being built by it on river Brahmaputra will have no impact on the downstream flow of the river into India. A junior diplomat (Madhuri Gupta) in the Indian High Commission in Islamabad has been arrested by the special cell of the Delhi police on the charge of leaking sensitive national secrets to Pakistani intelligence agencies. India and Pakistan ended a diplomatic stalemate by resuming dialogue at the foreign-minister level.

Economic Front:

Many analysts claim that food inflation would soften on arrival of the Rabi crop harvest in markets by the middle of next month. The IMF has appreciated India for tightening of monetary policy to deal with the problem of inflation. The leaders of Brazil, Russia, India and China have demanded the commitment to reform the Breton Woods financial institutions.

Social Front:

The Shahi Imam of the Jama Masjid, Syed Ahmed Bukhari, has sought an independent, high-level inquiry into bomb blasts of all kinds, fake encounters and confinement of Muslim youth, to nail the lie that Muslims are involved in acts of terrorism. He asserted that "99 per cent of Muslims arrested on accusations of terrorism are innocent." The India Meteorological Department has issued its first-stage, long-range forecast for the Southwest Monsoon.

AFGHANISTAN

Political Front:

Some members of the lower house of parliament have accused the executive of refusing to respect the decisions made by the legislature. The powerful head of Kandahar's provincial council, Ahmad Wali Karzai, has denounced the UN for pulling its foreign

staff out of the southern city. A number of senators have demanded the trial of those involved in the Russian-backed military coup against former president Sardar Muhammad Daud Khan on April 27, 1978. Killing of three Afghanis led hundreds of protestors to block highway in Afghanistan and to burn NATO truck. Pentagon Report has claimed that influence of Taliban has enhanced in Afghanistan however support for Hamid Karzai has significantly decreased.

Geo-strategic Front:

Karzai has paid a visit to India in order to explore ways to collaborate in countering terrorism. Meanwhile he held meeting with Bhutanese Pm and discussed various areas of cooperation.

Economic Front:

A delay in the approval of Afghanistan's budget this year has left many ministries complaining that they have not been able to push forward with development projects.

Social Front:

Thirteen more Afghan schoolgirls have fallen ill to suspected gas poisoning in Kunduz Province, raising total number of such cases to 80 in the past week. WHO suggests that about half of million of Afghans, with majority of them in southern areas have no access to basic health services due to continued instability and conflicts. Afghanistan's government has started introducing new rules to ban internet users from accessing sites promoting pornography, alcohol and gambling or other activities that conflict with the country's Islamic culture.

IRAN

Political Front:

Supreme Leader of the Islamic Revolution Ayatollah Syed Ali Khamenei has called for enforcement of Article 44 of the Iranian Constitution. Iranian opposition groups claimed that they would never put effort to replace Islamic system with any other. Iran has refused to agree to exchange its low-level enriched uranium for nuclear fuel rods enriched abroad.

Geo-strategic Front:

The Pentagon last week released a 12-page report that identified an "increased presence" by Iran's elite military force in Latin America, particularly in Venezuela. China has clearly denied supporting sanctions against Iran. Ahead of Iranian President's intended visit to address a UN conference on nuclear non-proliferation next week in New York, several U.S. Congressmen demanded to deny his entry into the country. Hence Iranian Foreign Minister reminded US to fulfill obligations as a host of the UNO.

Economic Front:

Iran seems quite active in boosting economic ties with Cuba, Belarus, Bosnia, Tehran, Ukraine, Japan, Iraq and Republic of Guinea. Meanwhile Iran has exported over 18.5 billion dollars worth of industrial and mineral goods to different countries during the last Iranian year of 1388 (March 21, 2009-March 21, 2010).

<u>Social Front:</u>
Iranian President Mahmoud Ahmedinejad has appreciated the personalities who have been quite active in the field of divine philosophy.