

BUSINESS AND POLITICS IN THE MUSLIM WORLD

TURKEY

Weekly Report on Political, Geo-Strategic, Economic and Social Issues,

Period: November 21-27, 2009.

Submitted By: Aasia Khatoon

Presentation: December 3, 2009

Report no.95

NEWS OUTLINE

POLITICAL ISSUES

Can't build country on fear, says Prime Minister Tayyip Erdoğan

Self-criticism in DTP; silence of the hawks

Turkey and UN once more in quarrel over Makhmour camp

'Signs' of democratic initiative in Diyarbakır

Turkey's Kurdish move linked to EU accession

PKK calls for dialogue

Erdoğan says gov't committed to stronger Turkish democracy

Swedish FM Bildt questions countries opposed to Turkey's EU bid

Military silent on weapons to be used to activate Cage plan

European Union follows Cage action plan 'very closely'

ASDER chief vows to fight pro-coup formation within military

Nation will not be trapped in 'cages,' says PM Erdoğan

Yes, we spoiled junta plans" say protestors of Dink murder

Naval junta under Ergenekon control, document shows

Turkish Speaker complains of oil tankers dangers in straits

Teachers' Day celebrated across the nation amid economic woes

Five suspects released in Ergenekon case

PM Erdoğan criticizes top court ruling on university entrance exams

GEO-STRATEGIC ISSUES

Turkey's FM offers condolences to Turkmens over killing of leader

Turkish Parliament Speaker In Russia

Israel, Turkey to mark first ministerial visit since Gaza row

Turkey gives Israel new 'deadline' for Herons delivery

Peres: Ties with Turkey cannot be victim of 'momentary tensions'

Turkish President Receives Israeli Minister

Israel'S Trade Minister Invites Turkish Firms To His Country

Turkey says Israel's invitation not accepted yet

Gül tells Israel to revise settlement policy, prove commitment for peace

Israel proposes secret meeting between PMs, hoping for thaw

US says to welcome Turkey's role in new Syria-Israel talks

Turkey's Gonul welcomes Bosnian Defense Minister

Van Rompuy is not from 'Sarkozy camp,' Turkish-origin deputies say

PM Erdogan congratulates EU's "anti-Turkey" president

Turkey-EU Troika to meet in Istanbul on Thurs

Turkey holds Troika meeting with EU in Istanbul

Swedish FM: EU treaty has "no religious criteria" over Turkey's bid

European Parliament Welcomes Turkey's Reforms

EU to ask Turkey to adopt a 'more European Iran policy'

Turkish, US envoys to IAEA discuss Iran's nuclear program

Turkey willing to help Iran integrate to international community"

Davutoğlu still seeking way out for nuclear impasse
Turkey important model for region, US says

Anti-democratization groups use Cyprus, Soyer says

Aliyev ups the ante as expectation for progress on Karabakh grows

Armenia submits protocols to Constitutional Court

Premier Erdogan Leaves for Libya
Visa barriers with Libya abolished in historic visit

Turkish FM in phone diplomacy over Iran's nuclear program

Turkey accepts to join Moro Muslims-Philippine peace talks

Libyan PM praises Turkey's ties with Arab world

Turkey's Erdogan says Libya visit "very productive"

IMO awards Turkish navy for anti-piracy Aden work

Turkish Parliament Speaker Meets His Armenian Counterpart in Moscow
Turkey Condemns Killing of Turkmen Politician in Iraq

Turkey rejects opening ports to Greek Cyprus

ECONOMIC ISSUES

Turkey may be regional livestock leader with proper policies

Sales accelerating ahead of Eid al-Adha

Turkish-Israeli Jec protocol signed

TOKİ to build 500,000 homes by 2011, focusing on low-income groups

Ministry of Finance to sell public real estate worth TL 2.75 billion

Turkey, Libya decide to cooperate on Africa ties

Israel to deliver 10 drones to Turkey in Q1 of 2010: Report

Civil servants go on 24-hour strike today to warn government

Turkey Seeks to Encourage Use of Electric Cars
Turkey's Stock Exchange closed for 4 days over Muslim Eid

Turkey's CBank says foreign exchange reserves down

Costa Rica says to sign free trade deal with Turkey

Manavgat to sell water to Libya

Turkey makes biggest imports from Russia, Germany, China in 2009

SOCIAL ISSUES

Thick fog causes disruption, flight delays in Istanbul

Turkish scientists destroy cancerous cells with drug-loaded nanocages

42 pct of Turkish women targets of violence

Major Turkish unions to go on one-day strike

Bad Weather Kills Four, Paralyzes Life in Turkey
Swine flu claims 161 in Turkey

Contradictory on swine flu vaccine statements continue

COMMENTARY

From the Bosphorus: Straight - Sober clarity in Turkish-Israeli relations

Turkey and the West are condemned to each other

A new EU team for perhaps a more democratic EU?

THE CORRIDOR

The good rapprochement: why Obama will praise Erdoğan

How is Atatürk's 'army of education' doing?

Speaking of sacrificed animals and meat

POLITICAL ISSUES
KURDISH ISSUE

Can't build country on fear, says Prime Minister Tayyip Erdoğan

Monday, 23 November 2009 09:08

Today's Zaman

Prime Minister Recep Tayyip Erdoğan has stated that his party has no fear of pushing forward with its democratization reform agenda to solve the Kurdish question, saying that those looking to spread fears of disintegration and division were in reality trying

Speaking at a party caucus in Ankara's Kızılcahaman on Saturday, Erdoğan said cowardliness would not help Turkey deal with its age-old problems. He asked: "If Orhan Gazi was afraid, would Bursa have been established? If Fatih was afraid, would İstanbul have been?" and said his party would go on with its democratization push without fear. "You can't build a country on fear. You can't build a future on fear. You can't build democracy on fear," he said. The prime minister said they saw their fight for democracy not as a problem of the Justice and Development Party (AK Party), but a problem of the country.

Erdoğan said that in the past, the Turkish nation has seen as many glories as times when the nation and the country have been in danger. Stating that the integrity and unity of the Turkish nation have been tested many times throughout history, he said the Turkish nation has always succeeded in moving forward and burying past traumas. Even though the Turkish nation has been able to look optimistically into the future, some are using past grievances as an instrument of fear, Erdoğan said. "There are those who are making efforts to create a new society of fear. When history is not enough, they create virtual fears and imaginary threats."

He said in the AK Party's seven years in power, he has seen this many times. "No matter what long-standing issue we tried to tackle, they put up obstacles in front of us. We said we want to get in the European Union, they said our national identity is in danger. We said Cyprus, they said 'our national interests are under threat'. We said we want zero problems with our neighbors, they said [Turkey's foreign policy] axis is shifting. We said Armenia, they said Sevres. ... And now, we say the process of national unity and brotherhood [referring to the democratic initiative], they say it is treason, they say it is separation. The same politics, the same attitude and I am sorry to say this but they are displaying the same cowardly approach."

He also talked about the recent discussions on alleged illegal wiretappings of the offices of judiciary members. "Those who are trying to make this look like it is linked to the government are acting on ill will, they are trying to influence the public and create confusion," he said.

He said the wiretappings had nothing to do with the government. "And neither could this [link] ever happen." He said the wiretapping scandal was now in hands of the judiciary and would be sorted out in the legal process. He said, "We see wiretapping without legal permission as disrespect for a person, whoever that person might be."

Self-criticism in DTP; silence of the hawks

Monday, 23 November 2009 09:06

Todays Zaman

Concerns and intimidation implying that Turkey is being divided in the aftermath of the announcement of the democratic opening have been replaced by discussions over the Ergenekon investigation.

The leaders of the political parties had the opportunity to make a reasonable assessment following the completion of deliberations at parliamentary sessions. There is to be no change in the position of the Nationalist Movement Party (MHP) and the Republican People's Party (CHP), which view the democratic initiative as a project of destruction. This position and the solidarity between these two political parties are so obvious that the MHP even sent a message to the CHP supporting its Dersim statement.

The opposition bloc seems eager to develop its policy on the perceived destructive nature of the process. Because they have no useful material from the initial steps of the initiative, the opposition will most likely rely on the developments that took place during the return to Turkey of Kurdistan Workers' Party (PKK) militants on Oct. 19.

On the other hand, the Justice and Development Party (AK Party) and the Democratic Society Party (DTP) are clarifying their next steps. It should be noted that they are not acting as a unified bloc; quite the contrary, they are reminding each other of their responsibilities with respect to the initiative. The DTP has asked the government to take further steps, whereas the AK Party has called on the DTP figures not to make any mistakes so as to ensure that the initiative succeeds.

The AK Party wants to keep the project alive and is also attempting to minimize the impact of the opposition bloc on public opinion. A leading party figure told me in a friendly chat of the difficult position of the DTP. They have asked for an acceleration of the process without any further waste of time.

However, they have a difficult time when the initiative is welcomed excessively and no reaction is shown by the public. The balance is so delicate that when the demonstration of joy during the return of the militants is exaggerated, their support base becomes more eager about the process; however, in this case, the opening has led to misunderstandings in Turkey. On the other hand, the faith of their base in the initiative becomes weaker when a critical style is adopted. They have become particularly displeased at this stage with the designation of three PKK leaders as drug smugglers by the US authorities. They also seem to have been influenced by the criticism by

Nechirvan Barzani, former prime minister of the Kurdish administration in northern Iraq, who argued that some DTP figures and PKK leaders do not actually want peace.

Despite these negative developments, it appears that the party leaders have agreed that the hawkish DTP figures should remain silent during the process. They particularly question their role in what happened during the ceremony held to welcome the PKK militants returning to Turkey on Oct 19. A DTP leader is self-critical of their excessive role, saying that at least they should not have displayed the party bus at the ceremony. The same figure draws attention to the absence of a single Turkish flag at the event and recalls the positive reactions to the speech delivered by DTP leader Ahmet Türk during the plenary session in Parliament.

The DTP seems pretty decisive about not making the same mistakes again during the return of more PKK militants in the days to come. Their decisiveness is based on the conviction that Ergenekon sympathizers are ready to sabotage the return of other militants. There are also reports saying that the MHP and CHP have printed fliers reading “The state’s project of destruction: Oct. 19, Habur.” These fliers have been stored for use during the general election campaigns scheduled to take place in 18 months’ time.

Will Swiss minaret referendum be an embarrassment or honor?

A controversial referendum is scheduled to take place in Switzerland; a great controversy and discussion is likely to erupt if a negative decision appears in the referendum because such a decision will mean the violation of fundamental human rights.

A certain amount of petitions make a referendum possible under Swiss law; however, the use of this opportunity to violate fundamental rights raises concerns. Ahmet Faruk Ünsal, chair of the Association of Human Rights and Solidarity for Oppressed Peoples (MAZLUM-DER), said it is tragic to see such a large number of people seeking to violate human rights in Switzerland and has drawn attention to the tragicomic aspects of Europe. “I do not say this to be critical, but they have to reconsider their values and their civilization; is such barbarity and primitiveness acceptable?”

Stressing that only the consent of the users of a mother tongue may be sought in a referendum to be held for a decision on whether this language will be spoken, Ünsal further said: “Religious freedom is an acquired right. Being Swiss does not give you the right to cancel a fundamental right via a referendum. Being Swiss is not such a privilege.”

The chairman of the parliamentary Commission on Human Rights, Ahmet Gökhan Sarıçam, said it is unfortunate to witness that such a referendum is being held and added that they are hopeful this trouble will be overcome by a positive result and indicated that reason has prevailed in many other similar referenda in the past. We hope the Swiss people make a decision that will strengthen their honor; a negative decision would be a source of embarrassment for them.

CHP's Dersim strategy likely to fail

CHP Deputy Chairman Onur Öymen's controversial statement on the Dersim insurgency during deliberations in a parliamentary session took the CHP and the Alevis to a critical juncture. Öymen asked in his speech if the mothers did not suffer from the loss of their sons during the suppression of the Dersim Rebellion. This speech, made on Nov. 10, received extensive criticism during the plenary session held on Nov. 13. Prime Minister Recep Tayyip Erdoğan even described it as a statement free of humane values.

CHP leader Deniz Baykal, who refused Öymen's request to respond to the criticism at the session, developed a strategy to address the criticism. To this end, he publicly expresses support for Öymen, while Kemal Kılıçdaroğlu, a deputy from Dersim, would address the reaction of party supporters by demanding Öymen's resignation. Considering the magnitude of the Alevis' reaction, it seems that the CHP's strategy will fail. The reference to the Dersim insurgency where 50,000 people were murdered may move the Alevi vote away from the CHP.

Meanwhile, Öymen's reference to the suppression of the Dersim insurgency as an example revived the discussion of a long-forgotten issue. Why did the Alevis choose the CHP despite the massacre that took place during the CHP's administration? Was it because of the hesitation of the conservative parties to embrace the Alevi community? If this is the case, will the government's initiative attract the Alevis and convince them to vote for the AK Party? Or will the Alevis keep supporting the CHP?

Turkey and UN once more in quarrel over Makhmour camp

Wednesday, 25 November 2009 17:3

Today's Zaman

The return of Turkish citizens of Kurdish descent from the Makhmour refugee camp -- built by the United Nations for refugees in 1998 -- who went to Iraq in 1996 due to increasing acts of terrorism in southeastern Turkey

The return of Turkish citizens of Kurdish descent from the Makhmour refugee camp -- built by the United Nations for refugees in 1998 -- who went to Iraq in 1996 due to increasing acts of terrorism in southeastern Turkey, has placed the UN and Turkey at loggerheads once again, as the United Nations High Commissioner for Refugees (UNHCR) is reportedly asking that the returnees be granted refugee rights as specified in international law, a request which Turkey strongly disagrees with.

Information that Foreign Minister Ahmet Davutoğlu and Interior Minister Beşir Atalay provided regarding the latest developments on the Kurdish initiative revealed that Turkey and the UN are in the midst of a serious crisis due to the Makhmour refugee camp. Providing important information to the deputies of the ruling Justice and Development Party (AK Party) at the Kızılcahamam meeting in Ankara, Davutoğlu said there are approximately 12,000 people living in the Makhmour refugee camp and that only half of them want to return to Turkey. Explaining that Turkey is experiencing serious problems with the UN, Davutoğlu said although UNCHR supports the return of the people, they also want Turkey to treat them according to the standards international law with respect to refugees. This has seriously angered Turkey.

Speaking to Today's Zaman, a senior official who does not want to be identified said this is the biggest crisis Turkey has had with the UN so far. Saying Turkey has always seen the Makhmour refugee camp as supporting the Kurdistan Workers' Party (PKK) terrorist organization logistically and has always complained about it to the UN, the same official said now the UNCHR is asking Turkey to give refugee status to the camp's Turkish citizens.

Noting that the UN has always failed to block the use of the refugee camp by the PKK terrorist organization, the official said Turkey's response to the UN's request was harsh. In a letter of response sent by Turkish authorities, it reads that the most of the people living there are Turkish citizens and the reason of their settlement and where they left from for Iraq is known. "It is impossible to place the return of people within the international refugee law framework," the letter of response reads.

Having had several problems with the UN regarding the Makhmour refugee camp, Turkey has drafted its plan on the return of the refugees following the consultations with the American and Iraqi administrations. During AK Party's Kızılcahamam meeting, Atalay said refugees will start returning to Turkey in groups of 300 to 400 and the

government will establish a special entrance center at the Habur border gate. While Atalay said it is impossible to treat them as international refugees, he added that they will encourage the refugees to return to their previous residences. "However, we will not grant special additional rights to them," Atalay said.

While stressing that the public will not see "welcome home celebrations" for members of the PKK who surrender to Turkish security forces and that the security forces will not tolerate such celebrations, Atalay said only family members will be allowed to meet the returnees. To return to Turkey, Atalay noted, refugees will first need to appeal to the Iraqi administration and then after Iraqi administration decides on who will return and the time of the return, the Turkish citizens at the Makhmour camp will be able to return to Turkey.

Turkey and the UN have constantly quarreled over the Makhmour camp. While the violent events were culminating in southeastern Turkey in 1996, nearly 20,000 Turkish citizens went to Iraq, influenced by the PKK, and established two separate residential camps in the Atrush region. Turkey bombed the camps until 1997, claiming that they were being used by the PKK. As a result, the UN built the Makhmour camp in 1998. However, it was discovered that this camp was also used by PKK militants. The UN attempted to disarm the camp; however, it failed miserably. After the American invasion of Iraq, the US also has tried to disarm the camp.

Before the construction of the Makhmour camp, nearly 3,000 people returned to Turkey. This is the reason why Turkey is angry with the UN. When the pre-Makhmour refugees were returning, the UNCHR was generally silent on the international rights of those refugees. The UN said the Atrush camp was not under the control of the UN but the Makhmour camp is functioning under the aegis of the UN and thus the refugees returning from the Makhmour camp should benefit from the all rights that international refugee law provides.

According to the people who have already returned from the Makhmour camp, if the Turkish government gives guarantees to the returnees, there will be no one left in the Makhmour camp. The government, however, does not want to provide special privileges for those returning from the camp. The government will ease the process for those who want to return to their prior homes. Those who were born at the Makhmour camp, and therefore do not have Turkish citizenship, will be granted Turkish citizenship and they will enjoy all rights that a Turkish citizen has.

'Signs' of democratic initiative in Diyarbakır

Thursday, November 26, 2009 Ferit Aslan/Serdar Sunar

Diyarbakır: Radikal

The DTP-controlled Diyarbakır Metropolitan Municipality has replaced signs near roads that lead to villages with new signs that feature their Turkish and Kurdish names together

The Diyarbakır Metropolitan Municipality, controlled by the Democratic Society Party, or DTP, has replaced signs near roads that lead to villages with new signs that feature their Turkish and Kurdish names together.

The move comes amid the ongoing debate over the "Dersim" gaff by Onur Öymen, deputy head of the Republican People's Party, or CHP, and suggestions that the province of Tunceli return to its Kurdish name, the Diyarbakır Metropolitan Municipality has jumped ahead on the issue.

Beşir Atalay, minister of internal affairs, also made a statement recently about the government remaining positive about displaying the Kurdish names of villages. The letters of "x", "q" and "w," which are not featured in the Turkish alphabet, can now be seen on the signs.

Residents of the villages are content with the signs in both Turkish and Kurdish. They said they had been using the Kurdish names among themselves, regardless of what was written on the signs. Halil Yıldız, resident of Gömmetaş (Sirim) Village, said: "It is good that the municipality made the signs in both Turkish and Kurdish. We use the Kurdish name, anyway. Most of the time we don't even know the Turkish name. If a state television channel is broadcasting Kurdish 24-hours, it is only natural that the names be in Turkish and Kurdish."

İbrahim Altın, head of Diyarbakır municipality's Transportation Office, also said citizens always referred to the villages with their Kurdish names. Altın said: "The democratic initiative is being discussed in Turkey. It includes using Kurdish names of locations as well. There are statements by Mr. Minister of Interior Affairs and there are decisions by the provincial administration board as well. So while preparing the new signs, we included the Kurdish names of the villages under the Turkish ones as well. We have received very positive reactions until now. What we did was add the already used names to the signs, actually. Everyone knew them by their Kurdish names."

Some of the signs were written as follows: Yeşıldallı (Hewarê xas), Talaytepe (Gırbelık), Çölgüzeli (Gozeliyeçolê), Cücük (Cucuk), Körtepe (Kortepe), Çiçekliyurt (İngici), Develi

(Develi) Kabahıdır (Qubaxıdır), Piriçlik (Qırxali), Gömmetaş (Sirim), Topraktaş (Heste Qa Bahrê), Kolludere (Qud).

Turkey's Kurdish move linked to EU accession

Thursday, November 26, 2009

ISTANBUL – Hürriyet Daily News

The European Union praised Thursday Turkey's efforts to grant its citizens of Kurdish origin more rights and to end the decades-old terror problem, linking it with the candidate country's aspirations to join the union.

"The reform process in Turkey and the accession process are closely linked to each other," EU term president Sweden's Foreign Minister Carl Bildt said during annual Turkey-EU Troika meeting in Istanbul. Bildt also praised the Turkish government's proactive foreign policy, especially in its region. "We appreciate the active Turkish role in foreign policy," said Bildt.

The highest forum for political dialogue between the EU and Turkey convened Thursday with the participation of Turkish Foreign Minister Ahmet Davutoğlu, Chief Negotiator Egemen Bağış, EU representative to Ankara Marc Pierini, and the EU's next term president, Spanish minister Diego Lopez Garrido.

Bildt has renewed the EU's call for Turkey to open its ports and airspace to Greek Cyprus, but Davutoğlu said the issue would be addressed after a solution to the division of the island is reached.

Challenged by reporters over Turkey's growing ties with Iran, Davutoğlu said that "all countries should be in a position to carry out" peaceful nuclear programs and that he wished to see "Iran better integrated with the world," something he believes Turkey's recent efforts will achieve.

Bildt supported Davutoglu's statements, saying that "we do need to engage with Iran," and that all countries have the "right to peaceful nuclear activities."

Speaking on negative signals from the EU regarding Turkey's EU accession process, Davutoglu said that the EU needs to "break down the Berlin wall that exists in the minds of people, not just politically, but socially and culturally"

“We will hopefully see the chapter on the environment open in December,” said Bağış. .

Diego Lopez Garrido, Secretary of State for the EU, expressed hopes for progress on Turkey’s EU accession while challenging Turkey to do more.

“Its clear that Spain is a country that believes in the accession process,” said Garrido, but “it depends on the political will. We have the political will...It depends mainly on the Turkish side.”

Asked how many negotiation chapters Garrido hopes will open under Spain’s EU presidency, he refused to give a definite answer, saying, “We can’t give a number now, because it’s not a question of mathematics.”

PKK calls for dialogue

Thursday, November 26, 2009

ANKARA - Associated Press

The Kurdistan Workers’ Party, or PKK, released a statement on Thursday, saying Turkey must start a dialogue and adress their imprisoned leader for a peaceful solution to the conflict.

The PKK’s statement says that a political solution is inevitable. The statement was released Thursday on the eve of the 31st anniversary of the group's founding, reported Anatolia news agency.

Turkey refuses to negotiate with the PKK or its imprisoned leader Abdullah Öcalan, but has announced measures to reconcile with its Kurdish population, including removing restrictions on the Kurdish language.

Erdoğan says gov’t committed to stronger Turkish democracy

Thursday, November 26, 2009

ANKARA – Hürriyet Daily News

Prime Minister Recep Tayyip Erdoğan said Thursday the government knows it can no longer postpone clearing the clouds over Turkish democracy and that it is committed to moving forward in this direction.

“We cannot walk toward the future if justice and freedoms remain up for debate. We cannot continue on our path if faith and opinions are kept under pressure. Turkey has to face up to its realities and should do it in a fair way,” Erdoğan said in his address to the nation on the occasion of Kurban Bayram, or the Feast of the Sacrifice.

Recalling that the government launched a democratic initiative aimed at equalizing the democratic standards of the country and ending the terror problem, Erdoğan said: “We believe that the solution to all sorts of problems can be found through a functioning democracy. We’ll of course continue our efficient struggle against those who choose terror as a means. But we will not concede Turkey’s integrity.”

Hinting that the state had also used some illegal means in its fight against terror in the past, Erdoğan promised that they would clear this darkness within the state and make it more credible and stable.

Erdoğan said the government was also planning to enact measures to change the social and economic conditions of the country that are believed to be the root causes of terrorism. “We will terminate all sorts of discriminatory practices and initiatives that hurt societal harmony. We’ll establish democracy, justice, equality and freedom in their purest forms,” he said. He also described the democratic initiative of the government as an open-ended process.

Swedish FM Bildt questions countries opposed to Turkey's EU bid

Thursday, November 26, 2009

STRASBOURG – Anatolia News Agency

European Union term President Carl Bildt on Wednesday asked those opposing Turkish membership to the EU: "Did the enlargements to date take place because the public wanted them?"

Participating in a debate on the future enlargement of the EU at the European Parliament, the Swedish foreign minister made comments to oppose those against

Turkish membership and those who wanted to end the membership negotiations with Turkey and offer Turkey a privileged partnership instead of full membership.

Far-right deputies are against Turkish membership in the EU because of its large, Muslim-majority population, Bildt said. The Treaty of Amsterdam and Article 49 do not allow for exceptions for big countries, he said, adding that the treaty also has no religious criteria.

Article 49 states that the EU is founded on principles of freedom, democracy, rule of law, human rights and basic freedoms. It states that any European country displaying respect for such principles may apply for full membership, Bildt said.

The Treaty of Amsterdam was signed on October 2, 1997, and entered into force on May 1, 1999; it made substantial changes to the Treaty on the European Union, which was signed at Maastricht in 1992.

The Amsterdam Treaty meant a greater emphasis on citizenship and the rights of individuals, an attempt to achieve more democracy in the shape of increased powers for the European Parliament, a new title on employment, a Community area of freedom, security and justice, the beginnings of a common foreign and security policy, and the reform of the institutions in the run-up to enlargement.

Military silent on weapons to be used to activate Cage plan

Monday, 23 November, 2009 17:49

Today's Zaman

A list of weapons that were going to be used to carry out a devious plan by some members of the Naval Forces Command to intimidate the country's non-Muslim population by assassinating some of their prominent figures has been made public, but the General S

The plan was exposed during a police raid on the office of retired Maj. Levent Bektaş as part of a probe launched after the discovery of a large arms cache in İstanbul's Poyrazköy district in April. Called the "Cage Operation Action Plan," the desired result of the intimidation of Turkey's non-Muslims and the assassination of prominent non-Muslim figures was that an increase in internal and external pressure on the Justice and

Development Party (AK Party) would ensue, leading to diminishing public support for the party

The Cage plan document also includes a list of weapons to be used in the plan. This list has shown once again the scale of the threat which Turkey is confronted with. Since the investigation into Ergenekon -- a clandestine gang charged with plotting to overthrow the government -- began in 2007, a large amount of weapons and munitions have been uncovered, either hidden underground or even in the sea, and at times abandoned on road sides. The secret caches found included a wide range of weapons and munitions from anti-tank weapons, assault rifles and hand grenades to flame throwers and explosives. The Turkish Mechanical and Chemical Industry Corporation (MKE) confirmed that these weapons belonged to the military. However, the military has been silent on the weapons listed in the Cage Plan. Ümit Kardaş, a retired military judge, told Today's Zaman: "The General Staff is not making any statements on this. It is too risky for them to deny that the arms belong to them. Earlier, such a statement from Chief of Gen. Staff Gen. İlker Başbuğ was negated by a MKE report, which said the weapons found in İstanbul's Poyrazköy district had been manufactured by the military. The investigation should be carried out by civilian prosecutors. First, civilian prosecutors should investigate to whom these weapons really belong and then the military judiciary can investigate later. Since these weapons were going to be used "to create chaos," this falls into the scope of the civilian judiciary.

The Cage Plan is horrendous. It is a very serious allegation that they planned to use these weapons to create fertile grounds for a coup d'état. The military doesn't really need arms to stage a coup. The military is already equipped with arms. However, gangs were to be used to prepare the atmosphere for a coup. The weapons on the Cage plan list are enough for that."

When will the admiral show?

Meanwhile, observers of the Ergenekon case have been stating that they expect former Senior Naval Forces Adm. Feyyaz Öğütçü, whose name appears in Operation Cage documents as "the president," to be summoned by the prosecution soon. Öğütçü was forced to retire at this August's Supreme Military Council (YAŞ) meeting, reportedly due to his suspected ties to Ergenekon.

Öğütçü was thought to be the most likely candidate to become the new naval forces commander. Observers believe the reason behind his retirement was his links to Ergenekon. According to a National Intelligence Organization (MİT) document, Öğütçü was one of the founders of the Karargah houses, which the Ergenekon investigation has

revealed were meeting spots for generals plotting a coup d'état in addition to housing hit men and serving as a storage place for munitions.

Öğütçü was implicated in the placement of blocks of TNT and other explosives at the bottom of a submarine exhibited at the Rahmi M. Koç Museum. The TNT and other explosives were found by police in July after a document was discovered on a computer owned by a suspect previously detained as part of the Ergenekon probe. The explosives were to be detonated while a group of students visited the museum.

Weapons and chaos

Small weapons can achieve much, as Turkey's past experience has shown. Ergenekon suspect Alparslan Arslan, who killed a judge on May 17, 2006 -- an attack attributed to religious fundamentalism until investigators revealed its links to Ergenekon -- used a Glock handgun. The attack, which created widespread public outrage and fear, is now treated as one of the biggest actions of Ergenekon by the prosecutors. Retired military judge Kardaş notes that this is but one argument to refute the pro-Ergenekon circles' argument that "the amount of weaponry they had is not enough for a coup d'état." The weapons and ammunition listed in the Cage plan, in a list compiled by Naval Maj. Eren Günay, include five Glock handguns that could be used in creating the chaotic environment.

In earlier excavations carried out in August, two light anti-tank weapons (LAW) were found in Ankara's Gölbaşı district. The investigators have established that these weapons were going to be used by the group to assassinate Armenian community leader Minas Durmaz Güler and Armenian Patriarch Mesrob Mutafyan as well as Alevi leaders Ali Balkız and Kazım Genç.

Meanwhile, some past incidents indicate that the Cage Plan has already been put into action. The police have found threatening letters sent to Armenian leaders on a CD ROM found in Ret. Maj. Bektaş's home. Such letters are included in the Cage Plan's initial stages.

The long list of weapons the Cage Plan planned to use include LAW weapons, various explosives, two tons of ammonium nitrate, five Glock handguns, four Uzi guns, four long-range assault rifles, two Accuracy 12.7 sniper rifles and 50 regular guns. The prosecutors are now trying to locate those weapons that are on the Cage Plan list but have not been so far found in the investigation.

Caches found earlier in the investigation

Various supplies of munitions have been found hidden in shanty houses or buried underground since the start of the investigation into Ergenekon, which apparently have been taken out of the arms depots of the Turkish Armed Forces (TSK).

The Ergenekon investigation itself started in June 2007 with the discovery of weapons belonging to the military in a shanty house in İstanbul's Ümraniye district. Since the start of the investigation, hand grenades, explosives, LAWs, rocket launchers, Kalashnikov rifles, assault rifles, thousands of bullets and various other munitions have been discovered in secret depots or buried underground in various cities including Eskişehir, Ankara and Sapanca.

Most of these weapons were manufactured by the MKE and NATO, neither of which supplies any institution in the country other than the military. None of the suspects arrested in relation to the discoveries have admitted any connections to the weaponry found.

One of the largest caches discovered was in April in İstanbul during excavations to uncover more ammunitions and weapons as part of the Ergenekon investigation in İstanbul's Poyrazköy district.

LAWs, hand grenades, explosives and rocket launchers were unearthed during April's excavations on land owned by the İstek Foundation, which was set up by a fugitive suspect in the Ergenekon investigation, former İstanbul Mayor Bedrettin Dalan, the chairman of the foundation. Three military officers currently on active duty were arrested as part of the probe. Those detained included Maj. Bektaş, Lt. Col. Ercan Kireçtepe and Maj. Emre Onat, all members of the Turkish Naval Forces.

In the excavations in Poyrazköy, 10 LAWs, 20 percussion bombs, three other bombs, 250 grams of C4 explosive, 19 emergency flares, 10 hand grenades, 800 G3 bullets and a large number of bullets for revolvers were found. The discovery came after the unearthing of similar underground weapons sites earlier in January.

The police, as part of the January investigation, carried out a series of excavations at a number of sites around the capital in a search of weapons linked to Ergenekon. An arms cache was unearthed in the Zir Valley in Ankara's Sincan district, which was found based on a map discovered in the house of Lt. Col. Mustafa Dönmez. Thirty hand grenades, nine smoke bombs and more than 800 bullets for G3 assault rifles were found there. Around the same time, two hand grenades were found buried in a park in an industrial zone. Nearly 200 bullets were discovered also in Ankara in early January, in a vacant lot across from a housing complex in the Oran neighborhood, formerly reserved for members of Parliament and their families.

European Union follows Cage action plan ‘very closely’

Tuesday, 24 November 2009 17:39

Today's Zaman

The European Union has announced that it has “very closely” been following developments related to a Naval Forces Command plan, called the Cage Operation Action Plan, aimed at discrediting the Justice and Development Party (AK Party).

In a written statement the commission made clear that it has been following all Ergenekon-related developments, including the latest Cage plan. EU Enlargement Commissioner Olli Rehn's spokesperson, Amadeu Altafaj-Tardio, said they were waiting for justice to take its course and reveal the truth. “We follow this latest development as well as all others linked to the Ergenekon case very closely. Democrats in Turkey and the EU expect that justice will unveil the truth, and nothing but the truth, in full respect of due judicial process,” Altafaj-Tardio said.

The Cage action plan was signed by Lt. Col. Ercan Kireçtepe and was planned to be put into operation by a team of 41 members of the Naval Forces Command. It envisaged the assassination of prominent non-Muslim figures and the spreading of propaganda to increase internal and external pressure on the AK Party, leading to its demise in politics, according to the plan.

The action plan would be implemented to lend support to suspects arrested so far as part of the Ergenekon investigation, render ineffective so-called psychological warfare waged by the AK Party and its supporters (against the military), change the course of the agenda in Turkey, boost the morale of the junta within the Naval Forces Command, and win the appreciation and support of the public. The blame for each of the assassinations by the junta would be put on the AK Party.

In its annual progress report made public on Oct. 14, the European Commission referred to the Ergenekon investigation as an opportunity for Turkish democracy. “This case is an opportunity for Turkey to strengthen confidence in the proper functioning of its democratic institutions and the rule of law,” the report said.

The murders of Turkish-Armenian journalist Hrant Dink and three missionaries in Malatya were mentioned in many EU documents and referred to in the progress report. “Reports by civil society organizations and statements by witnesses, in particular regarding the alleged criminal network Ergenekon, the murder of three Protestants in Malatya and the murder of Turkish-Armenian journalist Hrant Dink cases, highlighted these concerns in specific cases. As regards the latter case in particular, a report from the Prime Ministry Inspection Board questioned the security forces’ role prior to the

murder. According to the report, the security forces appeared to refrain from taking action after having received credible information about death threats against Mr. Dink. The trials in Istanbul, Samsun and Trabzon on this murder are continuing, but have not been merged, as has been requested by the lawyers representing the family of Mr. Dink," the report said.

ASDER chief vows to fight pro-coup formation within military

Tuesday 24 November 2009 17:21,

Today's Zaman

Professor Nevzat Tarhan, a retired colonel and a psychiatrist, has vowed to fight an anti-democratic formation within the Turkish Armed Forces (TSK) that is believed to be engaged in the preparation of a military coup after he was elected the new head of

ASDER was established by a group of members of the military who were dismissed from the military or forced to retire. Tarhan was dismissed from the military in 1997, where he worked as a psychiatrist, for being an observant Muslim.

During a speech he delivered at the fifth annual meeting of the association, Tarhan commented on the Cage Operation Action Plan, devised by some members of the Naval Forces Command to intimidate the country's non-Muslim population by assassinating some of their prominent figures. The plan aimed to discredit the Justice and Development Party (AK Party) by blaming it for the assassinations.

"Pro-coup members of the TSK continue their asymmetric warfare [against the government]. These members continue working with the excitement of the Sept. 12 [1980 coup]. Our fight against this group will continue," remarked the professor. Tarhan also said the alleged suicide of Ali Belgütay Varımlı, a retired colonel, was suspicious. Varımlı reportedly committed suicide last week by jumping off the balcony of his apartment in Istanbul's Kadıköy district.

"Varımlı was not a person to commit suicide. He may have been killed because he informed former Chief of General Staff Gen. Hilmi Özkök about the Sarıkız [Blonde Girl] and Ayışığı [Moonlight] coup plans [of 2004]," Tarhan added.

Nation will not be trapped in 'cages,' says PM Erdoğan

Tuesday, 24 November 2009 09:45

Prime Minister Recep Tayyip Erdoğan made important remarks on current events in Turkey during an AK Party meeting in Ankara's Kızılcahamam district.

Prime Minister Recep Tayyip Erdoğan shared the belief that people in Turkey will react adversely to those who want to imprison the nation in a cage -- referring to the recently uncovered Cage Operation Action Plan, which aims to intimidate the country's non-Muslim population by assassinating some of its prominent figures, a move which would be instrumental in undermining the popularity of the ruling Justice and Development Party (AK Party) -- in the closing speech of the AK Party meeting in Ankara's Kızılcahamam district on Sunday.

He also added that his party does not determine its policies according to suspicion and a fabricated sense of fear. "Any threats, any sinister scenarios, any illegal organizations will be unable to stop this nation's steps forward. This nation has always responded to those who want to shatter the determination of the nation to progress and to grow, who put it in small boxes and darken its horizon and who want to imprison it in cages," said the prime minister, alluding to the Cage Operation Action Plan, which was allegedly devised by some members of the Naval Forces Command. He also noted that people from a variety of ethnic backgrounds and numerous religions and sects have come together in Turkey under the same flag and the same state. "We will be successful together if we are strong and maintain our solidarity. We are all citizens of a powerful country."

"We are moving forward with a powerful vision of Turkey. We have been strengthened by our past, our fraternity, our solidarity and our cooperation, and we are struggling to expand our wealth and our potential [to develop] and convert Turkey's opportunities into peace, stability and wellbeing," said Erdoğan, adding that he wants the nation as a whole to act according to this vision and carry the same hopes.

Erdoğan also noted that the government and his party have always seen and handled interconnected problems from a comprehensive point of view. Focusing on the fulfillment of the European Union's membership criteria, Turkey has become a non-permanent member of the UN Security Council in addition to signing several important agreements in regards to energy corridors, the prime minister noted, adding that along with these developments, the government has been working to serve the nation by carrying out construction projects.

Commenting on 18 people who were rescued on Saturday night after being trapped by avalanche near Ovit Mountain, located between Erzurum and Rize, Erdoğan thanked

Transportation Minister Binali Yıldırım and the governor of Rize for their tremendous efforts during the search-and-rescue operation, saying, “With the efforts of the military forces and the authorities of civil defense organizations, thanks to God, the people were rescued before any tragedy occurred.”

The prime minister also focused on developments in the economy and stated that when they took office, the unemployment rate was 10.2 percent. Taking into account the effects of the global financial crisis, he said unemployment had reached 13.8 percent. He noted that when positive developments are felt in the service sector, growth will be triggered in the economy, but he emphasized that the economic situation of the service sector worldwide is not good, especially in the United States.

Yes, we spoiled junta plans” say protestors of Dink murder

Monday, 23 November 2009 18:19

Today's Zaman

Although many think the period of military interventions when people died and a considerable number of them were tortured is outdated, with a recently discovered plot it becomes apparent that there are still some circles in Turkey with plans to overthrow

The Cage Operation Plan, a devious plan by a group of members of the Naval Forces Command to intimidate the country’s non-Muslim population by assassinating some of their prominent figures, was revealed to the public last week when the Taraf daily uncovered it. In the plan, the assassination of Hrant Dink, a Turkish Armenian writer, is considered as an “operation” and the widely participated-in demonstrations in the wake of Dink’s murder spoiled the junta’s plans aiming to create provocation with the murders of non-Muslims in Turkey, as noted in the same plan.

Hrant Dink was assassinated on Jan. 19, 2007 in İstanbul and just a few hours later, thousands of people rushed to the Agos Daily building where Dink was working as a chief editor to voice their protest against the murder. At Dink’s funeral, a demonstration took place in İstanbul with a remarkable number of participants. The motto of the demonstration was “We are all Armenians, we are all Hrant Dink.”

If the crowds had not taken to the streets to raise their harsh criticism of the assassination and stood against the murder of an Armenian and a non-Muslim writer, the cage operation plan would have been successful as the plan notes.

The participants in the demonstrations targeting Dink’s assassination confessed proudly that “Yes, we spoiled the junta plans.”

The head of the Revolutionary Socialist Workers' Party (DSİP), Doğan Tarkan, said that he agrees with the cage plan that the junta's attempts were ruined by the people who chanted "We all are Armenians" in the demonstrations after the murder. "We are still saying we are all Armenians, we are all Hrant Dink. Dink was murdered by an Ergenekon gang. The files of the Dink, Santaro and Malatya murders should be merged with the Ergenekon file," Tarıkan said.

Andrea Santaro, 60, the Italian priest at Santa Maria Catholic Church in Trabzon, a northern Turkish city, died in an armed attack in 2006, and in the Malatya-based Zirve Publishing House three people who sold Christian literature were killed in 2007.

Zeynep Tanbay, a performance artist, stated that she was surprised when she saw the large crowd joining the demonstration. "Dink's murder made a number of people you could not imagine take to the street. This crowd rejected the system which is responsible for the murder. I think the coup could not be accomplished because of that demonstration."

"Since the beginning we have always claimed that the murder was premeditated and well planned. Whenever we say this, we are always asked whether we have enough evidence to prove our claims. Now, it has been revealed that an organization carried out the murder. Not only members of the junta but also the state officials at that time should be tried," said Özlem Dalkıran from Helsinki Citizens Assembly, a human rights association.

--Naval junta under Ergenekon control, document shows

Wednesday, 25 November 2009 16:0

Today's Zaman

According to a document retrieved from a CD seized from the office of retired Maj. Levent Bektaş, who is currently under arrest over suspected links to a large arms cache unearthed in İstanbul's Poyrazköy district, an anti-democratic group within the Nava

The CD was found along with many others in Bektaş's office during a police raid in April, which came after the discovery of munitions on land owned by the İstek Foundation in Poyrazköy the same month. The CD exposed the group's plans to assassinate Turkey's prominent non-Muslim figures and place the blame for the killings on the Justice and Development Party (AK Party) as part of an action plan called the Cage Operation Action Plan. The desired result of the killings was that an increase in internal and external

pressure on the party would ensue, leading to diminishing public support for the AK Party.

A document titled “My Agendas” on the same CD revealed that the assassination plans were directed by retired Col. Levent Göktaş, who is in jail for suspected membership in Ergenekon, which suggests that the Naval Forces Command junta was under the control of Ergenekon. “Send what is in Dilek Bozkaya's possession to L. Göktaş through the lawyer Serdar Öztürk,” reads a directive on the said document. Both Bozkaya and Öztürk are currently imprisoned for suspected Ergenekon membership. Another note on the same document reads: “We have contacted the Fabricator. The movement for a more brilliant future needs to be more active.” Fabricator is an alias for the Workers' Party's (İP) jailed leader Doğu Perinçek. The document also mentions another Ergenekon-linked plot to launch a bloody attack on students visiting the Rahmi M. Koç Museum in İstanbul. According to the document, the attack was to be launched at a time when many students were visiting the museum.

The plan was exposed in May after a large number of explosives were discovered in a submarine at the museum during the investigation into Ergenekon.

After an investigation by the military, they announced that the explosives at the bottom of the submarine had been forgotten by commandos.

Ergenekon prosecutors, however, decided that the findings of the military investigation were too weak to ease concerns over the discovery of explosives at the museum. The prosecutors examined the submarine in the museum and reached the conclusion that it was not possible for the commandos to forget that a large amount of explosives were in a submarine.

The same document also includes confidential information about the private lives, wives, children or girlfriends of a number of high-ranking members of the military. The document suggests that some of those members of the military were blackmailed with that information and urged to work in line with the ambitions of the Naval Forces Command junta.

Part of the document was dedicated to the junta’s “friend” organizations. Among those organizations were groups such as Hizb ut-Tahrir and their leaders, including İskender Evrenesoğlu, Haydar Baş, Abdullah Açar and İsmail Yavuz. Most of those figures are known to be members of hard-core religious fundamentalist groups.

What is the Cage Plan?

The plan was signed by Lt. Col. Ercan Kireçtepe and was planned to be put into operation by a team comprising 41 members of the Naval Forces Command. The hoped-for result from the assassinations of prominent non-Muslim figures and related propaganda would be an increase in internal and external pressure on the AK Party, leading to its political demise, according to the plan.

The action plan would be implemented to lend support to the suspects arrested so far as part of the Ergenekon investigation; render ineffective the so-called psychological warfare waged by the AK Party and its supporters (against the military); change the course of the agenda in Turkey; boost the morale of the junta within the Naval Forces Command; and win the appreciation and support of the public. The blame for each of the assassinations by the junta would be put on the AK Party.

The plan was divided into four phases; "Preparation," "Raising Fear," "Shaping Public Opinion" and "Action."

The action plan also called the killings of Armenian-Turkish journalist Hrant Dink, Catholic priest Andrea Santoro and three Christians in Malatya an "operation." The group aimed to generate chaos in society with those killings, but complained that the plan failed when large groups protested the killings in mass demonstrations.

The plan also revealed that the anti-democratic formation within the Naval Forces Command was being led by three admirals, identified with their initials F.Ö., K.S. and M.F.İ. Bektaş, Kireçtepe, Göktaş and Maj. Emre Onat also worked for the junta. All of them were arrested as part of the ongoing Ergenekon probe.

Turkish Speaker complains of oil tankers dangers in straits

TUESDAY24 November 2009 09:43

TIME TURK

Sahin said that Turkey wanted provide energy supply security and contribute to Europe's energy security under its energy strategy.

Turkish Parliament Speaker Mehmet Ali Sahin said Monday that Turkey wanted provide energy supply security and contribute to Europe's energy security under its energy strategy.

Addressing the 34th General Assembly of the Parliamentary Assembly of the Black Sea Cooperation (PABSEC) in Moscow, Sahin said, within this context, Turkey implemented Baku-Tblisi-Ceyhan (BTC), Baku-Tblisi-Erzurum (BTE), Blue Stream, Kirkuk-Yumurtalik, Iran-Turkey and Turkey-Greece oil and gas pipeline projects.

He said, moreover, NABUCCO and Arab Natural Gas Pipeline projects were underway. Sahin who pointed out the increasing oil tanker traffic load in the Turkish straits, said over 10,000 tankers carrying 145 million tons of hazardous materials passed through the straits.

He said despite all measures a tanker collide was like an accident waiting to happen.

Sahin said the way to evade such accidents was to by-pass the straits in oil transportation.

"International Oil Corporations are showing greater interest in the Samsun- Ceyhan Crude By-Pass Oil Pipeline, which was launched in 2007," said Sahin who underlined that transformation of straits into a pipeline was unacceptable for Turkey.

Teachers' Day celebrated across the nation amid economic woes

Wednesday, 25 November 2009 17:5

Today's Zaman

Turkey marked Teachers' Day on Tuesday with events throughout the country, keeping the economic concerns of its teachers on agenda. President Abdullah Gül received a group of teachers representing Turkey's 81 provinces at the Çankaya presidential residence

Education Minister Nimet Çubukçu visited Anıtkabir, the mausoleum of Mustafa Kemal Atatürk, with the group of teachers from 81 provinces and with Ankara Governor Kemal Önal as part of Teachers' Day celebrations. The group laid a wreath at Atatürk's tomb. Writing in the Anıtkabir guestbook, Çubukçu said she, Turkey's first female minister of education, is working hard, with commitment and determination and in accordance with the ideals of the Republic of Turkey. The Ankara Metropolitan Municipality and the Ministry of Education also held a program marking Teachers' Day at the ministry. Successful teachers and students were given plaques and gifts. The program also included a concert by singer Kutsi.

A ceremony marking Teachers' Day was held at the Taksim Republic Monument in İstanbul with the participation of İstanbul Deputy Governor Mustafa Altıntaş, İstanbul Education Department head Muammer Yıldız and teachers from the northern province of Ordu. Following a laying of wreaths at the monument, one minute of silence was observed for teachers and Atatürk. Yıldız also wrote a message in the monument's memorial guestbook.

A concert was held in Bursa by the orchestra of the Bursa Metropolitan Municipality to celebrate the Teachers' Day of retired teachers in the province with the participation of Bursa authorities, including Bursa Mayor Recep Altepe and Deputy Governor Ali Kamil

Başar. The concert brought Mayor Altepe with one of his teachers as a surprise to Altepe.

The İzmir Metropolitan Municipality gave gifts to teachers in the province, including a note from İzmir Mayor Aziz Kocaoğlu, in honor of Teachers' Day.

In a program held at the Konevi Cultural Center in Konya, an educational association, the Gaye Education Volunteers' Association, brought teachers together. Artist İbrahim Sadri read poems and sang his songs during the program.

Meanwhile, Democrat Party (DP) leader Hüsametdin Cindoruk stressed in a message that the profession of teaching had never been fully appreciated in Turkey. He also congratulated all of Turkey's teachers. Nov. 24 marks the day when Mustafa Kemal Atatürk, the founder of the Turkish Republic, was declared the nation's head teacher 81 years ago and the day was adopted as Teachers' Day nationwide.

Five suspects released in Ergenekon case

Wednesday, November 25, 2009

ISTANBUL – Daily News with wires

The 13th branch of the Istanbul Court for Serious Crimes released five suspects on Wednesday during a hearing for the Ergenekon case.

Lt. Onur Özdemir, noncommissioned gendarmerie officers İlhan Bulayır and Murat Eke, and police officers Kemalettin Balcı and Bülent Göngördü, were released. The five were banned from traveling abroad, however.

The next hearing was delayed to Dec. 14.

Meanwhile, the dialogue between the judge and prosecutor during the trial session on Tuesday raised eyebrows, daily Milliyet reported.

The prosecutor asked suspect Mustafa Balbay, a columnist and Ankara bureau chief of daily Cumhuriyet, whether he was involved in military coup plans. Balbay said he was neither involved in nor heard about any coup plans. "As far as I know, there are no investigations about the coup plans, are there?" said the judge, turning to the prosecutors. The prosecutor said, "This is the essence of this case." The prosecutor added that the core of the Ergenekon case was the coup attempts under the code

names Ayışıđı (moonlight), Yakamoz (phosphorescence) and Eldiven (glove). A military investigation is ongoing in Ankara and the suspects were there on the grounds of alleged military coup attempts, said the prosecutor.

The Ergenekon case was opened after the discovery of 27 hand grenades on June 12, 2007 in a shanty house in Istanbul's Ümraniye district that belonged to a retired noncommissioned officer. The grenades were found to be the same as those used in the attacks on daily Cumhuriyet's Istanbul offices in 2006.

The findings led to scores of detentions, putting more than 100 journalists, writers and politicians under interrogation in what turned into a terror investigation seeking to crack down on an alleged ultranationalist gang named Ergenekon, which allegedly sought to topple the government by staging a coup in 2009 by initially spreading chaos and mayhem. Ergenekon is originally a pre-Islamic Turkish saga that tells of the Turks' re-emergence from defeat by trickery of their enemies under the guidance of a gray wolf.

PM Erdoğan criticizes top court ruling on university entrance exams

Friday, November 27, 2009

ISTANBUL – Hürriyet Daily News

Prime Minister Recep Tayyip Erdoğan on Friday criticized the top court's ruling that nixed the Higher Education Board, or YÖK's, decision to change the current coefficient system applied to university entrance exams in favor of the graduates of vocational high schools, including religious imam hatip schools.

"This decision shows the inner contradiction of the court," he said in Istanbul, answering the questions of journalists.

The ruling, made public Wednesday, was made unanimously by the Danıştay, the Council of State, which is the country's administrative court, on the grounds that YÖK's decision was in violation of the law.

It is difficult to explain how the Danıştay, which initially showed YÖK as the relevant authority, has made a decision that reverses its initial stance, private TV CNN Türk quoted the prime minister as saying. "This is a totally ideological decision. I personally have difficulty understanding it. This is not acceptable," he said. "It is an organ of the judiciary and it has made its decision. But I believe and I presume that YÖK will object to

it,” he added. YÖK has the right to appeal the court’s ruling. “As the government, we will evaluate what we can do vis a vis the judiciary in order to defend the rights of the sufferers,” said Erdoğan.

In July, YÖK announced that it decided to apply a 0.15 coefficient for all students who take the university entrance exam in a move to end the unbalance between students from vocational and normal high schools. The move was seen as highly political. YÖK and Prime Minister Recep Tayyip Erdoğan, himself a graduate of a religious vocational high school, defended the move, saying the system aimed to secure equality of opportunity. Erdoğan was also critical of the one-day strike by public servants. Thousands of public servants from different sectors including education, health, transportation, energy, mining and communications went on strike Wednesday, despite a stern warning from the prime minister earlier this week. “The relevant authorities will apply the appropriate sanctions,” said Erdoğan on Friday while answering a question on the strike, adding that one cannot let the law be violated in the country. “Everyone should seek their rights through law,” he said.

Erdoğan answered the questions of the press after having his bayram prayer in Istanbul. He was accompanied by Istanbul Mayor Kadir Topbaş.

GEO-STRATEGIC ISSUES

Turkey's FM offers condolences to Turkmens over killing of leader

Monday, 23 November 2009 15:49

TIME TURK

Turkey has condemned killing of a senior Turkmen politician in the Iraqi city of Mosul.

Turkey has condemned killing of a senior Turkmen politician in the Iraqi city of Mosul. Yavuz Efendioglu, provincial chairman of the Iraqi Turkmen Front, was shot dead by gunmen in a speeding car in front of his house on Sunday in eastern Mosul, 390 km north of Baghdad.

The Turkish Ministry of Foreign Affairs, in a statement, expressed profound sorrow over assassination of the Turkmen politician in a heinous act of terror.

Foreign Minister Ahmet Davutoglu called relatives of Efendioglu and the leader of the

Iraqi Turkmen Front and offered his condolences.

"Those who are responsible for this heinous attack in a critical period in Iraq should be brought to justice as soon as possible. It is important for efforts to ensure tranquillity and stability in Iraq. Turkey will continue mobilizing all its capabilities to assist Iraqi people in this critical process," the ministry said.

Turkish Parliament Speaker In Russia

Monday, 23 November 2009 14:02

TIME TURK

Turkish Parliament Speaker Mehmet Ali Sahin arrived in Russian capital Moscow to attend the 34th General Assembly of the Parliamentary Assembly of the Black Sea Economic Cooperation (PABSEC) on November 22-24.

Sahin is set to meet with Boriz Gryzlov, speaker of the State Duma, Russia's lower house of parliament, on Monday.

After delivering a speech at the PABSEC general assembly meeting, Sahin will partake in a reception to be hosted in honor of the participating parliament speakers by Gryzlov. Sahin is expected to return to Turkey on November 24.

Israel, Turkey to mark first ministerial visit since Gaza row

Monday, 23 November 2009 09:05

Today's Zaman

Israeli Industry, Trade and Labor Minister Binyamin Ben-Eliezer is today scheduled to commence the highest-level visit between Turkey and Israel since relations between the two countries became strained after the Israeli military launched a deadly offensive.

The first leg of Ben-Eliezer's visit will be Istanbul, where he will participate in a meeting today on opportunities for economic cooperation and investment between the two countries, the Anatolia news agency reported on the weekend, noting that Ben-Eliezer will be accompanied by a business delegation as well as senior Israeli officials.

Relations between Israel and Turkey, regional allies who have traditionally cooperated, particularly in the military and defense arenas, have gradually deteriorated since the

Gaza offensive which left more than 1,300 people dead. Tensions have increased since Turkey barred Israel from a NATO exercise a few weeks ago, a decision that angered Israel.

This evening Ben-Eliezer will visit Ankara, where he will have talks with Foreign Minister Ahmet Davutoğlu, while Defense Minister Vecdi Gönül -- co-chairman of the Joint Economic Commission between Israel and Turkey -- will host a dinner tonight in Ben-Eliezer's honor, Anatolia said in its report posted from Tel Aviv.

A Joint Economic Commission meeting -- the last of which was held in Jerusalem in March 2007 -- will be held in Ankara on Tuesday, Anatolia said, adding that a memorandum of understanding was expected to be signed between the two countries at the end of the meeting. Ben-Eliezer is also scheduled to meet with President Abdullah Gül, the agency said.

Leading Israeli daily Haaretz said on Sunday that Ben-Eliezer is expected to propose that Turkey resume its role of mediator in peace talks between Israel and Syria in exchange for a return to more cordial relations between Israel and Turkey. Citing sources in Jerusalem, Haaretz said the policy had been coordinated with Prime Minister Benjamin Netanyahu and the Foreign Ministry ahead of Ben-Eliezer's departure on an official visit to Turkey on Sunday evening.

Yet, Israeli Foreign Minister Avigdor Lieberman was swift to deny the Haaretz report in remarks published by Ynetnews, an English-language Israeli news portal, later on Sunday.

Ben-Eliezer's visit to Turkey "is important, but not coordinated with the Foreign Ministry," Lieberman was quoted as saying by Ynetnews. "After all of the slander and nonsense on Turkey's part, which said it would prefer a Sudanese murderer to the Israeli prime minister, it cannot mediate," Lieberman said, adding that his party would object to any unilateral Palestinian declaration of statehood.

Lieberman was apparently referring to Prime Minister Recep Tayyip Erdoğan's remarks delivered earlier this month in which he dismissed accusations of genocide against Sudan's internationally indicted president, Omar al-Bashir, saying in controversial remarks that a Muslim cannot commit genocide and that "what happened in Gaza was worse than what happened in Darfur."

Turkey gives Israel new 'deadline' for Herons delivery

Monday, 23 November 2009 15:01

Today's Zaman

Defense Minister Vecdi Gönül said Turkey has given Israeli contractors 50 days to fulfill the delivery of the Israeli-made surveillance drones, known as Herons.

Rejecting a news report suggesting that Turkey has cancelled a deal with Israel for purchasing unmanned aerial vehicles, or UAVs, Turkish Defense Minister Vecdi Gönül, has announced that Turkey has given Israeli contractors 50 days to fulfill the long-delayed deal for the delivery of the Israeli-made surveillance drones, known as Herons. The delays in the project, launched in 2005, have come against a backdrop of tensions between the two regional allies over Israel's devastating war on the Gaza Strip at the beginning of the year. The two contractors -- Israel Aerospace Industries (IAI) and Elbit Systems Ltd. -- have been sent a letter to fulfill the terms of the deal within 50 days, Gönül said on Saturday, while speaking to reporters at a meeting of the ruling Justice and Development Party (AK Party) in the town of Kızılcahamam near Ankara.

"If this letter does not bear fruit either, the tender may be cancelled. But there is no cancellation at the moment," Gönül said, noting that negotiations between the two sides are continuing. "This is nothing to do with politics," he said, underlining that the problems were completely technical.

As Gönül had in Kızılcahamam, Israeli officials have rejected suggestions that the delay had political links, saying the project was snagged by technical problems because the Turkish-manufactured equipment proved too heavy for the aircraft.

Turkey agreed four years ago to buy 10 Heron UAVs for over \$180 million from IAI and Elbit. However, the Israeli firms missed the deadline for delivery. The Israeli company was expected to deliver four Herons in August, followed by another two and then the last four by the end of October.

Officials from Turkey's Undersecretariat for Defense Industries, speaking with Today's Zaman, called the deadline given to Israel a "warning," before considering the imposition of a monetary penalty.

"Turkey plans to impose a heavy monetary penalty on Israel for the delay. If this country refuses to comply with the penalty, then Turkey will head to the [ICC] International Court of Arbitration," a senior official from the Undersecretariat for the Defense Industry (SSM) told Today's Zaman last month.

According to the official, the penalty could mount to \$3 million or \$4 million.

According to Israeli engineers, the delivery problems arose because of the difficulty of strengthening the Heron engines to enable local Aselsan-made electro-optical payloads (Aselfir300T) to be fitted onto the Heron UAVs.

Peres: Ties with Turkey cannot be victim of 'momentary tensions'

Tuesday, 24 November 2009 09:23

Patience is needed to repair existing tensions in bilateral relations between Israel and Turkey, the engine of which is cooperation in the defense field, Israel's President Shimon Peres has said, while warning that Israeli-Turkish relations are too valuable

Peres' remarks came in an interview published on Monday, when Israeli Industry, Trade and Labor Minister Binyamin Ben-Eliezer was in Turkey for the highest-level visit since relations between the two countries became strained after the Israeli military launched a deadly offensive in Gaza last December. The message by Peres, who was engaged in a heated exchange with Turkey's Prime Minister Recep Tayyip Erdoğan at a World Economic Forum session in January, were published by www.defensenews.com, a Web site focusing on global defense affairs.

"We need to be very careful not to undermine a cooperative, mutually beneficial relationship built up over many years. Turkey is a very important nation in our region and a respected member of NATO. We need patience and to read the map correctly and not fall victim to momentary tensions between our two countries," Peres said, when asked whether Israel should be providing front-line military technology to Turkey when Ankara is seeking closer strategic ties with Syria and Iran. "I think it will be very hard for Turkey to jeopardize its world standing and discredit itself by becoming too actively aligned with the Iranian agenda," Peres added.

Israel has extensive defense ties with Turkey, a NATO member and one of the few Muslim nations to have built an alliance with the Jewish nation. Relations between Israel and Turkey took a nosedive after Israel launched its Gaza operation, killing more than 1,300 Palestinians. Erdoğan severely criticized Israel, saying it should be barred from the United Nations.

Peres was also asked whether he believed that Erdoğan has been leading Turkey "from partnership with Israel, towards radical Islam."

"Turkey is the only country in the world where a non-democratic institution, the Army, was in charge of preserving democracy. And they did it. Now the role of the Army has changed, and the question is whether Erdoğan will lead his Muslim population toward democracy or whether democratic forces will demand a more Islamist state. For a long time, Erdoğan himself wanted a good relationship with Israel. But what happened? I'm trying to see this in a broader perspective," Peres replied.

"The Turkish leadership very much wanted to become a part of united Europe, and the Europeans dragged their feet, and there was a sense of disappointment that caused them to look for another domain where Turkey could play a role. Turkey also wanted to

play a role between Syria and Israel, which was accepted by our former prime minister. And when you become a mediator, you leave your closeness to one side and go to the middle place between the two countries. So that, too, has had a certain effect. How far does Erdoğan want to go in his push in different directions? I don't know," he added.

Return to mediation with Syria

Ben-Eliezer, in Turkey to attend an economic forum, was expected to urge Turkey to return to mediating talks with Syria in exchange for a return to the cordial relations that existed before the Gaza operation when he met Turkish officials.

Israeli Foreign Minister Avigdor Lieberman denied on Sunday that Ben-Eliezer was to ask Turkey to resume mediation with Syria saying "after all their invective and nonsense ... they cannot be mediators," but Ben-Eliezer insisted on Monday that Turkey can help "to put things back on track" between Israel and Syria and insisted that he was in Turkey representing the Israeli government. "Lieberman might have different thoughts, but I am here not on a personal visit but as representing the Israeli government and the prime minister," Ben-Eliezer said in an interview with CNN Türk television.

Ben-Eliezer said Turkey cannot remain a bystander because instability in the Middle East does not serve Turkey's interests either. But he said Turkey should be "impartial" when getting involved in efforts to resolve conflicts in the Middle East. "Turkey should be impartial in order to mediate between [conflicting] parties," he was quoted as saying by CNN Türk. He also said he was in Turkey to clear the cloudy atmosphere in bilateral ties. In Ankara, Turkish officials were prepared to tell Ben-Eliezer that Israel should take steps to improve the humanitarian situation in Gaza, which has not changed much since the January offensive. "Israel has to make a choice between becoming a democratic Israel which includes Arab elements, or basically a Jewish Israel. Both can't happen at the same time," a senior Turkish official told Today's Zaman.

Ben-Eliezer was due to meet with Foreign Minister Ahmet Davutoğlu later in the day and is expected to have talks with President Abdullah Gül today. Prime Minister Erdoğan, who has directed the harshest criticism against Israel over the Gaza offensive, will not be meeting the Israeli minister as he will be in Libya for an official visit. Erdoğan departed for Libya yesterday afternoon.

Turkish President Receives Israeli Minister

Tuesday, 24 November 2009 16:58

TIME TURK

Turkish President Abdullah Gul received Israeli Minister of Industry, Trade & Labor Binyamin Ben Eliezer and an accompanying delegation in Ankara on Tuesday.

Turkish National Defense Minister Vecdi Gonul also attended the meeting which was closed to press.

Israel'S Trade Minister Invites Turkish Firms To His Country

Tuesday, 24 November 2009 13:57

TIME TURK

Israeli minister of trade has invited Turkish firms to his country.

Turkish Minister of National Defense Vecdi Gonul and Israeli Minister of Industry, Trade and Labor Binyamin "Fuad" Ben Eliezer participated in the fourth term meeting of the Turkish-Israeli Joint Economic Committee (JEC) in Ankara on Tuesday.

Delivering a speech in the meeting, Eliezer said that talks that he had held in Turkey so far showed that there would be a promising future in economic as well as political relations between the two countries.

Turkey and Israel shared common democratic values, he said.

Eliezer said he was visiting Turkey with executives of leading Israeli companies and they were eager to work in Turkey.

Investments by Israeli businessmen in Turkey reached nearly 500 million U.S. dollars, he said.

Turkish and Israeli companies could cooperate in fields such as high technology, research & development, health, finance and transportation, Israeli minister said.

Eliezer said Turkish companies had been working especially in areas of infrastructure, energy and construction in Israel, adding that they hoped that more Turkish companies would invest in Israel.

Turkey says Israel's invitation not accepted yet

Wednesday, 25 November 2009 14:5

TIME TURK

Turkish Foreign Ministry spokesman said that Israel invitation to President Abdullah Gul has not been accepted yet.

Turkish Foreign Ministry spokesman said on Wednesday that Israel invitation to President Abdullah Gul has not been accepted yet.

Commenting on the Israeli president's invitation relayed by Israeli Minister of Industry, Trade and Labor Binyamin Ben Eliezer, spokesman Burak Ozugergin said, "we will assess the invitation. Visits will continue in case the conditions are met."

Anadolu news agency quoted Ozugergin as saying, efforts were underway to enhance relations but it was evident that there were still some problems. He said the situation in Gaza was still severe.

Ozugergin said Israel-Palestine and Israel-Syria canals were congested in terms of the Middle East peace process, noting that it would not be possible for the region to achieve peace, welfare and prosperity before the two said canals were not opened.

Turkey wants Israel to lift heavy siege on Gaza that was also destroyed by December offensive, which nearly 1500 Palestinians were killed.

Gül tells Israel to revise settlement policy, prove commitment for peace

Wednesday, 25 November 2009 11:3

Today's Zaman

Turkey yesterday gave a conditional go-ahead to efforts to mend strained ties with Israel, saying Israel's hard-line government must prove that it is committed to peace with the Palestinians.

President Abdullah Gül, who met with visiting Israeli Industry, Trade and Labor Minister Binyamin Ben-Eliezer, urged Israel to withdraw to pre-1967 borders and revise its policy of expanding settlements in Palestine, warning that current peace in the region is precarious. "It is calm today, but this may not be lasting. There might be undesired developments in the future," Gül was quoted as telling Ben-Eliezer by sources close to the meeting. Israel, Gül said, must prove that it is willing and sincere for peace, stating that the peaceful coexistence of an Israeli and a Palestinian state would also be the best way to address Israel's security concerns.

Ben-Eliezer is the first Israeli minister to visit Turkey, once a close regional ally of Israel, since relations hit a low last winter following an Israeli offensive in Gaza that left more

than 1,400 Palestinians dead in Gaza. Prime Minister Recep Tayyip Erdoğan walked out of a World Economic Forum session in January after a heated exchange with Israeli President Shimon Peres, and Turkish-mediated talks between Israel and Syria collapsed after Ankara and Damascus said peace talks cannot proceed in the Israeli-Palestinian track as war rages on in Palestine. Relations continued to deteriorate after Turkey canceled a military exercise last month in which Israeli pilots were planned to participate and after Turkey's state-run TV aired a drama series that portrayed Israeli soldiers as cruel and repressive.

Ben-Eliezer, known as a proponent of close ties with Turkey, seeks to restore relations to the pre-Gaza offensive era and has stated a few times during his visit that a visit by Gül to Israel as soon as possible would help mend fences. But Turkish leaders were cautious towards the invitation, insisting that the humanitarian conditions in Gaza -- which has not changed much since the January offensive -- should improve first. Yesterday, Gül told Ben-Eliezer that he would consider whether to visit Israel after a visit by Foreign Minister Ahmet Davutoğlu first. It was not immediately known when Davutoğlu planned to go to Israel. Ankara also expects Israeli Defense Minister Ehud Barak to visit Turkey in the near future, sources said.

Ben-Eliezer has said he was in Turkey to clear up some of the issues over Israeli-Turkish ties and called on Turkey to resume mediation between Israel and Syria, but his mission appeared to be divisive within Israel. Israel's hawkish Foreign Minister Avigdor Lieberman said Turkey could not be considered a mediator because it lost its impartiality. But Ben-Eliezer said while Lieberman might have different thoughts, he was in Turkey representing the Israeli government.

Speaking late on Monday, Prime Minister Erdoğan said Turkey was ready to resume mediation but called on Israel to improve the situation in Gaza. "If we are assigned once more with such a mission, we are determined to be mediators again and to give all the support of which we are capable," Erdoğan told reporters before departing for a visit to Libya. But he also complained that the situation in Gaza remains unchanged.

"Our aim is to make friends, not enemies," Erdoğan said. "But we are trying to do this by respecting the principle of justice." He added that Turkey wanted to help restructure Gaza's destroyed infrastructure following the January offensive, but Israel denied this. "We invited Israel to have a more positive stance on these issues," he said.

Optimistic about future of ties

Speaking to a group of reporters at the conclusion of his visit in Ankara on Tuesday, Ben-Eliezer said he feels optimistic that relations will be repaired. He denied reports that new houses were being built in new settlements since the right-wing government took over the power in Israel. "We are ready to evacuate settlements and demolish homes built on Palestinian territories once we achieve peace," he said.

Eliezer also dismissed reports that Turkish humanitarian aid was blocked at the border with Gaza and said more humanitarian aid is flowing to Gaza now than before the Gaza offensive.

He also stressed Israeli government would like to see more high level visits to his country from Turkey but warned that any invitation extended to the president, the prime minister or foreign minister of Turkey would not include a trip to Gaza. "They are welcome to visit Israel or West Bank but not Gaza," he underlined.

As for the delays in delivery of Herons, he said the Israeli side is working hard to resolve problems with the unmanned aerial vehicles. "Once we solve problems, we will hand them over immediately," he said.

Speaking at a meeting discussing economic cooperation in Ankara earlier in the day, Ben-Eliezer invited Turkish businessmen to invest in Israel. "I have felt at home since I came here. You come to Israel, too, and feel at home. You have friends in Israel," Ben-Eliezer told the businessmen. Defense Minister Vecdi Gönül, who co-chaired the meeting on behalf of the Turkish side, said Turkey had a long-term perspective regarding its relations with Israel and that it is working to deepen ties. "Israel has a special importance for Turkey. It is important that Turkey and Israel cooperate more extensively," Gönül said.

Israel proposes secret meeting between PMs, hoping for thaw

Thursday, 26 November 2009 10:25

Today's Zaman

A senior Israeli government official has proposed a secret meeting between the Turkish and Israeli prime ministers as part of a major drive to revive ailing relations between the two countries and get business back on track.

At the end of his trip to Turkey, Israeli Industry, Trade and Labor Minister Binyamin Ben-Eliezer told a group of reporters on Tuesday that a breakthrough is needed in what he called the sometimes cloudy relations between the two countries. "If we are able to arrange a meeting between both prime ministers alone, without any interference, let them sit and discuss it, you will see that white smoke will come out very quickly," he said, signaling that an understanding would be rapidly reached.

Ben-Eliezer, a well-known figure in Ankara and a veteran politician in Israel, described both Israeli Prime Minister Benjamin Netanyahu and his Turkish counterpart, Recep Tayyip Erdoğan, as "young and very emotional" leaders. He said a summit between the

presidents of both countries may proceed on the success of the prime ministers' meeting. "A breakthrough is must. We want people on the leadership level to come and visit Israel because time is not in our favor, nor is it in the Palestinians' or the Middle East's [favor]," he said, pointing out that a nuclear Iran will radically change the balance of power in the region. "We have to bring the Palestinians to the table by any means -- through Obama, through you [Turkey] or through Egypt," he remarked.

Stressing that he came to Turkey on behalf of the prime minister and the Israeli cabinet, Ben-Eliezer said he repeated the official invitation of Israeli President Shimon Peres to Turkish President Abdullah Gül during a meeting which lasted for 90 minutes in Ankara. He said he does not know whether Gül will accept the invitation. "I came here with a message, and I am now going back to Prime Minister Netanyahu and to the Israeli cabinet with a very important message," he said, declining to provide specifics on what message he is taking back.

A Turkish diplomatic source says that without any improvement on the ground in Gaza, Turkey will not look favorably on a high-level meeting, at either the prime ministerial or presidential level at this time. "Foreign Minister Ahmet Davutoğlu would not want be seen shaking hands with his ultra-right wing Israeli counterpart, Avigdor Lieberman, at this juncture out of concern that this may signal Ankara's implicit approval of the Israeli government's policy in Gaza and on the settlements issue," the same source said, asking not to be named.

When reminded of Lieberman's harsh remarks on the eve of his visit to Turkey, Ben-Eliezer said, "Lieberman can say whatever he wants to say, but Netanyahu makes the decisions." He pointed out that the Israeli government is a coalition of many parties and that dissenting voices are part of the democratic process. "I don't always necessarily agree with what Lieberman says," he added. Ben-Eliezer also underlined that all political figures he met with in Turkey were very cooperative and welcoming, despite the fact that they knew very well what the Israeli foreign minister had said about Turkey.

Commenting on the blockade of Gaza, the Israeli minister dismissed reports that Turkish humanitarian aid had been blocked at the border. He cautioned, however, that they do not want to see trucks carrying bombs to militants in Gaza. "We want to help [Gaza]. We want to support and send everything required and needed," he said, stressing that, in contrast, the economy in the West Bank was flourishing.

Palestinian President Mahmoud Abbas' Fatah group controls the West Bank, while Gaza remains under Hamas control.

Syria talks may resume

The Israeli minister said he came with a message that his government would like to see the resumption of indirect talks between Syria and Israel. He acknowledged, however, that there are conditions on the table, both from the Turkish side and the Israeli side

regarding re-engagement. Turkey argues that the situation in Gaza must be improved before agreeing to mediate between the two sides. “We are working now to rebuild the level of confidence on both sides. Once I believe [we have achieved that] then we can go ahead,” Ben-Eliezer said.

Asked if he got the feeling that the Turkish side still has lingering bitterness about the collapse of talks on the eve of the Gaza offensive last December, he said no. “I have the feeling, through my meetings here, that they [the Turks] are willing to get back on track.” Both Erdoğan and Davutoğlu expressed Turkey’s displeasure about the Israeli onslaught in Gaza on the eve of what they thought was an imminent major breakthrough between Syria and Israel on many occasions in the past. The Gaza offensive halted the process and Ankara was angry for not being kept in the loop during a visit by then-Prime Minister Ehud Olmert to Ankara just one day before the attack.

Downplaying public concerns

Standing firm on the Israeli government’s policy of not allowing foreign dignitaries to visit the Gaza Strip during visits to Israel, Ben-Eliezer said this would apply to Turkish ministers, the Turkish prime minister and the president as well. “They are welcome to visit Israel at any time, but we would not be able to let them pass into Gaza,” he announced, saying such a move would weaken Abbas in the West Bank. “It would almost destroy the possibility that the Palestinian Authority could begin negotiations. The problem is between the PLO [Palestinian Liberation Organization] and Hamas,” he said.

Recalling that Israel has supported the Turkish government’s fight against the terrorist Kurdistan Workers’ Party (PKK) for many years, Ben-Eliezer said, “We backed you for all these years on very sensitive issues, you have to respect to ours as well.” He noted that unless the attitude of the people in Gaza changes, the policy will remain in place.

When asked how he thinks Israel can ease the growing concerns of the Turkish public, which has demonstrated that it is very sensitive to the goings on in Gaza in terms of human suffering and tragedy, the expansion of settlements and the incidents of Israeli police interference at Muslim holy site the al-Aqsa Mosque in Jerusalem, Ben-Eliezer downplayed the concerns, even though they have put the Turkish government under immense pressure recently. “Public opinion is influenced by the leaders of the country. The leaders are calling, and they [the public] are following,” he said. Conceding that there were some problems and murky issues, the Israeli minister emphasized that he wants to look ahead to see what can be done rather than dwelling on the past.

He underlined that there have been no new homes built in the settlements since the right-wing Netanyahu government took power. “If we achieve peace tomorrow morning, we will destroy all the settlements and evacuate all the settlers and soldiers.

We will not hesitate," he said.

US says to welcome Turkey's role in new Syria-Israel talks

Thursday, 26 November 2009 12:21

WORLD BULLETIN

The talks suspended after Israel attack into Gaza that killed nearly 1500 Palestinians last December.

U.S. special envoy for Middle East peace George Mitchell said U.S. administration would welcome Turkey's further participation in Israel-Syria indirect peace talks that halted last year, Anadolu news agency reported on Thursday.

At a press briefing, Mitchell told reporters that U.S. officials had been consulting intensively with Israel and Syria for several months.

"We are seeking a mutual agreeable basis for the parties to renew talks, and we have strongly encouraged them to do so," Mitchell said.

Asked if he saw a role for Turkey to play in talks at this time, Mitchell said, "I have had several meetings with Turkish officials, including the president, the prime minister, the foreign minister and others, and we welcome their further participation. But that is, of course, a decision for the parties to make, whether or not they wish to continue the indirect talks in that manner. So it will be up to them to decide how best to proceed. I've told the Turkish officials and both the Syrian and Israeli officials we welcome that as one mechanism. We welcome any mechanism that will result in progress."

Mitchell said he intended to make this a part of his discussion in his next visit to the region.

He also said both sides were well aware that President Barack Obama's vision of comprehensive peace included Israel and Syria.

"We think that is an important part of the objective. I have met with President al-Assad and with Prime Minister Netanyahu, and discussed directly with them our hope and our encouragement that peace talks be revived, and we will continue in that effort. Until now, while they both state the willingness to get into them, their differences on how to do so have prevented them," Mitchell said.

"The government of Syria wishes to conclude the indirect talks which were begun through Turkey last year before going to direct talks. The government of Israel prefers to go directly to direct talks without preconditions. We are attempting to find a mechanism on which both can agree because we think it's important that they begin the process.

We want them to do so. We want to support that effort in any way that we can," he added.

The talks suspended after Israel attack into Gaza that killed nearly 1500 Palestinians last December. Turkey severely condemned the the attack in the land already under Israeli siege for a long time.

Turkey's Gonul welcomes Bosnian Defense Minister

Wednesday, 25 November 2009 14:5

TIME TURK

Turkish Defense Minister Vecdi Gonul met Wednesday with Bosnian counterpart Selmo Cikotic in the Turkish capital.

Turkish Defense Minister Vecdi Gonul met Wednesday with Bosnian counterpart Selmo Cikotic in the Turkish capital.

Gonul welcomed Cikotic with full military honors at the Defense Ministry, saying that he was pleased to host the Bosnian minister in Ankara.

Gonul said Turkey was ready in its capacity to meet Bosnia-Herzegovina's any request including "Bosnia's planned troop contribution to multi-national mission force in Afghanistan."

The Turkish defense minister said he would discuss with Cikotic cooperation between the two countries in defense industry and other issues.

Cikotic said on his part that Bosnia-Herzegovina had full confidence in Turkey when taking important political decisions.

"Turkey has always stood on our side and I hope it would continue to do so in the future," Cikotic said.

Van Rompuy is not from 'Sarkozy camp,' Turkish-origin deputies say

Monday, 23 November 2009 15:37

Today's Zaman

A five-year-old speech against Turkey's European Union accession process by Belgian Prime Minister Herman Van Rompuy, who was named last week as the first president of

the EU, should not lead to concerns over his probable impact on Turkey's EU membership

EU leaders on Thursday named Van Rompuy, who is little known outside his own country, as the bloc's first president to lead efforts to make it more influential on the world stage. They also chose Baroness Catherine Ashton, a Briton little known even in her own country, as EU foreign affairs chief under a deal that kept out more established figures such as Tony Blair and raised questions about how the bloc plans to raise its profile.

Just ahead of his appointment, records of a speech by Van Rompuy during a meeting of the Council of Europe on the subject of Turkey's possible entry into the EU, held in the Belgian parliament in December 2004, have clearly revealed his strong opposition to Turkey ever joining the EU.

"Turkey is not a part of Europe and will never be part of Europe," Van Rompuy said at the time, suggesting that Europe's Christian "fundamental values" would be undermined by admitting Turkey into the union. "An expansion of the EU to include Turkey cannot be considered as just another expansion as in the past.

The universal values which are in force in Europe, and which are also fundamental values of Christianity, will lose vigor with the entry of a large Islamic country such as Turkey," the then-opposition politician said.

An EU summit decision in December 2004 had given the go-ahead for opening membership negotiations with Turkey in October 2005.

Nonetheless, both Hilal Yalçın, Belgium's first Christian Democrat deputy of Turkish descent, and Veli Yüksel, the first ever deputy of Turkish descent in the Flemish region, have warned that it would be unfair to label Van Rompuy with a speech delivered when he was in the opposition.

Yalçın and Yüksel also ruled out comments that Van Rompuy's 2004 speech puts him squarely on the side of Nicolas Sarkozy, president of France, and Angela Merkel, Germany's chancellor, both of whom are willing to offer Turkey a "privileged partnership" but want to keep the country out of the EU.

Admitting that the tone of the 2004 speech by Van Rompuy was "harsh," Yalçın, however, told Today's Zaman that the speech targeted the then-government, but was not particularly aimed at harming Turkey's EU bid.

"After all, Van Rompuy has not made any other anti-Turkish statements. It also means Rompuy would not be with either Merkel or Sarkozy," Yalçın said. "As he knew I was of Turkish origin, we occasionally had the chance to discuss Turkey-related issues. I know he follows developments in Turkey closely. I have never witnessed any callous stance towards Turkey from him," she added, calling the new EU president a "very open-minded person having a wide vision and approaching issues from a philosophical angle."

Yalçın, meanwhile, highlighted that the Belgian Christian Democrats are not against Turkey's EU membership.

For his part, Yüksel said it would be unfair to treat Van Rompuy as if he was "a Sarkozy-minded" politician.

"A five-year period of time is not short in terms of politics. Van Rompuy may have changed by this time. In addition, Van Rompuy said he would pursue European Council decisions on Turkey during his statement following his election. I do not think Van Rompuy will harm the EU's relations with Turkey," Yüksel said.

Soon after his appointment, speaking to reporters in Brussels on Thursday, Van Rompuy was asked questions on his stance concerning Turkey's EU bid. He responded that from now on, as the EU president, his personal opinions did not matter as he would harmonize his views with the EU's decisions.

"What I think is not important at all. My duty as president is producing reconciliation among EU countries," Van Rompuy added.

PM Erdogan congratulates EU's "anti-Turkey" president

Wednesday, 25 November 2009 14:5

TIME TURK

Rompuy is little known outside his own country, but said to oppose Turkey's bid to join the union because it is an "Islamic country."

Turkish Prime Minister Recep Tayyip Erdogan congratulated Belgian Prime Minister Herman van Rompuy for his recent appointment as the EU's first president.

Anadolu news agency said, Erdogan called Rompuy and congratulated him for his new mission, and expressed belief that Turkey-EU relations would further improve.

Rompuy is little known outside his own country, but said to oppose Turkey's bid to join the union because it is an "Islamic country."

Five years ago, Van Rompuy spoke against Turkey joining the EU, saying it would dilute Europe's "Christian" values and heritage.

"Turkey is not a part of Europe and will never be part of Europe," he said in a 2004 speech. "The universal values which are in force in Europe, and which are fundamental values of Christianity, will lose vigor with the entry of a large Islamic country such as Turkey."

Erdogan is currently in Tripoli, Libya for talks.

Turkey-EU Troika to meet in Istanbul on Thurs

Wednesday, 25 November 2009 17:1

TIME TURK

Turkey-EU Troika foreign ministers meeting will take place in Istanbul on November 26.

Turkey-EU Troika foreign ministers meeting will take place in Istanbul on November 26. Turkish Ministry of Foreign Affairs issued a statement and said a Turkish delegation, led by Foreign Minister Ahmet Davutoglu, will represent Turkey at the meeting.

Turkish State Minister & Chief Negotiator for the EU talks Egemen Bagis will also attend the meeting.

The statement said Turkey-EU Troika ministerial meetings take place during the rotating presidencies since the Helsinki Summit in 1999, when Turkey's candidacy status was reaffirmed. The previous ministerial meeting took place on April 21, 2009 in Prague.

The statement said Foreign Minister Carl Bildt of Sweden, the EU rotating president; State secretary for the EU, Diego Lopez Garrido of Spain, the next EU rotating president; EU Enlargement Commissioner Olli Rhen, and European Council executives, forming the EU Troika, will attend the meeting.

The statement said Turkey-EU Troika was the most important political dialogue mechanism with the EU.

"Turkish officials will exchange views with their EU colleagues about the reforms fulfilled by Turkey within the scope of membership process and the works that will be carried out in the future. The parties will also discuss regional and international developments," the statement said.

Turkey holds Troika meeting with EU in Istanbul

Friday, 27 November 2009 09:37

WORLD BULLETIN

A meeting between Turkey and EU Troika was held in Istanbul with the participation of Turkey's FM Davutoglu.

A meeting between Turkey and European Union Troika was held on Thursday in Istanbul with the participation of Turkey's Foreign Minister Ahmet Davutoglu and Chief EU Negotiator Egemen Bagis.

Speaking at a press conference after the meeting Bagis said Turkey had reminded the Troika that political obstacles which unfairly appeared on the way to Turkey's full EU membership negatively affected the Turkish public opinion.

Bagis said Turkey had once again expressed during Thursday's meeting its commitment to achieve reforms and complete the negotiations process successfully.

Also speaking at the press conference Davutoglu said a new future for Europe would be built upon joint visions and grounds instead of crises and differences to make the Union a truly global attraction point.

Swedish Foreign Minister Carl Bildt said the EU closely monitored Turkey reforms process and it attached special importance to the democratic initiative, which he said would further strengthen Turkey-EU relations.

Swedish FM: EU treaty has "no religious criteria" over Turkey's bid

Thursday, 26 November 2009 11:59

TIME TURK

Term President Swedish Foreign Minister Carl Bildt participated in a debate on the future enlargement of the EU at the European Parliament.

European Union (EU) Term President Swedish Foreign Minister Carl Bildt asked on Wednesday those opposing Turkish membership in the EU: "Did the enlargements to date take place because the public opinion wanted them?"

Participating in a debate on the future enlargement of the EU at the European Parliament (EP), Minister Bildt made comments to oppose those against Turkish membership and those who wanted to end the membership negotiations with Turkey and offer Turkey a privileged partnership instead of full membership.

As far as I can see, far right deputies are against Turkish membership in the EU due to its large population with a majority of Muslims. The Treaty of Amsterdam and its Article no. 49 does not bring any exceptions for big countries. This Treaty has no religious criteria, Bildt stressed.

Article 49 states that the EU is founded on principles of freedom, democracy, rule of law, human rights and basic freedoms. It states that any European country displaying respect for such principles may apply for full membership, Bildt also said.

The Treaty of Amsterdam amending the Treaty of the European Union, the Treaties establishing the European Communities and certain related acts, commonly known as the Amsterdam Treaty, was signed on October 2, 1997, and entered into force on May 1, 1999; it made substantial changes to the Treaty on European Union, which had been signed at Maastricht in 1992.

The Amsterdam Treaty meant a greater emphasis on citizenship and the rights of individuals, an attempt to achieve more democracy in the shape of increased powers for the European Parliament, a new title on employment, a Community area of freedom, security and justice, the beginnings of a common foreign and security policy (CFSP) and the reform of the institutions in the run-up to enlargement.

European Parliament Welcomes Turkey's Reforms

Thursday, 26 November 2009

USAK PUBLICATIONS

European Parliament adopted on Thursday a resolution on the European Commission's 2009 enlargement strategy for the Western Balkan countries, Iceland and Turkey, drafted by Gabriele Albertini, chairman of the committee on foreign affairs.

The resolution was debated in plenary on Wednesday afternoon and it was put to a plenary vote on Thursday.

An expression in the resolution calling on only the Turkish government to "contribute actively to the swift devising of a comprehensive settlement of the Cyprus question" was amended. Instead, it urged all parties to contribute to settlement within the framework of UN decisions.

MEPs welcomed the increasingly open public debate in Turkey about previous taboos while the resolution highlights the importance of a swiftly implementing judicial reform to improve the functioning of the Turkish state and society.

The resolution notes that Turkey has made some progress towards meeting the Copenhagen political criteria but urges the Turkish government and all parliamentary parties to establish consensus on key reforms.

The resolution says MEPs regret the "limited progress made in the area of freedom of religion" and freedom of expression, following the fine imposed on a media group.

It also welcomes government's efforts to resolve the Kurdish issue and says the European Parliament encourages the Turkish government to take concrete measures to address the situation of citizens of Kurdish origin.

MEPs welcomed Turkey's signing of the Nabucco gas pipeline agreement and called for the opening of the energy chapter blocked by the Greek Cypriot administration in the accession negotiations. Diplomatic efforts made to normalize relations with Armenia

were underlined. The Turkish Parliament, as well as the Parliament of Armenia, should ratify the relevant protocols, said the resolution.

Calling on the Turkish government to coordinate its foreign policy with the EU, in particular regarding Iran; the resolution asserts, however, that the NATO-EU strategic cooperation continues to be blocked by Turkey's objections, which it claimed to have negative consequences for the protection of the EU personnel deployed, and urges Turkey to set aside those objections as soon as possible.

EU to ask Turkey to adopt a 'more European Iran policy'

Wednesday, November 25, 2009 DÖNDÜ SARIŞIK

BRUSSELS – Hürriyet Daily News

The European Union welcomes Turkey's stabilizing role in the Middle East but feels uneasy with its Iran policy, according to diplomats in Brussels. The 27-member bloc will likely press Turkey to adjust its policy toward Iran with that of the EU policy during the Turkey-EU Troika meeting in Istanbul.

The European Union welcomes Turkey's stabilizing role in the Middle East but feels uneasy with its Iran policy, according to diplomats in Brussels. The 27-member bloc will likely press Turkey to adjust its policy toward Iran with that of the EU policy during the Turkey-EU Troika meeting in Istanbul.

Meeting every six months, the Troika gathers Turkey with current and next term presidents as well as the European Commission where the accession process is reviewed. The Turkish delegation will be led by Foreign Minister Ahmet Davutoğlu and chief EU negotiator Egemen Bağış will also accompany him.

Davutoğlu is expected to brief his European colleagues in depth to underscore that the Turkish policy has not deviated but is seeking a new solution to the Iranian nuclear issue through dialogue.

"Turkey plays a key role in a region that is vital for Europe. You should be proud of yourself," Helene Flautre, chairwoman of the delegation to the EU-Turkey Joint Parliamentary Committee of the European Parliament told Turkish journalists in Brussels.

"But as I said to Davutoğlu, the regime in Iran is not acceptable. They came to power thanks to a disputed election. [Iranian President Mahmoud Ahmedinejad] is not eligible to talk to us," Flautre said.

Flautre added, however: "If Turkey is able to play a constructive role to bring a solution to nuclear problem, it is of course important. We have to look at this issue very carefully."

The parliament also discussed "a motion for resolution" on Wednesday to wind up the debate on the European Commission's 2009 Enlargement Strategy Paper. Gabriele Albertini, in this motion on behalf of Committee on Foreign Affairs, called on the Turkish government "to coordinate its foreign policy with the EU in particular regarding Iran."

Turks upset with remarks of Berlin Plus

The motion also highlights an ongoing row between Turkey and the EU over the former's inclusion to the European Security and Defense Program, or ESDP. Being excluded from the decision-making process of the ESDP, Turkey opposes the EU's use of NATO assets and capabilities for its own operations. Turkey's move stems from Greek Cypriot administration's blockage on Turkey's participation to the European Defense Agency, or EDA.

In 2002, Turkey and the EU agreed on a document outlining conditions where Turkey would be able to join EU operations, known as the "Berlin Plus" deal.

"The NATO-EU strategic cooperation extending beyond the Berlin Plus arrangements continues to be blocked by Turkey's objection, which has negative consequences for the protection of the EU personnel deployed," read Albertini's motion that urged Turkey "to set a side those objections as soon as possible."

Ankara has found these remarks to be "the most upsetting and unjust part" because it was expecting Brussels to persuade EU-member Greek Cyprus to drop its veto over Ankara's bid to become an associate member of the EDA. As a key player in NATO, it demands to be consulted more on European security policy for its contributions to EU-led military operations.

[Turkish, US envoys to IAEA discuss Iran's nuclear program](#)

Friday, 27 November 2009 09:27

WORLD BULLETIN

A Turkish envoy to UN's nuclear watchdog agency met with his U.S. counterpart as part of the Vienna-based organization's executive board gathering.

A Turkish envoy to United Nation's nuclear watchdog agency met with his U.S. counterpart Thursday as part of the Vienna-based organization's executive board gathering.

Diplomatic sources close to the International Atomic Energy Agency (IAEA) said the Turkish envoy, Hakan Fidan and U.S. Ambassador Glyn Davies had exchanged views over Iran's nuclear program.

The Turkish envoy met also with Iran's envoy, Ali Asghar Soltanieh, and IAEA chief Mohamed el Baradei earlier in the day.

On a question whether Tehran would agree to store part of its low-enriched uranium in Turkey, Fidan told the Anadolu Agency that Iran had demanded that it could exchange its low-enriched uranium with a higher enriched material, but only on its own soil, an offer which sources have said was unlikely to receive a positive response from the six nations. Turkey's energy minister said earlier this month that it could store enriched uranium from Iran in response to a UN suggestion that Tehran send its low-grade enriched uranium to a third country.

Iran insists that its nuclear program is peaceful and aimed at generating electricity. But there are concerns in the West that Tehran's nuclear ambitions have military dimensions to it.

Davutoğlu still seeking way out for nuclear impasse

Thursday, November 26, 2009

ANKARA – Hürriyet Daily News

Seen as a possible trustee for the low-enriched Iranian uranium, Turkey continues its shuttle phone diplomacy with the related parties.

Turkish Foreign Minister Ahmet Davutoğlu held phone talks with his counterparts from the United States, Britain, Germany and France about the ongoing row between Iran and the international powers, Anatolia news agency said Thursday.

Davutoğlu spoke with Hillary Clinton, Guido Westerwelle, David Miliband and Bernard Kouchner and informed his counterparts about his recent meetings with Iranian officials last weekend.

The international powers proposed Iran to store its low-enriched uranium in Turkey if it wants to obtain 20 percent enriched uranium from the International Atomic Energy Agency, or IAEA. In a move to overcome the problems stemming from the distrust between the parties, Turkey proposed “a simultaneous exchange” of the uranium under its surveillance.

Iran insists that exchange should take place in its own territories. The talks are still ongoing.

Turkey important model for region, US says

Thursday, November 26, 2009

WASHINGTON - Anatolia News Agency

Turkey is an important model for the region in terms of its very vital democratic institutions, U.S. Department of State said. “We have a very robust and broad relationship with Turkey. Turkey is a valued member of NATO. We see Turkey as an important model for the region in terms of its very vital democratic institutions,” Ian Kelly, spokesman for the Department of State, said at a daily press briefing on Wednesday.

Turkey is an important model for the region in terms of its very vital democratic institutions, the U.S. Department of State said Wednesday.

“We have a very robust and broad relationship with Turkey. Turkey is a valued member of NATO. We see Turkey as an important model for the region in terms of its very vital democratic institutions,” Ian Kelly, spokesman for the Department of State, said at a daily press briefing Wednesday.

Kelly said the United States had a growing trade relationship with Turkey.

“We're looking forward to the visit of Prime Minister Recep Tayyip Erdoğan in a couple of weeks. That's not to say that we don't have disagreements with Turkey. We have disagreements with all of our allies, and we discuss them both privately and publicly. And we look forward to discussing the full range of our relations when Prime Minister Erdoğan arrives,” he added.

Anti-democratization groups use Cyprus, Soyer says

Monday, 23 November 2009 15:22

Today's Zaman

Those who want to block Turkey's democratization process are using the Cyprus impasse as a tool to further their cause, according to the Turkish Cypriot Parliament's opposition Republican Turkish Party (CTP) head Ferdi Sabit Soyer.

Speaking during celebrations marking the 26th anniversary of the founding of the Turkish Republic of Northern Cyprus (KKTC), Soyer praised the Turkish government's attitude on the Cyprus talks, expressing his opinion that the Cyprus question cannot be settled with hostility. He said the Justice and Development Party's (AK Party) rational foreign policy moves were giving the Cypriot Turks the upper hand in the international arena. He said certain groups against Turkey's democratization had used Cyprus as a tool to promote their own goals.

Soyer also commented on Turkish Deputy Prime Minister Cemil Çiçek's words in a speech for the 26th anniversary of the KKTC. Çiçek had said that if the European Union would ever force Turkey to choose between Turkish Cyprus and the EU, they should understand that the preference of Turkey and the Turkish nation would always be Cyprus. Soyer said Çiçek's words should be interpreted as a serious warning that the EU should not use Cyprus as blackmail material against Turkey.

Soyer also gave information on the state of talks on Cyprus. He said during KKTC President Mehmet Ali Talat's latest visit to Ankara, a common goal to hold a referendum on unification of the island in the spring of next year was set.

Soyer said that during his last visit to Talat, Alexander Downer, the UN special envoy on Cyprus, had stated his appreciation for the Turkish side's policies, referring to them as being in line with the UN's parameters. Soyer said this effectively refuted the Greek side's argument that Turkey and the Turkish Cypriots were violating international agreements.

Aliyev ups the ante as expectation for progress on Karabakh grows

Monday, 23 November 2009 14:30

Today's Zaman

Azerbaijan has raised the stakes in talks with Armenia on the Nagorno-Karabakh conflict, warning that Azerbaijani troops are ready to use force to take back the disputed region if talks held yesterday between the leaders of the countries “fail.”

The French consul general in the German city of Munich hosted talks between Armenia's Serzh Sargsyan and Azerbaijan's Ilham Aliyev on Sunday. The Munich meeting was the sixth such encounter this year, with Azerbaijani ally Turkey pressing for progress before it seals a historic rapprochement deal with neighboring Armenia. Oil-producing Azerbaijan upped the ante just hours before the Munich meeting, with Aliyev warning the meeting between the presidents in Munich would be “decisive.”

The Azerbaijani president also said Baku has not ruled out the use of military force if talks with Armenia on resolving a long-standing territorial dispute do not produce any result.

Before the meeting, French Co-chairman of the Organization for Security and Cooperation in Europe (OSCE) Minsk Group Bernard Fassier said the meeting would be closed to the media. It was also noted that the leaders were to discuss the withdrawal of Armenian troops from the occupied regions adjacent to Nagorno-Karabakh, the temporary status of Nagorno-Karabakh, the division of the corridor connecting Nagorno-Karabakh to Armenia, the final legal status of Nagorno-Karabakh through the principle of self-determination and the return of internally displaced persons (IDPs) to their homes during the meeting.

Azerbaijan's Foreign Minister Elmar Mammadyarov, Armenian Foreign Minister Edward Nalbandian, OSCE Minsk Group co-chairmen Fassier, Robert Bradtke (US) and Yuri Merzlyakov (Russia) and the special envoy of the OSCE chairman, Anji Kaspshik, also participated in the meeting.

Backed by Christian Armenia, ethnic Armenians in Nagorno-Karabakh threw off Muslim Azerbaijan rule during fighting that erupted in 1991 as the Soviet Union headed towards collapse. Some 30,000 people died before a cease-fire in 1994.

The territory of 145,000 people wants recognition as an independent state, but 15 years of mediation has failed to produce a peace deal. Sporadic exchanges of fire continue to threaten the outbreak of war in a key oil and gas transit region to the West.

The Caucasus conflict was thrust back into the diplomatic spotlight this year by a deal between Turkey and Armenia to overcome a century of hostility stemming from the World War I killings of Anatolian Armenians by Ottoman Turks.

Ankara and Yerevan have signed accords to establish diplomatic ties and open their mutual border, which Turkey closed in 1993 in solidarity with Azerbaijan during the war. The deal carries huge significance regarding Turkey's diplomatic clout in the strategic Caucasus region, its bid to join the European Union and for landlocked Armenia's crisis-hit economy.

But Ankara, stung by an Azerbaijani backlash over the thaw and bogged down in protracted negotiations over Azerbaijani gas supplies, says it wants to see progress on Nagorno-Karabakh before it ratifies the deal. Armenia rejects any link between the issues.

“That meeting must play a decisive role in the process of negotiations,” Aliyev said late on Friday, in comments broadcast by state television on Saturday and in reference to the meeting in Germany.

“If that meeting ends without result, then our hopes in negotiations will be exhausted and then we are left with no other option,” he said, saying Azerbaijan had the right to use force to take back the mountain region. “Azerbaijan is spending billions on buying new weapons, hardware, strengthening its position on the line of contact,” he said at a meeting with Azerbaijanis made refugees by the conflict.

“We are doing that because we never excluded and we do not exclude that option. We have the full right to liberate our land by military means.”

Aliyev often threatens using force to take back the territory, at the heart of a key region for transiting its oil and gas to the West. Analysts say the saber-rattling should be seen in the context of Azerbaijani anger over Turkey’s deal with Armenia.

However, Western diplomats warn the frontline, a warren of minefields and trenches manned by snipers, is inherently unstable and it would take little for the frequent clashes there to escalate.

The trio of mediators from the US, Russia and France working under the OSCE say they are making progress in the talks, but analysts and Western diplomats say neither side appears ready to commit to difficult concessions and sell them to their people.

The mediators are working on a deal that would see the return of many of the Azerbaijani districts held by Armenians, greater international legitimacy for the Nagorno-Karabakh authorities and a future popular vote to decide on its status.

Armenia submits protocols to Constitutional Court

Armenian media, meanwhile, reported that Sargsyan’s office last week submitted the two protocols on normalization of bilateral relations with Turkey to the country’s Constitutional Court.

“A full-court session must be convened within 20 days to determine a hearing date for the protocols,” the court’s chief of staff, Aroushan Hakopyan, was quoted as saying by the Armenian media. “If within the 20-day time frame a consensus is not reached, the decision to convene a hearing is extended by 10 additional days. If a month passes from the time of submission and a decision is not reached, the protocols must be returned to the president’s office or the court must decide on further discussions,” the reports said, adding that the court is also tasked with ruling on the constitutionality of the protocols. The protocols need to be ratified in the Turkish and Armenian parliaments to enter into

force. But Turkish leaders have suggested that their Parliament is unlikely to ratify the agreements without a breakthrough in international efforts to resolve the Nagorno-Karabakh conflict.

Premier Erdogan Leaves for Libya

Tuesday, 24 November 2009

USAK PUBLICATIONS

Turkish Prime Minister Recep Tayyip Erdogan left for Libya on Monday on a 3-day state visit upon an invitation by al-Baghdadi Ali al-Mahmudi, the General Secretary of the General People's Committee of Libya.

"The situation that occurred after the attacks on Gaza was discussed at the meetings. However, the doors have not yet opened. Turkey wants to extend its helping hand here. We invite Israel to assess those issues more affirmatively," Erdogan told reporters at Ankara's Esenboga Airport prior to his departure for Libya.

Responding to a question on Gaza and the Middle East peace process, Erdogan said, "the problem between Israel and Palestine is at the same time a problem of us. The superstructure and infrastructure there have been devastated because of the bombs." Erdogan said this would be the first visit after a long time from Turkey to Libya in prime ministry level.

The latest visit from Turkey to Libya was 13 years ago.

Erdogan said many ministers, parliamentarians and businessmen were accompanying him during the visit, adding that political and economic relations as well as cooperation would be discussed.

"The parties will exchange views to add momentum to relations. This visit will be fruitful to boost regional developments with Libya," Erdogan said, and noted that signing an agreement to encourage investments would be in question.

Erdogan said he was scheduled to meet Libyan Leader Muammer Ghaddafi, General Secretary of the General People's Committee of the of Libya al-Baghdadi Ali al-Mahmudi, several other Libyan executives and would attend Turkish-Libyan Business Forum.

Commenting on his Justice & Development (AK) Party meeting that took place at the weekend, Erdogan said "democratic move" process within the scope of "National Unity and Fraternity Project" was mainly discussed at the meeting.

"All those are very important for us to form common mind," Erdogan said and noted that the process was explained during meetings that took place in 78 provinces immediately after the process was discussed at the Parliament.

"The works will continue till to the end of spring. This is a state project, so the addressor is the nation. Everybody should assume responsibility," he said.

Asked to comment on opposing views of Belgian Prime Minister Herman Von Rompuy, appointed as EU's President, toward Turkey's EU membership, Erdogan said Rompuy himself said he had to act in line with the principles of the EU.

When a journalist said, "talks are underway that Hamas could release the abducted Israeli soldier. Does Turkey have a role on the matter?", Erdogan said, "during our talks with Israel which continued for five rounds we have repeatedly told them that we could help them. We are ready to extend any help if necessary. However, I can say that there are positive developments apart from us. I hope the problem will be solved."

Erdogan also reacted against the flags of the terrorist organization and posters of the head of the terrorist organization in a party bus.

When asked whether the attack on Democratic Society Party (DTP) convoy in Aegean province of Izmir would have a negative impact on "Democratic Initiative" process, Erdogan said, "it is very clear. The government would not allow again such scenes to occur again. It is not possible for us to consider this affirmatively. Such scenes have negative impact on the process contrary to our positive point of view."

Visa barriers with Libya abolished in historic visit

Wednesday, 25 November 2009 11:3

TIME TURK

Turkey and Libya announced on Tuesday that they have mutually abolished visa requirements, opening a new era in once-strained ties.

"We have agreed to end visa requirements," Libyan Prime Minister al-Baghdadi Ali al-Mahmoudi announced after talks with Prime Minister Recep Tayyip Erdoğan in Tripoli. "We have Eid al-Adha coming up. As of today, Turkish citizens can visit Libya and Libyan citizens can visit Turkey without having to obtain visas."

Erdoğan, the first Turkish prime minister to visit Libya in 13 years, also met with Libyan leader Muammar Gaddafi. The prime minister is accompanied by ministers of foreign affairs, foreign trade, energy and transportation in his three-day visit.

The lifting of the visa requirements came as Turkey works to strengthen trade ties with Libya. Speaking to the Anatolia news agency, Zafer Çağlayan, the minister for foreign trade, said Turkey has so far begun projects worth \$21 billion in Libya. He added that

Libya has promised to set aside business worth tens of billions of dollars to Turkish entrepreneurs.

Libya is a “country of opportunities,” Çağlayan said, emphasizing that there are several areas open for further cooperation between Turkey and Libya.

Erdoğan’s visit marks a turning page in relations with Libya, which deteriorated sharply during the last prime ministerial visit 13 years ago. Then-Prime Minister Necmettin Erbakan was given an unpleasant shock during his visit to Tripoli, when Gaddafi reportedly lent support to the outlawed Kurdistan Workers’ Party (PKK), which is listed as a terrorist organization by a large majority of the international community.

“The state of Kurdistan should take its place in the spectrum of nations under the Middle Eastern sun. Turkey should not fight against people seeking their independence,” Gaddafi was quoted as saying at the time. Senior-level contacts between the two countries have been rare since then.

“I am not focusing on what happened 13 years ago; we are now assessing our current situation. We are trying to build a different future,” Prime Minister Erdoğan told reporters before departing for Libya. “This is the main purpose of my visit.” He said he would review the current situation in political and economic relations in talks with Libyan authorities.

Libya offers lucrative business opportunities particularly for Turkey’s construction sector. Erdal Eren, head of Turkey’s contractors’ association, said since 2005, Turkish companies have won projects worth \$11 billion from Libya and added that Libya offers \$8-10-billion projects every year. Eren was optimistic that Erdoğan’s three-day visit will soon have positive impacts on business cooperation with Libya. “For the past two years, we have been telling our prime minister that our business volume with Libya has increased and that political relations should also expand in parallel to the growth in the business ties,” he told Anatolia.

He said other countries, such as Italy and Russia, were already very active in expanding political ties and business cooperation with Libya.

While in Libya, Erdoğan will attend a Libya-Turkey business forum, which will be jointly organized by Libyan and Turkish business circles.

Turkish FM in phone diplomacy over Iran's nuclear program

Thursday, 26 November 2009 15:18

WORLD BULLETIN

Davutoglu made phone conversations with foreign ministers of several countries over Iran's nuclear program.

Turkish Foreign Minister Ahmet Davutoglu made phone conversations with foreign ministers of several countries over Iran's nuclear program.

Davutoglu spoke with U.S. Secretary of State Hillary Clinton, German Foreign Minister Guido Westerwelle and British Foreign Secretary David Miliband, diplomats said on Thursday.

Davutoglu's phone diplomacy came after his recent visit to Iran.

Davutoglu informed his counterparts about his impressions after talks with Iranian officials in Tabriz, diplomats stated.

He also discussed Thursday's meeting of the International Atomic Energy Agency held in Vienna on Iran's nuclear program.

Turkey willing to help Iran integrate to international community"

Friday, 27 November 2009 11:19

TIME TURK

Turkish Foreign Minister Ahmet Davutoglu has said Turkey attached importance to Iran's integration to the international community.

"We are willing to make any contribution to that end. We need get rid of the environment of confrontations and tensions in the region," Davutoglu told reporters at a press conference after a Turkey-European Union Troika meeting in Istanbul.

Responding to a question on possible repercussions of relations between Turkey and Iran on Ankara's ties with the United States and the EU, Davutoglu said his country had an important dialogue and relations with both the United States and Iran.

"We have underlined during a meeting with Mr. Ahmadinejad that problems should be

resolved through diplomacy and mutual understanding in such a critical time. And we will continue to convey our messages of dialogue and peace to the parties during a prospective visit of Premier Recep Tayyip Erdogan to the U.S. Our goal is to prevent new problems from developing. We are also in contact with the EU about our efforts," Davutoglu said.

Turkey accepts to join Moro Muslims-Philippine peace talks

Thursday, 26 November 2009 13:20

TIME TURK

MILF also said it will launch a massive communication program designed to make the public understand issues behind its peace negotiations with the government. Turkey has accepted an invitation to be part of an international group that would monitor peace talks between the Philippine government and the country's largest Muslim group, an official said Thursday.

Saudi Arabia, Japan and Britain were also invited by the Philippines and the Moro Islamic Liberation Front (MILF) to join the International Contact Group (ICG). Rafael Seguis, chairman of the government peace panel with the MILF, said he and his counterpart Mohaqher Iqbal have received letters confirming Turkey's participation in the ICG.

"This is indeed a positive step as it clears the way towards the actual resumption of formal peace talks in the first week of December," Seguis said in a statement.

The Philippines and the MILF agreed on September 15 to form the ICG as part of efforts to resume peace negotiations, which have been stalled since August last year due to top court's halt.

"Christians misinformed"

MILF also said it will launch a massive communication program designed to make the public understand issues behind its peace negotiations with the government, in view of criticisms about the lack of transparency in the talks.

Ghazali Jaafar, MILF vice chair for political affairs, revealed the MILF's information campaign, Philippine Daily Inquirer reported.

"We realized we also have a shortcoming [in informing people]. We relied on the government to reach out to non-Moros and the indigenous peoples. Now, we will do it ourselves. We will reinforce efforts of our provincial committees. We are doubling our

efforts in the information campaign" said Jaafar on the planned communication program.

Jaafar explained that even at the start of discussions about the court-annulled deal (MOA-AD), the MILF and government peace panels already had different tasks in communicating and consulting with the people.

"We agreed to conduct the consultations in the Bangsamoro communities in all regions in Mindanao, while the Philippines will lead the consultations with the non-Moros. So it's not true that there were no consultations," said Jaafar.

But Jaafar added, "We have learned our lesson, so now we will have this communication program. Many Christians are apprehensive about the MOA-AD because they have been misinformed.

The Philippines, an archipelagic country located in the western Pacific Ocean, has a population of 90 million people. The population of Muslims is about 12 million. Between the years 1450 and 1515, two Islamic principalities were founded on the islands of Sulu and Mindanao. Islam came to the Philippines in the 13th century 200 years before Christianity did.

Libyan PM praises Turkey's ties with Arab world

Thursday, 26 November 2009 10:57

TIME TURK

Libyan prime minister praised on Wednesday Turkey's relations and cooperation with the Arab world.

Libyan prime minister praised on Wednesday Turkey's relations and cooperation with the Arab world.

"I would like thank my counterpart, Prime Minister Recep Tayyip Erdogan for his courage to support and attach importance to the integration among Arab nations relating issues of this region and particularly in Palestinian issue, and to the cooperation between Turkey and the Arab world," Al-Baghdadi Ali al-Mahmudi told Wednesday a joint press conference after a meeting with Erdogan in Tripoli.

Al-Mahmudi said Libya and Turkey were in full accord to establish political and economic cooperation between the two countries, adding that "the agreements we signed today will lay the foundations for the close political cooperation the region needs."

The Libyan premier said his country would exert any effort in their capacity to fulfill

commitments to the Turkish investors operating in Libya.

Turkey's Erdogan says Libya visit "very productive"

Thursday, 26 November 2009 09:38

TIME TURK

Erdogan said that Turkish and Libyan ministers would further develop the cooperation process henceforth.

Turkish Prime Minister Recep Tayyip Erdogan said that his visit to Libya was very productive, adding that Turkish and Libyan ministers would further develop the cooperation process henceforth.

Erdogan said at a joint news conference with Libyan Prime Minister al-Baghdadi Ali al-Mahmudi in Tripoli, "our talks in Libya focused on ways to increase our trade volume which is currently standing at 1.4 billion USD. We expect it to rise to 2 billion USD till the end of the year. We want to increase our trade volume with Libya up to 10 billion USD in the next five years."

"During the visit, eight agreements have been signed between Turkey and Libya. One of those agreements is a memorandum of understanding about joint investments in Africa. We also signed an agreement to remove visa requirements for the nationals of the two countries. We held pre-talks about some more agreements including prevention of double taxation and establishment of a high-level cooperation council," he said. Erdogan added, "Turkey aims at increasing number of its embassies in the African continent to 27 by the end of next year. Libya has embassies in 50 out of 52 African countries. We believe that Libya will support us in this process. We attach great importance to Libya's pioneering and leading role in Africa."

IMO awards Turkish navy for anti-piracy Aden work

Thursday, 26 November 2009 09:55

TIME TURK

The International Maritime Organization is holding its 26th Assembly meetings in British capital of London.

The International Maritime Organization (IMO) is holding its 26th Assembly meetings in British capital of London.

The assembly meetings take place every two years.

Turkey is being represented at the IMO Assembly by a delegation comprised of officials from the Undersecretariat of Maritime Affairs and Ministry of Foreign Affairs.

IMO presented an award to the Turkish Navy for exceptional bravery in the Gulf of Aden.

Among the topics discussed at the Assembly are maritime security, environmental pollution and piracy.

Turkish Parliament Speaker Meets His Armenian Counterpart in Moscow

Tuesday, 24 November 2009

USAK PUBLICATIONS

Turkish Parliament Speaker Mehmet Ali Sahin, who is currently in Russian capital of Moscow for the 34th General Assembly of the Parliamentary Assembly of the Black Sea Cooperation (PABSEC), had a meeting with Armenian National Assembly Speaker Hovik Abrahamyan on Monday.

After the meeting, Sahin told reporters that Turkey which acted with the principle of improving ties with its neighbors was eager to normalize its relations with Armenia. Turkey and Armenia earlier signed protocols foreseeing normalization of relations, he said.

Parliament Speaker Sahin is expected to return to Turkey on Tuesday.

Turkey Condemns Killing of Turkmen Politician in Iraq

Monday, 23 November 2009

USAK PUBLICATIONS

Turkey has condemned killing of a senior Turkmen politician in the Iraqi city of Mosul. Yavuz Efendioglu, provincial chairman of the Iraqi Turkmen Front, was shot dead by gunmen in a speeding car in front of his house on Sunday in eastern Mosul, 390 km north of Baghdad.

The Turkish Ministry of Foreign Affairs, in a statement, expressed profound sorrow over assassination of the Turkmen politician in a heinous act of terror.

Foreign Minister Ahmet Davutoglu called relatives of Efendioglu and the leader of the Iraqi Turkmen Front and offered his condolences.

"Those who are responsible for this heinous attack in a critical period in Iraq should be brought to justice as soon as possible. It is important for efforts to ensure tranquillity and stability in Iraq. Turkey will continue mobilizing all its capabilities to assist Iraqi people in this critical process," the ministry said.

Turkey rejects opening ports to Greek Cyprus

Friday, November 27, 2009

ISTANBUL - Associated Press

Turkey will not open its ports and airspace to Greek Cyprus until there is an agreement that would reunite the divided island, the Turkish foreign minister said Thursday.

Foreign Minister Ahmet Davutoğlu was responding to a renewed call by the European Union for an agreement on the issue, which is one of the reasons that talks for closer ties between Turkey and the EU are frozen.

Cyprus was divided into a Greek Cypriot south and a Turkish Cypriot north in 1974 when Turkey intervened in response to a coup by supporters of union with Greece.

The Greek-speaking half is internationally recognized and entered the EU in 2004. The breakaway Turkish north is recognized by Turkey, which also retains 35,000 troops in the breakaway Turkish Cypriot north.

Swedish Foreign Minister Carl Bildt renewed the EU's call during his visit aimed at discussing the country's stalled EU membership bid. Sweden currently holds the EU presidency.

Turkey began talks to join the 27-nation bloc in 2005, but has made little progress since. France and Germany have expressed opposition to its bid while negotiations over some policy areas such as energy talks are frozen over Turkey's refusal to allow ships and planes from Greek Cyprus to enter its ports and airspace.

Spain expressed support for Turkey's membership on Thursday, promising that more negotiation chapters could be opened when that country takes over the EU's rotating presidency in January.

ECONOMIC ISSUES

Turkey may be regional livestock leader with proper policies

Monday, 23 November 2009 09:10

The president of the Turkish Union of Agricultural Chambers (TZOB), Şemsi Bayraktar, has announced that Turkey has the potential to seize the largest share in the \$1.5 billion Middle Eastern ovine market, if it adopts an export-oriented production method.

Bayraktar was speaking at a press conference in Ankara to disclose the details of the TZOB's latest "Red Meat Sector Assessment Report," which was prepared with contributions from the Industry and Trade Ministry, Foreign Trade Undersecretariat, universities and companies in the sector.

Bayraktar suggested that Turkey take measures soon to boost domestic ovine and cattle production by removing obstacles that currently deter farmers from animal husbandry and introducing incentives to encourage more animal breeding along with mechanisms to more efficiently regulate the domestic meat market.

Under the current conditions, however, Turkey is far from rising as a regional leader, Bayraktar argued, and exemplified his remark by pointing out that Turkey earned \$250 million from cattle meat sales and \$30 million from sheep and goat meat sales annually 20 years ago, without affecting domestic consumption. However, today's figures indicate the long distance Turkey needs to travel to turn around in animal breeding and rise as a regional power, he said and added that Turkey's total revenues from its meat exports are now just \$12 million per year and that even this small figure is enough to create serious problems in the domestic market.

Turkey has geographic proximity to the world's biggest ovine importers, the Arabic countries of the Middle East including Saudi Arabia, Kuwait, United Arab Emirates and Lebanon, Bayraktar asserted. However, Turkey is not able to capitalize on this opportunity due to its endemic problems in animal husbandry and meat production, he argued.

He quoted figures released by the Turkish Statistics Institute (TurkStat), which noted that the number of slaughtered cattle in the last decade was down by 21 percent. The rates of decline were 29 percent for water buffalo, 43 percent for sheep and 73 percent for goats. In total, Bayraktar noted, 29 percent fewer animals are butchered now than 10 years ago, meaning a sharp drop in meat production -- except a three percent increase in cattle meat due to more efficient practices. The production of water buffalo meat has decreased 33 percent in the last decade; this figure is 41 percent for sheep and 72 percent for goats. Total meat production decreased by 9 percent in the last 10 years.

There are a number of long and short-term reasons for the sharp decline in the amount of livestock farmed, Bayraktar said and explained: "Increasing exports is one of the factors. The products that are already far from meeting domestic demand are growing more scarce due to sales abroad, in detriment to the supply-demand balance of the domestic market." He said the sheep and goat exports to Lebanon are especially noteworthy. Another reason Bayraktar mentioned is the illegal trade of animals to neighboring countries due to sharp price increases in those markets. The slaughtering of cattle by farmers to increase meat and milk prices in the domestic market is another major reason behind the scarcity of animals, Bayraktar alleged.

Small livestock producers have been forced out of the sector, selling their sheep and goat stocks due to high feed prices and relatively unprofitable meat, milk and wool sales, Bayraktar noted. In addition, hurdles to finding adequate feed in the last two years -- because of the drought -- has led farmers involved in animal husbandry to get out of the business. These farmers slaughtered their animals, even those kept for breeding.

The nearly 2 million animals kept off the market to fatten ahead of Eid al-Fitr also contributed to the supply-demand imbalance, Bayraktar said. "In addition, the poor incentives provided for small livestock breeding are not sufficient even for the protection of the sector, let alone the development of it," he said. Inadequate pastures, the inability to access certain grazing areas or fertile plains in the southeastern and eastern regions of Anatolia due to the threat of terrorism and the entry of the state-owned Meat and Fish Institution (EBK) into competition with private companies to provide meat for the army and other state establishments are among other problems Bayraktar listed.

As a solution to these problems, the TZOB President suggested increased incentives for domestic animal producers and strict measures against meat imports. "If imports increase, local producers will exit the business and will not return. Then, it would be unavoidable to be dependent on foreign producers," he argued

Sales accelerating ahead of Eid al-Adha

Tuesday, 24 November 2009 17:03

Today's Zaman

Shopkeepers hit hard by the financial crisis, facing poor sales figures during September's Eid al-Fitr holiday season, are breathing easier as Turks hit the malls ahead of this week's Eid al-Adha holiday.

People are already crowding stores ahead of Friday, with the Istanbul shopping scene in particular enlivened over the weekend. Major shopping malls are featuring a number of enticing sales campaigns to lure buyers, with sales on outfits dropping by as much as 80 percent. Households that spent very cautiously last year and during the last holiday have been convinced to start buying again, drawn in by tax discounts and sales campaigns. Citizens' confidence only began rebounding after this August, and they're finally opening up their wallets in these final months of 2009.

While wealthier people are choosing to shop at luxury stores in shopping malls, those in the middle and lower income groups are visiting local stores and bazaars. The occurrence of the Eid on Friday this year means that last weekend was a major shopping time as people prepared for the holiday. Shop owners and salespeople report a serious

increase in sales over the last holiday season, despite the fact that the previous holiday had also coincided with the start of the new school year, which should have led to more spending. The trend seems to be that those parents who spent money on school supplies instead of themselves last Eid are spending money on themselves as well this holiday season.

Still, higher prices at big shopping malls have led many İstanbulites to seek out better deals at shopping areas in Mahmutpaşa, Merter and Mercan. At these places, people are able to buy new outfits (an Eid al-Adha tradition) for between TL 50 and 70 per person, versus TL 250 a person at shopping malls. Thousands of people went to these cheaper areas over the weekend, with sales increasing by 50 percent in the bazaars and shops which had been relatively empty the previous weeks.

Consumers who in previous years paid attention to brand names when shopping for Eid are now focused on price first and foremost -- leading some chain store outlets to devise special sales campaigns to bring customers in. Depending on their items and the sales trends, some stores offered as much as 16 months of installments on purchases made with credit cards, at no increased price. Well-known names like LC Waikiki and Rodi Mood have launched massive campaigns, with LC Waikiki outlets open 24 hours a day during the six days leading up to Eid al-Adha. Rodi Mood has a "buy one, get one half-price" sale going on. Rodi Mood executive board president Fetin Kazancı, commenting on these strategies, said they expected an increase of 50 percent in their seasonal sales.

Turkish-Israeli Jec protocol signed

Tuesday, 24 November 2009 20:18

TIME TURK

Turkey and Israel on Tuesday signed Joint Economic Commission (JEC) 4th term meeting memorandum of understanding.

Speaking at the signing ceremony, Turkish National Defense Minister Vecdi Gonul said the decisions taken within the scope of the meeting would add a new momentum to relations between the two countries.

Gonul said Turkey would be in an effort to implement the elements included in the memorandum of understanding, "I believe that Israeli party will do the same" he added. Israeli Minister of Industry, Trade and Labor Binyamin "Fuad" Ben Eliezer expressed

Israel's willingness to work with Turkey and deepen relations.

Eliezer said he hoped Israeli Defense Minister Ehud Barak would soon pay a visit to Turkey.

Israeli minister also said his country was willing to raise trade volume to 8 billion USD in 2 years.

TOKİ to build 500,000 homes by 2011, focusing on low-income groups

Tuesday, 24 November 2009 11:59

Today's Zaman

Housing Development Administration of Turkey (TOKİ) President Erdoğan Bayraktar has revealed that his administration aims to reach the 500,000-homes-built mark by the end of 2011, adding that TOKİ will focus on building housing for low-income families in

Speaking to an Anatolia news agency reporter, Bayraktar stated that his administration would not exit the market and instead would be "continuing at a faster pace and surpassing our targets." He added that they had met their seven-year goal of building 350,000 homes and revealed that they had instead reached 400,000. By 2011, his administration expects to reach 500,000 homes.

Bayraktar revealed that TOKİ was currently following two business paths, one that was focused on building homes for poor and low-income families, and the other which focused on urban renewal programs in cooperation with municipalities. He added that some continue to ask his administration to build schools, hospitals, health clinics and family consulting centers, and that they are meeting these requests as much as possible. Pointing out that his administration has been forming cooperative agreements with the government and municipalities to realize urban renewal projects that would help low-income citizens acquire housing at affordable prices, Bayraktar noted that these projects were mostly implemented for citizens living in slum-like areas.

Ministry of Finance to sell public real estate worth TL 2.75 billion

Tuesday, 24 November 2009 09:33

Today's Zaman

Finance Minister Mehmet Şimşek has revealed that his ministry has made all the necessary preparations to sell public real estate worth TL 2.75 billion to increase budget revenue.

Speaking to the Planning and Budgetary Commission of Parliament on Monday, Şimşek discussed real estate owned by the government and noted that much of it would be sold by the Privatization Administration (ÖİB) beginning in 2010. Şimşek noted that 290 parcels of real estate worth TL 2.75 billion would be sold. He stating that revenues from these sales would contribute to the economy by creating employment, increasing efficiency and bettering the investment climate in Turkey.

Şimşek revealed that since 2003, sales of and rent from public real estate had amounted to an income of TL 5.9 billion for the government. Noting that his ministry would continue to efficiently extract revenues from these assets, Şimşek stated that “we are planning to reform the administrative capacity and infrastructure for administering public real estate. In the near future we aim to determine which pieces of public real estate were allocated but are now sitting idle, and we hope to include this property in the economy through liquidations and other methods.”

Şimşek highlighted that his ministry was working to shine a light on criminal economic activities and punish those involved in illegal transactions. He noted that the number of such activities recorded had been increasing in the past few years from 180 in 2003 to 7,797 in the first 10 months of 2009, for a total of 17,629 known cases of criminal economic activities.

Speaking on tax fraud, Şimşek stated that tax auditors and collectors would be outfitted with electronic devices that would more accurately and quickly audit businesses while also automating the process. He continued by noting that his ministry found a TL 190 billion difference between reported taxable income and actual taxable income for the first nine months of this year. He said they would be collecting TL 961 million in unpaid taxes and fines from this difference, revealing that a third of this amount was for late fees. In October alone, he noted that this difference was TL 126.4 million and that this amounted to unpaid taxes of TL 26.7 million. According to the minister, this new surge of auditing had brought a TL 284.1 million correction to tax revenues for the Treasury. Despite the worst economic crisis in 60 years, Şimşek said the Turkish economy was strong thanks to the economic and structural reforms realized since 2002. He added that “there are strong signals that Turkey is starting to exit the crisis. Turkey also has a stable economic and legal infrastructure to make this recovery last, and the entrepreneurial spirit as well as the demographic makeup of Turkey will only contribute

to this.”

Turkey, Libya decide to cooperate on Africa ties

Wednesday, 25 November 2009 15:4

TIME TURK

Turkey and Libya have decided to work together to expand to Africa, Libya's prime minister said on Tuesday.

Turkey and Libya have decided to work together to expand to Africa, Libya's prime minister said on Tuesday.

Al-Baghdadi Ali al-Mahmudi spoke at the Turkey-Libya Business Forum held in Libya. He said it was a historical day in relations between Turkey and Libya which he said was based on fraternal ties.

Al-Mahmudi said Turkey and Libya have agreed on several topics and removed visa requirements between the two countries.

"We will expand to Africa together," he stated.

Israel to deliver 10 drones to Turkey in Q1 of 2010: Report

Wednesday, 25 November 2009 14:5

TIME TURK

Israel will deliver 10 advanced unmanned aerial vehicles, or UAVs, to Turkey in the first quarter of 2010.

Israel will deliver 10 advanced unmanned aerial vehicles, or UAVs, to Turkey in the first quarter of 2010.

Semi-state Anadolu news agency said, it was told that the matter was assessed during the formal talks of Israeli Minister of Industry, Trade and Labor Binyamin Ben Eliezer in Ankara.

The report said, the parties "do not have disagreements", except for a few details, on aerial vehicles known as Heron, which have not yet been delivered.

Turkey signed deal with Israeli Aerospace Industry (IAI) and Elbit in 2005 to buy 10 Heron UAVs for over 180 million USD. However, Israeli firm missed the deadline for delivery. Thus, Turkey accelerated manufacturing of its own UAVs.

Officials said efforts are underway on projects to enhance abilities of Turkish UAVs that will be included in the inventory of the Turkish Armed Forces next year or the beginning of 2011 the latest.

Turkish-made UAVs will be able to take pictures from 10 kilometers high.

Turkish media reported this week that Turkey had returned the only two planes to have been delivered on grounds they failed to meet the required technical norms concerning flying altitude and time

Civil servants go on 24-hour strike today to warn government

Wednesday, 25 November 2009 14:2

Today's Zaman

Numerous confederations of Turkish civil servant unions are set to take part in a one-day strike today to warn the government that it needs to listen to the demands of its civil servants.

The strike was jointly organized by the Turkish Public Workers' Labor Union (Kamu-Sen) and the Confederation of Public Sector Trade Unions (KESK). The Public Enterprises and Employers Union (Kamu-İş), the Independent Public Workers' Union (BASK) and the Confederation of Public Workers' Rights Labor Union (HAKSEN) will also participate in the strike, which is supported by the Confederation of Turkish Trade Unions (Türk-İş), the Confederation of Revolutionary Workers' Unions (DİSK) and trade unions such as Turkish Doctors Union (TTB) and the Turkish Union of Engineers and Architects' Chambers (TMMOB).

The only civil servant union that announced that it would not participate in the one-day strike is the Civil Servants' Trade Union (Memur-Sen). The groups participating in the strike, which combined have roughly 630,000 members, have called on every civil servant, whether a member of a union or not, to participate in today's strike.

The one-day strike is expected to disrupt various public services especially in the areas of public transportation, education, health and finance. The administration of the confederations that will participate asked people to show patience if any possible disruption to public services occurred, announcing that the strike also aimed at securing

higher quality public services for free. They also asked people to support the strike by not sending their children to school and by trying not to go to hospitals for non-emergency situations.

The civil servant confederations' main demand is for civil servants to have the right to be a member of a union, to go on strike and to engage in collective bargaining. Confederations contend that the government always made the final decision during previous collective bargaining sessions and that this had led to the growth of problems which have been accumulating for years.

Erdoğan: Going on strike is illegal

Meanwhile, Prime Minister Recep Tayyip Erdoğan warned civil servants on Monday to not commit an illegal act. "This action is not legal. [If they participate in the strike] then they will have to bear the consequences," he said. Legally, civil servants do not have the right to strike for any reason, and such an action is grounds for dismissal.

Asked whether the government has a plan to make an amendment to grant civil servants the right to participate in strikes, Erdoğan noted that Turkey is a state of law and that every citizen is free to exercise his/her rights; however, the prime minister added that this labor action is illegal. The issues should be solved through talks, and the government will take action according to the decisions made during talks, he said.

As a response to Erdoğan's assessments, KESK General Director Sami Evren stated that they did not expect the prime minister to understand the concerns of civil servants. "It is not legal to use state authority to threaten a democratic act. It is the prime minister who does not comply with international agreements and Article 90 of the Turkish Constitution."

Turkey Seeks to Encourage Use of Electric Cars

Sunday, 22 November 2009

USAK PUBLICATIONS

The Turkish trade minister said on Sunday that Turkey sought to encourage use of electric cars.

Turkey's Trade and Industry Minister Nihat Ergun said that Turkey sought to encourage use of electric cars in the county, and planned first stimulus regulations for 2011.

"Oyak Renault automobile factories will start producing electrical Fluence model as of the end of 2010," Ergun told AA correspondent, recalling that the Oyak Renault was the first automotive company in Turkey to work on manufacturing electric cars.

Ergun said the taxes of the electric cars should be in the minimum level so that people

would prefer using them instead of other cars.

Also, the minister said some incentives were needed for charge stations.

Ergun said ministries could start using electric cars and thus, this would encourage others to prefer those cars.

The industry minister also said his ministry would work with the Finance Ministry on possible steps to encourage use of electric cars.

Also on economic growth, Ergun said Turkey forecast its growth around 3.5 percent in 2010, 4 percent in 2011 and 4.5 percent in 2012.

Ergun said Turkish businesspeople could undertake many projects abroad, and therefore businesspeople, chambers of commerce and industry, businessmen's associations and business councils should discuss those foreign markets.

Then, businesspeople should set their new strategies according to those analyses, he also said.

Ergun said if businesspeople did so, they could increase their market share by a few folds in a few years.

Turkey's Stock Exchange closed for 4 days over Muslim Eid

Thursday, 26 November 2009 17:04

WORLD BULLETIN

Turkish stock market was down 0.41 percent after only one session on Thursday.

Turkish stock market was down 0.41 percent after only one session on Thursday.

The Istanbul Stock Exchange, or IMKB, had only one trading session as markets were closed for four-day feast of sacrifice.

IMKB's benchmark index, National-100, fell by 188.49 points and closed at 45,350.17 points.

The stock exchange will open on Tuesday.

Turkey's CBank says foreign exchange reserves down

Thursday, 26 November 2009 12:54

WORLD BULLETIN

Foreign exchange reserves of the Turkish Central Bank fell to 71.5 billion USD as of November 20, the bank said on Thursday.

Foreign exchange reserves of the Turkish Central Bank fell to 71.5 billion USD as of November 20, the bank said on Thursday.

The reserves were 71.6 billion USD on November 13.

In its weekly bulletin, the Central Bank said that Turkey paid back 442 million USD of foreign debt between November 1 and 25. Turkey's foreign debt repayments amounted to 10.6 billion USD since the beginning of 2009.

Turkey repaid 15.7 billion USD in 2008.

Costa Rica says to sign free trade deal with Turkey

Thursday, 26 November 2009 12:47

WORLD BULLETIN

Arias met with Turkish Parliament Speaker Mehmet Ali Sahin at the parliament on Wednesday.

Costa Rica's President Oscar Arias, who is on a formal visit to Turkey, met with Turkish Parliament Speaker Mehmet Ali Sahin at the parliament on Wednesday.

Sahin told the meeting that Turkey and Costa Rica were two countries far away from each other but they could develop constructive cooperation in international problems.

Recalling that Turkey and Costa Rica were both non-permanent members of the UN Security Council, Sahin said the two countries were exerting efforts for global peace.

Sahin also said that Arias' visit to Turkey was a milestone for improving bilateral relations and added that he believed Costa Rica would continue to support Alliance of Civilizations, an initiative of Turkey and Spain launched under the auspices of United Nations.

On his part, Arias reminded Turkey's mediation role in Israel conflicts with Arab world, and thanked Turkish officials for their efforts for peace.

Stating that Turkey should assume a unifier role between the Muslim world and the West, Arias said that such a bridge would that goal.

Recalling peace accords that were signed by five countries to end Guetamala's civil war, Arias said that he would share his experiences be essential for the West to understand Muslim world and that Turkey's EU membership could be a basic point to achieve with Israel and Palestine.

On relations with Turkey, Arias said his country would sign free trade agreements with Turkey to improve commercial ties.

Turkish Companies to Undertake More Projects in Libya

Wednesday, 25 November 2009

USAK PUBLICATIONS

Turkish state minister said on Wednesday that the number of projects that Turkish companies undertook in Libya would increase by 50 percent once the issue regarding letter of guarantee was solved.

Speaking to reporters at Radisson Blue Hotel in Libya, State Minister for foreign trade Zafer Caglayan said lifting of visa procedures between Turkey and Libya was an important development for Turkish businessmen.

"Turkish contracting companies earlier paid 200 million U.S. dollars in commission because letter of guarantee was not directly accepted in Libya," he said.

Letter of guarantee taken from state banks would be enough for Turkish investors to undertake projects in Libya, Caglayan said.

A free trade agreement would be signed between Turkey and Libya, he said.

Caglayan also said a joint investment council would be established between Turkey and Libya.

Manavgat to sell water to Libya

Thursday, November 26, 2009

ANTALYA – Daily News with wires

The 10-year uncertainty over Turkey's planned water sale to Israel from the Mediterranean district of Manavgat has come to an end, as a local official said they are ready to deliver the water to Libya instead.

Speaking to the Anatolia news agency, Fethi Yalçın, managing director of the Antalya Water and Drain Water Institution, said though the \$140 million Manavgat Drinking Water Supply Project was completed 10 years ago, no developments regarding the export of the water is foreseen.

"The project's only aim was to export water," Yalçın said. "But, for 10 years, no water was sold. A communiqué sent from the General Directorate of State Hydraulic Works [DSİ] informed us that Libya is requesting water from Manavgat. We answered back, saying that the project is ready to sell water."

Yalçın also said Libya has purchased tankers to transfer the Manavgat water. "We were told that Libya wants 250,000 tons of water per day. We are able to deliver such an amount."

Turkey makes biggest imports from Russia, Germany, China in 2009

Friday, 27 November 2009 13:24

WORLD BULLETIN

Turkey made nearly half of its imports from six countries in the first nine months of 2009.

Turkey made nearly half of its imports from six countries in the first nine months of 2009.

Imports from Russia, Germany, China, the United States, Italy and France accounted for 49.4 billion USD. Turkey's total imports in this period amounted to 100.1 billion USD. Those countries are followed by Spain, Britain, South Korea, Iran, Ukraine and Japan. Imports from the first six countries in the January-September 2009 are as follows:

. Jan-Sep Share

Countries (thousand USD) (Percent)

Russia	14,003,179	13.9
Germany	10,023,506	10.0
China	8,861,707	8.8
United State	6,199,296	6.2
Italy	5,342,629	5.3
France	4,990,044	4.9

TOTAL 49,420,361 49.4

SOCIAL ISSUES

Thick fog causes disruption, flight delays in İstanbul

Monday, 23 November 2009 13:06

Today's Zaman

Dense fog has badly affected İstanbul and nearby cities over the past two days, causing flight delays and traffic accidents.

The fog caused many road accidents on Friday and Saturday night in İstanbul and adversely affected shipping in the area. Ships were forced to anchor in the Marmara Sea, and the Dardanelles Strait was closed to passing traffic on Saturday. The Anatolia news agency reported that 91 Turkish flagged and foreign ships had to stop due to poor visibility and re-route to Tekirdağ on the coast for the night. Seventy-nine ships continued on their way the following morning but 12 vessels waited for the fog to disperse completely.

Ferries were cancelled on Saturday in İstanbul but were able to resume journeys on Sunday morning after the fog lifted from the Bosphorus strait allowing shipping to continue. Officials from the meteorological office stated that the foggy weather would continue on Monday and Tuesday and warned citizens to be careful, especially while driving.

Airline passengers faced difficulties in İstanbul as they waited for delayed flights. Turkish Airlines (THY) informed its passengers about the delays and cancelations, asking them to check their flight status before traveling to the airport. Private airline companies continued their flights despite delays causing THY passengers to complain to their airline.

The General Directorate of Meteorology issued a written statement concerning flight delays, saying, "Due to thick fog at İstanbul Atatürk Airport, the range of visibility has been drastically reduced, and some flights have been delayed for this reason." Some flights were cancelled on Saturday in Atatürk airport due to the fog, and some were also delayed on Sunday because of the increased flight program stemming from delays on Saturday.

Turkish scientists destroy cancerous cells with drug-loaded nanocages

Monday, 23 November 2009 14:10

TIME TURK

Turkish scientists succeeded in destroying cancerous cells with drug-loaded microscale nanocages.

Turkish scientists at the Gazi University Research Center for Nano-Medicine and Advanced Technologies have succeeded in destroying cancerous cells with drug-loaded microscale nanocages in a research carried out in cooperation with the Washington

University.

The research was published in the Nature Materials' November edition. The New York Times also gave broad place to the groundbreaking development.

Associate Professor Gurer Budak, director of the Research Center for Nano-Medicine and Advanced Technologies, said, "scientists have been seeking the way of delivering tiny amounts of drug to a specific target in cancer treatment. This method will enable us to deliver anticancer compounds directly to tumors."

"Our center cooperates with the world's most important research centers. One of our experts, Mustafa Selman Yavuz, is working with Dr. Younan Xia with the Washington University. Their study has given quite successful results in laboratory," he said.

Dr. Yavuz, who carries out the research, said, "we use cubes of gold with sides about 50-billionths of a meter long and holes at each corner. They are coated with strands of a smart polymer. The polymer strands are normally extended and bushy and cover the holes in the cube. But when heated, the strands collapse, leaving the holes open and allowing the drug inside to escape."

"After injecting those drug-filled cubes directly to tumors, we heat the nanocage with near-infrared light. Near-infrared wavelengths are not greatly absorbed by body tissues, but they are absorbed by gold. Then the holes would open and the drug would be released," he added.

42 pct of Turkish women targets of violence

Tuesday, 24 November 2009 15:09

Today's Zaman

Forty-two percent of women in Turkey become targets of physical or sexual violence, a staggering statistic which along with others will be the focus of events held on the occasion of tomorrow's International Day for the Elimination of Violence against Women.

Women and men in Turkey and around the world will express their opposition to gender violence through a myriad of media and activities tomorrow, and a number of recent figures released by the Directorate General on the Status of Women (KSGM) makes it strikingly clear that this issue needs immediate attention. According to KSGM data, gathered as part of the "Violence against Women in Turkey Study," one in 10 women faces violence while they are pregnant. One of every four married women who are targets of violence is injured to the point of requiring medical attention. One of every

three women who face violence from a husband or boyfriend attempts suicide. One in every five women, married and single, faces violence from their relatives, their husbands' relatives or people at school or the workplace.

"I was beaten by my husband, my daughter's father; I was pregnant then. He knew about my pregnancy; I was three months pregnant. Because of the beatings the fetus descended, and the risk of a miscarriage was very high. I could have miscarried; I could have lost my child ... Thank God that nothing like that happened. After that we separated, I left after being beaten," says a 26-year-old in her statement as part of the KSGM study. The situation differs little abroad, where one in every three women worldwide faces violence in their lifetime; in the US, every 15 seconds a woman is subjected to physical abuse.

This year the KSGM's activities on the occasion of the Nov. 25 observation will include the distribution and posting of posters and brochures in all of Turkey's 81 provinces to spread awareness of violence against women and encourage a change in attitude on the subject. The brochures include recommendations for women facing violence and also encourage men to take a stance against gender violence while providing information on the problems of honor killings, harassment and rape. In addition, stands will be set up along Ankara's Yüksel Street with women's resources, and at noon tomorrow women and women's supporters will gather in front of the capital's Turkish Red Crescent headquarters and march from there to Yüksel Street. Women's groups and NGOs say they will also call for changes to legislation that reduces prison sentences for offenders based on alleged "provocation" and petition for the opening of more women's shelters in Turkey.

Major Turkish unions to go on one-day strike

Tuesday, 24 November 2009 16:11

TIME TURK

Civil servant confederations argue that current collective talks are far from bringing solutions to problems accumulated over the years.

Civil Servant Unions in Turkey are getting ready to go on a one-day strike to warn the government.

The strike that is organised by Turkey's major confederations of civil servant unions, Kamu-Sen and KESK aims at laying the foundations of union rights for civil servants, including the right to go on strikes and the right to hold collective bargaining talks.

Other confederations of civil servant unions including Kamu-Is, BASK and HAKSEN will also participate in the strike which is also supported by Turk-Is, DISK labour unions and trade unions like Turkish Physicians Union and Union of Chambers of Turkish Engineers and Architects.

The confederations participating in the strike which roughly have around 630 thousand members call on all civil servants to participate in the strike.

The "Warning Strike" of the civil servants is expected to disrupt public services in the areas of education, transportation, health and finance.

The administration of the said confederations asked the people to show tolerance to any possible disruption to public services, announcing that the strike also aimed at securing better quality public services for free. They asked the people to support the strike by not sending their children to school and avoiding going to hospitals for non-emergency situations.

Civil servant confederations argue that current collective talks are far from bringing solutions to problems accumulated over the years.

Bad Weather Kills Four, Paralyzes Life in Turkey

Sunday, 22 November 2009

USAK PUBLICATIONS

Bad weather conditions killed four people, stranded some others, and paralyzed life throughout Turkey on Saturday and Sunday.

A landslide killed two people in Yaglidere town of the northern province of Giresun, while another person survived the landslide with serious injuries.

Also in another northern province, Trabzon, two people died as they were stuck under the rubble of their house due to a landslide, triggered by heavy rainfall.

"We have evacuated 26 houses as a precaution," Trabzon's Governor Recep Kizilcik said. Turkey's Public Works and Housing Minister Mustafa Demir and Transportation Minister Binali Yildirim flew to Trabzon after heavy rain and snowfall and landslide claimed lives and stranded people in the region.

On Mount Ovit in the northeastern province of Rize, a van carrying 18 people including university students was stranded due to heavy snowfall and avalanche.

"The van was stuck as it used a road closed to traffic during winter times,"

Transportation Minister Binali Yildirim told reporters as he went to the area.

Yildirim, who monitored search and rescue development on the Mount Ovit, told reporters after midnight that the teams reached the 18 people who were stranded in a van for more than a day.

"They are all in stable condition, and in a good mood," Yildirim said.

On Sunday morning, 17 passengers and the driver of the van walked almost two kilometers to reach the area where the highway teams were located to help them. Professional mountaineers accompanied the 18 stranded people and brought them to the area where highway teams were. Thus, 18 people were rescued 39 hours after they were stranded.

Swine flu claims 161 in Turkey

Thursday, 26 November 2009 14:11

WORLD BULLETIN

The ministry also warned people to maintain hygiene and not to go to work or school if caught flu.

Turkish health officials reported 39 more people have died after contracting pandemic H1N1 virus, also known as swine flu, over the past three days, and death toll reached 161 in the country.

The Ministry of Health said Thursday that 243 people were under treatment in hospitals, 70 of them were in intensive care rooms. 32 of these patients were put on breathing devices, the ministry said.

Officials reiterated that the best way to get protected from swine flu was vaccination, adding that a mass vaccination program, covering people from 6 months old to 24 years old, was under way.

The ministry also warned people to maintain hygiene and not to go to work or school if caught flu.

Contradictory on swine flu vaccine statements continue

Friday, November 27, 2009

ISTANBUL - Hürriyet Daily News

Prime Minister Recep Tayyip Erdoğan and Health Minister Recep Akdağ continue to issue different statements on the necessity of receiving the swine flu vaccine, as on Friday Akdağ urged citizens to go get vaccinated whereas the prime minister said the same day that it was not an issue to be imposed on citizens.

Every statement that confuses the minds of the people might increase the death toll from the H1N1 virus, commonly known as swine flu, said Akdağ on Friday.

Despite clear warnings from health officials regarding the onslaught of the swine flu, the Turkish public continues to struggle with confusion over whether or not to receive vaccinations. Prime Minister Erdoğan's statements that he will not get vaccinated and that vaccinations should not be imposed on anyone, have increased the confusion.

"We need to take personal measures. But our citizens should also be sensitive to vaccination as well," said Akdağ in the Black Sea town of Ordu, where he is spending the Kurban Bayram holiday. "We all by the private TV channel CNN Türk.

"It is not right to continue the debate like that. There is a wrong debate in Turkey. Any statement that will be confusing will increase the death toll, therefore we should avoid any confusion," he said.

A total of 161 people have died in Turkey know that we can only protect ourselves and our families by vaccination," he said according to news reports from the virus, according to a statement released Thursday by the Health Ministry on its Web site.

"It is very clear. All the world authorities are emphasizing the importance of vaccination. It is especially important for those citizens over 50 years old to be vaccinated. Most probably our science committee might increase the age limit to 50 after bayram. Everyone should go get vaccinated, as well as their children," he said.

When reminded that the number of deaths started to increase, he said this was expected. He added that the virus spreads very quickly and that the warnings on the issue have been made to the public for a long time.

Yet the prime minister continued to insist that the decision on getting the vaccine should be based on personal decision. When Prime Minister Erdoğan was reminded of the increasing death toll, he told reporters to look for the number of those who have died of the normal flu last year. "No one had heard of swine flu last year," said Erdoğan on Friday, adding that scientists talk differently about the issue.

Asking the press not to insist on the subject, Erdoğan continued: "The state is doing what it is supposed to do. We said side effects should also be explained and it is being done. We said in very clear terms that the vaccination on the basis of personal choice should be started."

He told the press to stop bringing the issue to the agenda.

Stating that the Health Ministry has imported the vaccines, Erdoğan said: “I cannot impose on anyone that they should go and get vaccinated. This cannot happen. Scientists have been putting forward different views. This is not a clear-cut issue.” The prime minister said no one from his family was vaccinated.

COMMENTARY

From the Bosphorus: Straight - Sober clarity in Turkish-Israeli relations
WORLD BULLETIN

Wednesday, November 25, 2009

Precise clarity, we think, is a good thing. You negotiate a new mortgage for your home, you want to know all the fees, any clause that might vary the interest rate, just what changes in policy the bank may have in store next year. You go to the doctor with a headache, “it may be,” or “let’s see how you feel in a week” are unsatisfactory answers. If it takes an MRI or some other test, we are inclined to get it over with and focus on concrete and succinct results.

So this is, nearly a year after the Israel-Gaza war and the infamous firestorm at Davos, exactly what we have when it comes to the Turkey-Israel relationship. The first Israeli ministerial visit to Turkey since this relational malaise settled over two once-strong allies has served as the diplomatic equivalent of a frank talk with the banker or a no-nonsense review by the physician.

Turkey and the West are condemned to each other
Thursday, November 26, 2009

Semih Idiz

WORLD BULLETIN

The scathing commentary on the Recep Tayyip Erdoğan government in the Washington Post earlier this week shows that the question of Turkey’s identity will continue to

occupy minds in the West for some time. It is also interesting that such commentary should be increasing as the date of Prime Minister Erdoğan's visit to Washington nears.

We won't go into the merits or demerits of the Post commentary here except to say that it reflects the same stereotypical approach we have seen in similar commentary recently. In other words, it contains a lot that is true, but the conclusions arrived at do not necessarily reflect the complexities of this country.

Put briefly, we are going through a period when well-established assumptions about Turkey – even if these assumptions never reflected the full truth – are going off kilter. All this commentary about Turkey's identity and direction has Ankara's approach to Israel, Iran, Syria and Sudan at its epicenter.

Erdoğan's by now well-known approach to these countries is seen by many in the West as carrying Islamic overtones and suggesting, therefore, that Turkey is drifting away from its traditional Western or pro-Western orientation. Hence, the need to somehow "browbeat" Ankara back into its "status quo ante" position, particularly on Israel.

Clearly some in the West, and in Washington in particular, believe that one way of doing this is to keep regurgitating the same arguments, and raising the specter of "Turkey going Islamic," even if the "big picture" requires a little more sophistication to be understood.

Here are some points we feel are necessary to keep in mind in this context, even if these are not pleasing to all ears. What Turkey is doing today is trying to cope with the instability unleashed in the region by a host of developments that followed the end of the Cold War.

It is also trying to expand its horizons according to its new needs as a country that has reached critical mass both politically, and more importantly, economically. Turkey is thus walking down the well-known path of "national self-interest," a path that has been well trodden by the West in the past.

Turkey also believed from the moment that the Republic was established that she belonged to the West in general, despite existing cultural differences – and such differences exist even within the West today. The West also did everything in its power to encourage this notion in the past – especially during the Cold War.

But now it seems that Turkey is not wanted in Europe, and the arguments used for this are more befitting to the Middle Ages than the start of a new millennium. Thus, there is this contradiction between seeing Turkey as the "eternal other," while assuming that it

will still remain in the Western fold, no matter what, because it is dependent on the West.

It is this assumption that is now going off-kilter, and those who could not be bothered to understand the underlying reasons are reaching out for simple and stereotypical explanations. History should have taught us, however, that you underestimate the Turks at your own expense.

Put another way, those who see Turkey moving away from the West now – and we personally don't believe this to be the case – are basically in a state of panic because Turkey, free from the pressures of the Cold War, has started acting too independently for Western comfort.

The desired formula on the other hand is a traditional one.

A Turkey that remains in the Western fold, but is not allowed in its inner sanctum because it is the “eternal other.” A docile Turkey, that is – which thus meets the West's varying needs.

This paradigm may have been operational in the past but it is no longer.

Like it or not, those who deal with Turkey have begun to see that they are dealing with an entity that is increasingly coming up with its own ideas, even if these do not tally with the needs of the West.

Let us assume, given this overall picture, that Europeans finally arrive at the conclusion that Turkey cannot be part of Europe, because it represents “the other,” as it has done for much of European history. Will Europe have freed itself from the problems it fears it will face if Turkey joins the EU?

What if none of those problems go away then, but become more acute instead, having been fueled with the exclusionary policy on Turkey? What will be the end result for the “Old Continent” in particular, and the West in general? Especially in a world where the centers of power are shifting to other parts of the globe.

Given overall developments there appears to be one answer to this question. Consider this scenario: Having been snubbed, Turkey, in turn, accepts Europe as “the other,” and in the new “War of Civilizations” becomes a major adversary for the West. Given the “anti-Westernism” prevailing in Turkey today, this is not such an unlikely scenario.

We always like to remind our European friends that the average Turk today does not believe his country exists “because of Europe,” but “in spite of Europe.” This is known in Turkey as the “Sevres Syndrome.”

Turkey also – with its critical strategic importance and growing political and economic clout – would then become a country that Islamic nations that have an axe to grind with the West could look up to. Put another way, relations between Turkey and the West would become the arena of a New Cold War.

In the meantime, for all the perverse dreams of the Rompuys and Wilders of this world to keep “Europe clean,” nothing of the sort happens, due to systemic reasons that have to do with Europe itself, which appear beyond the comprehension of today’s European “supremacists.”

Of course, this overall negative scenario that we have come up with here is as fanciful as the commentaries about Turkey’s identity that one comes across these days. The short of the matter is that Turkey and the West are “condemned to each other” for a host of objective reasons that will not just wither away.

This is a fact that ties down Turks who would like to see their country become a member of the Islamic world. It of course ties down Europeans also who would like to keep Turks out of Europe’s inner sanctum. But their own history should have taught these Europeans that you can not have it both ways.

As for Turks who would like Turkey to go Islamic, theirs is just as difficult an uphill battle, as the efforts of those in Europe who pretend they can make Turkey go away.

Thank you Benjamin Ben-Eliezer, Israeli minister for trade, industry and labor, the catalyst for this exercise in clarity. After Ben-Eliezer’s meetings with President Abdullah Gül, Defense Minister Vecdi Gönül and a handful of other top figures in the government, no ambiguity remains.

Turkey’s relationship with Israel will remain chilly at best for the foreseeable future. We will have to clean up a few outstanding weapons contracts, and then let’s be done with it. No more joint training exercises. Israel cannot expect any diplomatic help from Turkey until it reverses a whole spate of policies that most of the world finds objectionable. Turkey should not expect to be asked to shoulder any prestigious new roles as a regional power, say brokering talks on the Golan Heights with Syria.

Neither side should engage in any wishful thinking that the relationship will return any time soon to what it once was.

But, as Ben-Eliezer repeatedly said, and his some in his entourage repeatedly emphasized, business is business. An energy deal involving a Turkish company? No problem. An expanding Israeli bank here or a Turkish investment firm there ... let's talk about it. In January, the Red Sea port of Eilat will surely beckon to the Turkish tourist, if not with the same allure as before. Antalya, and its beaches, will surely remain a destination for tourists from Tel Aviv, but surely fewer will come than in recent years.

We remain convinced that there is much complimentary between the economies of these two countries. Turkey's anemic technology sector could benefit greatly from Israeli expertise. Turkey's export agriculture can perhaps never reach its full potential without borrowing a few tricks from Israel. Israeli firms in need of skilled labor and a regional marketing hub could benefit greatly from Turkey. We wish there were the will for exchanges between universities in our two countries at all levels.

But not now. That much is clear.

A new EU team for perhaps a more democratic EU?

Thursday, November 26, 2009

ADVENA AVIS

WORLD BULLETIN

On Nov. 19, the European Union heads of states or governments appointed Herman Van Rompuy, prime minister of Belgium, as the first president of the European Council and Lady Ashton of Upholland (maybe with such a title Holland was satisfied) as the EU's foreign affairs high representative.

We birds would like to congratulate the EU Summit for rejecting Tony Blair for that post for reasons that we all know and that are basically because of his support of the invasion of Iraq and his close ties with the previous U.S. president. Now that we got rid of him, let us see what the new ones will be doing. Van Rompuy will assume office from Dec. 1 until Dec. 1, 2011. According to the Lisbon Treaty, the president of the European Council will have largely administrative functions in coordinating the work of the European Council and organizing its meetings. He will represent the European Council within the EU reporting to European Parliament after each meeting as well as representing the union in foreign policy alongside the high representative. But in a practical aspect the most important result of his appointment is that the EU member-

states will no longer exercise the six-month rotating chairmanship of the EU, thus removing from them a great financial and administrative burden. We truly hope that the funds thus saved will not go to waste.

According to the Lisbon Treaty, Lady Ashton shall conduct the union's common foreign and security policy. She shall contribute by her proposals to the development of that policy, which she shall carry out as mandated by the council. She will also preside over the Foreign Affairs Council and be one of the vice presidents of the European Commission.

We wish the best luck to the EU as it attempts to untangle the overlapping between the roles of the president, the commission president and the high representative. If it does and there are no further complications then there is some hope for the future of the EU.

Once more we would like to remind the EU that it must do something in the area of enhancing democracy among its members. Greece got the message and appointed Maria Damanaki as its next member to the European Commission. Mrs. Damanakis was the person to handle the Polytechnical School radio during the November 1973 uprising against the military dictatorship. Her voice encouraged the people of Athens to revolt against the junta of Greece. Her democratic background and her involvement in the struggle of the Greek people against the dictatorship is a good guarantee that she might strive towards enhancing democracy in the EU. We just hope, for the benefit of the European people that she will not be alone.

Ponder our thoughts dear humans for your benefit.

THE CORRIDOR

Thursday, November 26, 2009

GÖKSEL BOZKURT

WORLD BULLETIN

Initiative monologues!

The Kurdish initiative has turned into more of a street fight lately. The ruling Justice and Development Party, or AKP, and the pro-Kurdish Democratic Society Party, or DTP, are at every change bickering with each other. The opposition joins them. The “dialog

process” starting with Prime Minister Recep Tayyip Erdoğan and DTP co-leader Ahmet Türk is turning into a “process of monologues.” Fight starts as the dialogs ends.

And the fight is spreading into city centers from the political sphere. Tension at the top of the state is penetrating into neighborhoods, to the streets. Modern city of Western Turkey, İzmir, is known for its modern people, but they are stoning Kurds now. “Intellectual” women who have given into rage do not hesitate to join these mass rituals. In big cities, cars with Diyarbakır’s name on registration plates are being targeted by others. As politicians issue fierce statements, their remarks escalate tension. Here are a couple of examples:

DTP Şırnak deputy Hasip Kaplan: “The prime minister has gone nuts! He either doesn’t know anything or doesn’t know how to speak accurately.”

AKP Adana deputy Ömer Çelik: “As Nazi symbols have no place in democracy, the DTP activities have no place in democracy. This is not political but terror propaganda!”

DTP leader Türk: “Things done to the DTP today will be done to others in a different place in a different way.”

Deputy Prime Minister Cemil Çiçek: “The DTP is beginning to be closed. Instead of learning a few lessons or two from the Habur [border gate incident], they have created similar pictures in İzmir. They are dynamiting peace and the initiative process. DTP is trying to show that they are identical with the PKK [outlawed Kurdistan Workers’ Party]. They keep giving the same message ‘We are identical.’”

Republican People’s Party, or CHP, leader Deniz Baykal: “If separation becomes your policy, you will be reacted against. This is what we have seen in İzmir. Mr. Prime Minister is dividing Turkey.”

Nationalist Movement Party, or MHP, leader Devlet Bahçeli: “The process of collapse that Mr. Prime Minister has started continues to deeply affect the fundamentals of our national unity.”

The government’s initiative is shadowed by the above quarrels. More importantly, the “process of monologues” is seriously setting off the streets. Some deputies with commonsense from the government and the opposition, are now concerned with the fact that the process may cause big social bleeding and that it is harming unity and brotherhood in the country. If the fight doesn’t stop, they underlined that a huge “chaos” may threaten the country. If the leaders increase the dosage of criticisms while touring in Turkey, it is likely that concerns may become reality. Some deputies are in

search of a common stance following the Festival of Sacrifice (Eid al Adha) holiday. I wouldn't know if they would be successful. The fact is, however, a very difficult year is awaiting Turkey.

Two names, one blunder

CHP deputy leader Onur Öymen's "Dersim blunder" is negatively reacted to by the party grassroots. CHP leader Deniz Baykal ended discussions, saying, "There was pain but an apology followed." The pulse of backstage points out that if Öymen leaves his seat in time that wouldn't be a surprise. A CHP convention tentatively scheduled for April or May would set the stage for that. The CHP's possible leader in the future Kemal Kılıçdaroğlu first asked for Öymen's resignation, but then stepped back. Party officials have read this as a "break." Kılıçdaroğlu's name has been uttered after Baykal steps down. But now the thought is that he has failed to show qualities expected from a leader. A blunder seems to create serious question marks on political futures of two politicians.

How 'Kurdish' Zeydan turns out to be a 'Turk'

AKP Hakkari deputy Rüstem Zeydan is known for his sense of humor. As we were having a backstage conversation, he shared an interesting incident with friends. Zeydan is a member of a famous Kurdish tribe in Hakkari, the Zeydans it is. The deputy told his friends: "For years we have suffered just for being Kurds. With the initiative, we were about to enjoy being Kurds. But this time, we were said to be Turks." The reason is that former Turkish History Society Chairman Professor Yusuf Halaçoğlu in his book on tribes in Anatolia defined the Zeydans as a Turkish clan.

The good rapprochement: why Obama will praise Erdoğan

Wednesday, November 25, 2009

Soner Çağaptay

WORLD BULLETIN

What will U.S. President Barack Obama and Turkish Prime Minister Recep Tayyip Erdoğan discuss when they meet in the White House on Dec. 7? There is going to be some give and take on a variety of issues, including Iran. But both leaders will agree on Iraq.

What will U.S. President Barack Obama and Turkish Prime Minister Recep Tayyip Erdoğan discuss when they meet in the White House on Dec. 7? There is going to be some give and take on a variety of issues, including Iran. But both leaders will agree on Iraq.

Ever since coming to power in 2002, the Justice and Development Party, or AKP, government in Ankara has come under fire for pursuing rapprochement with the wrong international partners. The AKP has faced criticism for warming up to Sudan and Iran, whose authoritarian and anti-Western regimes contrast with Turkey's political system. Yet, another rapprochement the AKP has pursued deserves praise: The party has painstakingly built ties between Ankara and Baghdad, and improved relations with the Iraqi Kurdistan Regional Government, or KRG. Mr. Erdoğan should expect praise from President Obama for holding Iraq's and the KRG's hands, and for helping the Iraqis emerge from the trauma of the war and rebuild. What is more, in a region wrought by win-lose thinking, the improvements in Turkish-Iraqi ties nurtured by the AKP serve as a sign that at least part of the Middle East is open to win-win politics.

The most symbolic sign of Turkish-Iraqi rapprochement is the opening of two Turkish diplomatic missions in Iraq, respectively in Basra and Arbil. A Turkish consulate was opened in Basra recently, and another mission is scheduled to be opened in Arbil soon.

These two missions serve as a sign that Turkish-Iraqi and Turkish-KRG ties have come around. Only two years ago, I was getting calls from frantic journalists asking whether the Turkish military was going to invade Iraq. Today, it is Turkish diplomats and businessmen who are doing the invading.

One reason driving this change has been the shift in Iraqi Kurds' evaluation of their strategic environment. Between 2003 and 2006, when a majority of Sunni Arabs and Shiite Arabs fought against the United States, the Iraqi Kurds were a significant ally for Washington in Iraq. This equation earned the Kurds American backing in Baghdad. In due course, the Kurds achieved many gains, such as recognition of the KRG as a federal entity.

That situation, however, changed after 2006. First, the United States co-opted the Sunni Arabs through the Awakening Councils. Then, Washington made peace with the Shiite Arabs. The new relationship with both Arab groups allowed the United States to zoom out from Baghdad and see the big picture in Iraq. Washington realized that if the Iraqi state is to function, its modus operandi must continue to satisfy the Arabs, who constitute the vast majority of Iraq's population.

Hence, the United States started to back the Arabs over the Kurds on several crucial issues. In February 2007, Washington pressured the Kurds until they agreed to a hydrocarbon law favorable to the Iraqi Arabs and the central government. The United States dealt a second blow to the Kurds on the Kirkuk issue. Washington pressured the Kurds to drop their insistence on carrying out a referendum in Kirkuk by the constitutionally mandated deadline of Dec. 31, 2007. The referendum would have annexed oil-rich Kirkuk to the KRG, fulfilling a Kurdish dream.

These U.S. actions convinced the Kurds, perhaps somewhat prematurely, that America had abandoned them in favor of the Iraqi Arabs. This rationale forced the Iraqi Kurds, already fearful of Iran's influence in Iraq, to turn to their remaining neighbor: Turkey.

The KRG's turn towards Ankara brought the Iraqi Kurds into closer cooperation with Turkey against the Kurdistan Workers' Party, or PKK. In the 1990s, the Iraqi Kurds helped Ankara against the PKK when Turkey helped them. At this time, Ankara provided the Iraqi Kurds with access to U.S. military protection against Saddam. After Saddam was removed in 2003, the Iraqi Kurds shortsightedly concluded that they did not need Turkey anymore. This calculus precipitated four years of KRG foot dragging on the PKK issue. That ended in 2007. Within the background of their new security environment, the Iraqi Kurds decided that they still needed Turkey and that they were better served by building a long-term relationship with Ankara.

Enter the AKP. The party utilized this strategic opening, building ties with Iraqi Kurds. At the same time, the AKP was smart enough to also cultivate good ties with non-Kurdish Iraqi factions. In due course, Turkey emerged as an honest broker inside Iraq, enjoying good ties with Kurds and Arabs, Sunnis and Shiites alike.

Subsequently, the KRG and Turkey have built strong ties, extending from Iraqi Kurdish commercial contracts awarded to Turkish companies, to likely pipeline and energy deals between Turkey and the KRG, to close contact between Turkish and KRG intelligence officials. Meanwhile, Turkey has become a force to reckon with inside Iraq, from Arbil in the north to Basra in the south.

Turkey's rapprochement with Iraq and the KRG has been quite smart. Iraq is more stable today thanks to Turkey. Ankara enjoys unprecedented political and economic power inside Iraq, and moreover, it has managed to align the Iraqi Kurds along its policy of countering the PKK.

Furthermore, the AKP's rapprochement with Iraq has earned it brownie points with the Obama administration. Since the administration wants to wrap up the Iraq war while ensuring the nation's future stability, Turkey's constructive involvement in Iraq has

made Ankara an asset for President Obama ahead of Erdoğan's Dec. 7 Washington visit. The Turkish-Iraqi-KRG rapprochement is indeed a win-win case. That is rare indeed in the Middle East, and this is one reason why Erdoğan should expect some praise from President Obama.

How is Atatürk's 'army of education' doing?

Wednesday, November 25, 2009

SEDAT ERGİN

WORLD BULLETIN

Nov. 24 is Teachers' Day. This has a practical use for 24 hours because it reminds us of how valuable our teachers are.

* Statesmen and politicians are issuing statements regarding the vital role of teachers in Turkey. The media are bringing teachers to the spotlight to focus on their problems and publishing numerous articles or research projects on the issue. Teachers find their way into the headlines once a year.

70 pct. have credit card debt

As we observed Teachers' Day on Tuesday, we learned about one of the most striking studies conducted in Turkey. The Turkish Education Union, or Eğitim-Sen, ran a poll with the participation of 3,065 teachers nationwide.

We learned that:

- 60.4 percent of teachers do not own a house,
- 70.5 percent have credit card debt,
- The family lives of about 33.2 percent are negatively affected because of money issues,
- 21.6 percent are about to get a divorce due to financial difficulties,
- 34.1 percent are having anxiety attacks because of economic problems,
- 7.5 percent are in depression.

* One of the questions asked was if they like teaching. Despite all odds, 62.7 percent said they love teaching while 37.2 percent said they did not.

* Considering that we have a total of about 700,000 teachers in Turkey, approximately 260,000 face students every morning doing a job they don't enjoy.

Education faculties without labs

* Another study by the Turkish Education Association, or TED, was revealed recently. The study titled "Research on Teacher Competency" gave the following results:

- The annual income of a teacher in Turkey is approximately 50 percent below that of the international average.

- A teacher in the European Union starts the job with \$29,500 but this figure is \$14,000 in Turkey.

- 21.7 percent are teaching in disciplines they did not graduate from.

- At least one-third was not interested in being a teacher at the beginning.

- Professional development activities are extremely low among teachers.

* But we see more serious problems in the education process. "Teachers are not instructed well," reads the TED study, bringing attention to inadequate physical infrastructure, number of instructors and equipment.

For instance, in the Siirt faculty of education there are 867 students per faculty member. Twenty-two faculties do not have physics laboratories and 19 do not have biology laboratories.

The average number of students per computer in education faculties is 39.

* In short, a considerable number of candidate teachers are graduating without having done a single experiment in labs and are thus joining the "army of education" without having proper computer skills.

250,000 job openings for teachers

* TED President Selçuk Pehlivanoglu wrote in an article in daily Radikal the other day; he said new schools with full equipment are being built, but adds:

"Our teachers who will help us achieve the goals, raise students and apply programs are being neglected. Our education system is like a car spinning in the mud."

* There are some other huge problems in this worrisome picture, of course. We have a total of 318,000 job openings for teachers, 220,000 of which are in primary education and 98,000 in secondary education. On the other hand, we have 310,000 unemployed teachers since they are not appointed by the government.

* Another trouble is that about 70,000 teachers are working as unofficial staff, many for a very low salary.

Happy Teachers' Day!

- Mr. Sedat Ergin is a columnist for daily Hürriyet in which this piece appeared Wednesday. It was translated into English by the Daily News staff.

Speaking of sacrificed animals and meat
Thursday, November 26, 2009

CENGİZ AKTAR

WORLD BULLETIN

Customs are important but let me remind you of a few things on the animals to be sacrificed during Eid al Adha (Feast of the Sacrifice).

You may have seen extremely strange posters prepared by the Humanitarian Aid Foundation: "Sacrifice means making good deeds to live long!" The presumption is that meat of the animals sacrificed for God are supposed to be distributed among the poor and in order to spread mercy and good deeds among all.

One naturally expects a picture about such distribution on the poster, but instead sees a pretty little girl hugging a cute lamb. The concept of charity among humans is oddly associated with the death of a living creature. Apparently, a serious communication flaw is at issue in this foundation.

Chairman of the Intergovernmental Panel on Climate Change, or IPCC, Rajendra K. Pachauri says that every man on earth can fight with climate change by reducing meat consumption on his own account. In fact, stock farming is one of the most important reasons behind climate change. Pachauri won the Nobel Peace Prize in 2007 together with former U.S. Vice President and environmental activist Al Gore.

According to the data released by the Food and Agriculture Organization, or FAO, hosting an international conference on food security recently, stock farming has a critical share in greenhouse emissions; one fifth of the emissions come from stock farming. This is more than what transportation contributes to emissions. Recent estimations show that the figure will double by 2050. In order to obtain one animal protein, eight plant proteins are needed.

If six billion people had eaten as much as the French eat meat, we would've needed 36 billion animals and a 70 million square kilometer field to feed them. But, we only have 19 billion animals and a total of 50 million square kilometers of agricultural fields to meet the needs of all living creatures.

If you still want to eat meat, I recommend the Web site www.karabasan.net close to Çiftçi-Sen (Farmers Union), using the motto "Land, Honor and Life." In addition to plenty of information on our dying agriculture and farming, scientific information on healthy eating is also posted on the site.

"Our grandfathers and grandmothers were eating fatty meat but had no cancer or cardiovascular illnesses because animals were fed in meadows, not fed artificially, or rarely fed, by corn, barley, wheat and beet remains or oily seed pulps. Greens such as meadow grass and alfalfa have omega-3 fatty acid. Animal fat contains stearic acid, a form of saturated fat acid, if the animal is grass-fed in meadows. In other words, fat our grandfathers used in let's say Adana kebab was in fact a sort of olive oil. But fats of animals fed by feeds enriched with starch and glucose are in the form of palmitic acid. Palmitic acid is absorbed by intestines in lower temperatures. Palmitic acid is one of the three saturated fatty acids causing arteriosclerosis by oxidizing cholesterol. Among death reasons, meat consumption holds the second place following alcohol and tobacco put together."

"What should we do? We have to take action to improve meadows. Studies on the subject have revealed that capacity can be increased by 20-30 fold. Model of feeding should be included in the subject of organic stock farming. It is also necessary to set up marketing networks based on farmers' cooperation that will help sales of milk, cheese, yogurt and meat of grass-fed animals."

Renown French gourmet Brillat-Savarin, who lived in the 18th century, used the aphorism, "Tell me what you eat I'll tell you who you are." That can be translated today

as “You are what you eat.” It means every food you eat affects your health directly. If we consider this for sacrificed animals or any animals that are slaughtered in slaughterhouses, toxins they are discharging throughout the panic, fear and death they feel, are directly transferred into people who eat their meat.

Greetings for Kurban Bayram!

Business and Politics in Muslim World

India

Sadia Khanum

1st to 13th November 2009

Presentation Date: 18th November 2009

(Outline)

National Report

Politics:

- BJP passing through bad phase: Sushma (P# 4)
- “BJP’s ideology has become parochial” (P# 4)
- Don’t rake up Vande Mataram row, says Congress (P# 4)
- Next BJP chief will be from outside Delhi: Bhagwat (P# 5)
- RSS openly calls shots: Advani has to go in Feb (P# 6)
- BSP, Trinamool score major wins in by-elections (P# 7)
- Mulayam routed, Muslim vote to blame? (P# 7)
- Liberhan panel report to be tabled in Parliament (P# 8)
- Obama and Manmohan with Osama, Dawood among world's most powerful (P# 9)

Minorities’ issues:

- Jamiat upholds fatwa against Vande Mataram (P# 9)

- 'Modi abused Jafri when he called for help' (P# 10)
- Fatwa against 'Vande Mataram' cannot be withdrawn: Darul Uloom (P# 11)
- Nitin Gadkari front runner for post of BJP president

Hindu Fundamentalism:

- Need to check religious conversions in India: Rajnath (P# 12)
- Modi to visit Muslim-majority Indonesia (P# 12)

Insurgency Movements:

- Centre not for using Army against Maoists, says Antony (P# 13)
- One year after, Maoists still rule the roost (P# 13)
- Maoists ready for talks if there is a 'ceasefire' (P# 14)
- Ideology to tackle naxalism? (P# 15)
- Maoists getting arms from China: India (P# 15)
- CRPF may flush out Maoists on Andhra border (P# 15)
- Maoists eye sea route to smuggle in arms (P# 16)

Economic Front:

- Full circle: India buys 200 tons gold from IMF (P# 17)
- India in recovery phase, US, Europe to take longer: Ratan Tata (P# 17)
- Delhi and Mumbai may join elite club by 2025 (P# 18)
- India can't handle high fiscal deficit for long: FM (P# 18)

Geo-strategic developments:

- Don't politicise my Tawang visit, Dalai tells China (P# 19)
- Defence College, a prime target, says FBI (P# 19)
- Indo-French deal gives assurance of lifetime supply of nuclear fuel for French reactors (P# 19)
- China reassures India on dam projects (P# 21)
- Rise of terror in Af-Pak a worry: PM (P# 21)
- China criticises India for ignoring its 'concerns' (P# 22)
- Centre curbs Dalai Lama, tells media to leave Tawang (P# 22)
- Staped visas issued by China not valid (P# 23)

Indian Occupied Kashmir:

- Self-rule is a practical solution to Kashmir issue: Noorani (P# 23)
- Farooq slams Centre for bias against Kashmiri Muslims (P# 24)
- New Delhi must take concrete steps first, says Mirwaiz (P# 25)
- Division of J&K not acceptable: Mirwaiz (P# 25)

Social front:

- Supreme Court judges disclose assets (P# 26)
- A nation of shoplifters? India No.1 in retail theft (P# 26)
- India's swine flu deaths jump to 514, over 15,000 affected (P# 27)

Foreign Relations:

- India, Saudi agree to grant multiple entry visas (P# 27)
- Indian terror link proof yet to be given to New Delhi: Pak (P# 28)
- Seeking deportation, Indian workers protest in Saudi Arabia (P# 29)
- Centre to press for extradition (P# 29)

Regional Report

Central India (Hindi Heartland)

Politics:

- For Samajwadi Party, bypolls a do-or-die affair (P# 31)
- BJP-JD(U) end differences, to contest jointly in Jharkhand (P# 32)
- Setback for Mulayam, BSP sway continues (P# 32)
- Congress can emerge as an alternative in U.P. (P# 33)

Social front:

- Rs 80 crore aid to Madhya Pradesh to fight malnutrition: British High Commissioner (P# 34)

Economic Front:

- Uttar Pradesh farmers protest against Centre's sugarcane price (P# 34)

The North

Politics:

- Over 50% polling in Rajasthan (P# 35)

Social front:

- Swine flu spreading fast in Rajasthan (P# 36)

Economic Front:

The East

Politics:

- Violent situation may lead to early elections in West Bengal: Mamata (P# 36)
- 65 % polling in West Bengal (P# 37)
- Orissa Government comes under fire on farmers' suicide (P# 37)
- Shift in balance of power at grass roots in West Bengal (P# 38)

Social front:

Economic Front:

The South

Politics:

- Karnataka: talks at 'delicate stage' (P# 39)

Social front:

Economic Front:

West India

Politics:

- Praful meets Pawar, deadlock continues (P# 40)
- BJP-Sena combine sets deadline for government formation (P# 40)
- Congress, NCP resolve Maharashtra deadlock; swearing-in Saturday (P# 41)
- Finally, Maharashtra gets a new govt (P# 41)
- MNS members attack Abu Azmi in Assembly (P# 42)
- Now, it's Shiv Sena's turn (P# 43)
- Not a single woman Cabinet Minister in Maharashtra (P# 43)
- Raj men 'fight' for Marathi, send own kids to English schools (P# 44)
- In slap spotlight, Azmi has never turned the other cheek (P# 45)
- Abu Azmi targeted again, Shiv Sena stalls House (P# 46)

Social front:

- Cyclone Phyan threatens, only to fizzle (P# 46)

Economic Front:

National Report

Politics:

BJP passing through bad phase: Sushma

Deputy Leader of Opposition in the Lok Sabha Sushma Swaraj admitted that the BJP was passing through a bad phase but added that the “party would come out of it soon”. “As in an individual’s life, there are good and bad phases in the life of a political party, but we will come out of it soon,” Swaraj said in response to a question at the HT Leadership Summit. In response to a question on whether a one-party (Congress) dominance appeared imminent, especially after the BJP had been hit by one crisis after another, Swaraj replied in the negative and said the “BJP was ruling in as many as six states and the Congress was in Opposition in 10 states”. “Our Lok Sabha tally in 2009 is 116, two more than the Congress tally of 114 in 1999. They didn’t have a bleak future, how can we then have a bleak future now,” she said. She, however, skirted a question on whether she would succeed L K Advani as Leader of Opposition soon. “These are mere speculation and guesswork, so there is no need to answer this question,” she said. (The Indian Express)

“BJP’s ideology has become parochial”

Expelled BJP leader Jaswant Singh ruled out the possibility of his returning to the party or joining any other party, while stating that the saffron outfit had turned “parochial” ideologically. “They think in an ambivalent manner. They say something and do something else,” said Mr. Singh, hitting out at his former party. Mr. Singh, who is in Patna for the release of the Urdu translation of his controversial book Jinnah: India-Partition-Independence, made it clear that he “did not harbour any ambition to join any other political party.” Mr. Singh said Bihar could provide a platform for a nation-wide agitation for the all-round development of the country and change its political system. Referring to the movements launched by Mahatma Gandhi and Jayaprakash Narain, Mr. Singh expressed the hope that the people of Bihar would lead the nation in ensuring a

transformation in Indian politics. Mr. Singh revealed that after the Gujarat riots, the then Home Minister L.K. Advani and then Prime Minister A.B. Vajpayee clashed over the removal of Gujarat Chief Minister Narendra Modi. According to Mr. Singh, Mr. Vajpayee was in favour of Mr. Modi's removal, which was opposed by Mr. Advani, who feared that it might lead to bigger problems. "I personally wanted him [Mr. Modi] to be removed," said Mr. Singh. (The Hindu)

Don't rake up Vande Mataram row, says Congress

Hours after the BJP sought an apology from Home Minister P. Chidambaram over the Vande Mataram issue, the Congress on Wednesday said the matter was a sensitive one involving religious sentiments and no controversy should be raked up over it. "This is a very sensitive issue. It is our national song. And there are also religious sentiments attached. Keeping in mind all these facts, the issue should not be made controversial," party spokesman Shakeel Ahmad told journalists. He was responding to queries regarding the Jamiat-Ulama-i-Hind's resolution at Deoband on Tuesday asking Muslims not to recite 'Vande Mataram' on the ground that some verses were against the tenets of Islam. This was one of the 25 resolutions passed at its 30th general session addressed by Mr. Chidambaram. Mr. Chidambaram on Wednesday issued a clarification saying the resolution was not passed in his presence and he was not aware of any fatwa against Vande Mataram, women's reservation and television. However, the BJP said it was surprised that the "Home Minister of a country where terrorism, separatism and naxalism are at a peak was not aware that he was going to attend a programme where our national song Vande Mataram was insulted." BJP vice-president Mukhtar Abbas Naqvi said: "The resolution was passed a day before Chidambaram attended the conference and the news had already appeared in newspapers and some news channels" Mr. Naqvi, one of the few Muslim faces of the BJP, sought an apology from Mr. Chidambaram. Shiv Sena executive president Uddhav Thackeray on Wednesday slammed the Jamiat Ulama-i-Hind, saying those who opposed the national song should go to Pakistan. "If you don't want to salute your motherland, then who do you salute? What is the shame in saluting Bharat Mata? Those who do not want to salute Bharat Mata should go to Pakistan or Bangladesh," Mr. Thackeray said. He said the fact that the decree was adopted in the presence of Mr. Chidambaram showed that the Centre was engaging in the appeasement of minorities. The Jamiat-Ulama-i-Hind resolution has evoked mixed reaction from Muslim leaders, with one section voicing disapproval on raising a "dead issue" and another asserting that its singing or not could not be the criteria for defining patriotism. "This [Vande Mataram] is a dead issue. I don't understand what compelled them to raise the issue. Why such things are raised when more and more serious issues are there?" asked Yahya Bukhari of the Jama Masjid United Forum. "If the song is about salutation, there is nothing wrong," he said, adding that Muslims love but do not worship their country and this was part of their faith. However, Manzoor Alam of the Institute of Objective Studies said he did not think there was any controversy in supporting the resolution. The Samajwadi Party said the BJP should not politicise the issue as Muslims had "religious compulsions" against reciting the national song. (The Hindu)

Next BJP chief will be from outside Delhi: Bhagwat

Signalling strong RSS intervention in BJP affairs, Sangh boss Mohan Bhagwat has said the next party chief will be from "outside Delhi", ruling out party seniors Arun Jaitley, Sushma Swaraj, Venkaiah Naidu and Ananth Kumar as likely contenders. The RSS chief's categorical comment has pitch-forked Maharashtra leader Nitin Gadkari as front-runner to succeed Rajnath Singh whose term as BJP president is drawing to a close. "Yes, the new leader will be someone other than these four... this is what I have been told. That is what has been agreed on and I believe the process has begun," he told a news magazine. With his categorical remarks, Bhagwat has given the go-by to the carefully preserved myth of RSS adopting an arms-length attitude to BJP. Though he went through the motions of saying that RSS was not imposing itself and said "RSS never intervenes, only gives advice", it is clear that the Sangh is all set to intensify its already growing micro-management of the party's affairs. The comments end the suspense that has gripped the party since Bhagwat and other senior RSS figures held a series of meetings with BJP leaders to frame a roadmap for the baton to be transferred to a younger leadership which the Sangh chief has said should be in the 55-60 bracket. The process is understood to be now unfolding rapidly. The 52-year-old Nagpur-based Gadkari is Maharashtra state chief and is considered close to the RSS. Though the Shiv Sena-BJP alliance was worsted in last month's state polls, this may not harm his prospects. The fact that he is Brahmin is also not being seen as a handicap despite the fact that two members of the same caste, Arun Jaitley and Sushma Swaraj, were recently elevated as Leader of Opposition in Rajya Sabha and Deputy Leader of Opposition in Lok Sabha, respectively. That he is from Nagpur is said to have helped him develop an equation with RSS headquarters which may be keeping him in good stead despite lack of exposure to national politics. Other contenders have been former Goa chief minister Manohar Parrikar, also a Brahmin, but many feel he damaged his chances with an indiscreet comment in which he compared leader of Opposition L K Advani to "rancid pickle". Old RSS hand and BJP vice-president Bal Apte who was seen as another possibility, does not fit the age bracket. RSS's view will dash the hopes of those who hoped that one of BJP's faces in Parliament would make the cut in keeping with the thinking that a fresh leader already groomed in national politics would acquire the mantle after L K Advani failed in the 2004 elections. With Rahul Gandhi on the rise, the need to project a modern and moderate leader seemed necessary. But while the BJP's rivalries and intense factional wars within the Sangh parivar seem to have knocked them out of contention, it is not clear how the move to appoint an outsider will settle the pecking order and bring about greater coherence in the party's programme and policy. A relative lightweight may give RSS a tighter grip over BJP, but may impose an uneasy and unstable "pax Sangh" on the party. Party insiders point out that the "outsider" thesis was not necessarily a panacea for BJP's ills as the four-year "raj" of Rajnath Singh has amply demonstrated. Singh, too, was from outside the circuit of central leaders, but his stewardship is seen by many as having fostered intrigue and cabals which in the final analysis did not even leave the RSS untouched. The Sangh came to mirror the "gut-baazi (factionalism)" that infected the BJP. There is serious concern in the party that a state leader will be so beholden to the RSS for his position that he will hardly be in a position to take independent decisions. He or she may also be diffident in relating to the party's parliamentary leaders who would have greater experience and exposure. The vision of a weak centre is a recipe for disaster,

said party sources who feel the forces of disintegration will only gather momentum. (The Times of India)

RSS openly calls shots: Advani has to go in Feb

The mask is slipping. In a telling instance of how rapidly the RSS is moving to “take charge” of the BJP, Sangh leader Ram Madhav has broken away from its usual “no comment” stance on BJP affairs. On Saturday Madhav said the Sangh had decided that L K Advani should retire in February. “The present BJP president completes his term in December. By the time the formalities for taking over by a new president it would be January end.-Once that is done, Advani will step down as was decided earlier,” he said. The announced RSS timeframe for Advani’s retirement was part of its denial of a report saying the Leader of the Opposition would hang up his boots on Sunday. But it is also being seen as a way of tell the saffron parivar and the world at large, that Advani must call it quits after he helps to usher in the next BJP chief. “The issue has not been discussed afresh...decisions were taken last month in a series of meetings between RSS chief (Mohan Bhagwat) and BJP leaders,” Madhav elaborated. The candour and authority with which he spoke, even though he is not the official RSS spokesperson is seen to indicate the organization’s desire to micro-manage the BJP and control its programmes and policies. Ram Madhav may also have taken a cue from RSS leader Mohan Bhagwat’s open assertion that the next BJP chief will be from “outside Delhi.” With RSS boss himself setting the tone, commenting on BJP was no longer a no-no. Advani’s reaction to the ‘Nagpur nudge’ could be worth watching. He had, after RSS pressured him to quit as the party president in the aftermath of the Jinnah controversy, cautioned that RSS should not be micro-managing BJP’s affairs. Though the timeframe set for Advani by RSS may pertain to his role as the leader of opposition, his stepping down from the post may mark his virtual retirement from politics. RSS is now looking to instal a leader who though relatively inexperienced at the national stage, will be prepared to follow the Sangh’s directions. (The Times of India)

BSP, Trinamool score major wins in by-elections

The Congress, the Trinamool Congress and the Bahujan Samaj Party emerged major winners in the November 7 by-elections, picking up the lion’s share of the 31 Assembly seats spread across seven States, for which counting was held on Tuesday. In the Firozabad Lok Sabha constituency in Uttar Pradesh, the Congress nominee, actor-politician Raj Babbar, defeated Samajwadi Party leader Mulayam Singh’s daughter-in-law Dimple Yadav with a margin of 85,043 votes. The seat fell vacant as her husband Akilesh Yadav, who won from both Kannauj and Firozabad in the general elections held earlier, decided to retain the former. The SP’s defeat in Firozabad was mirrored by Assembly seat losses in Uttar Pradesh, and with the Bharatiya Janata Party turning in a lacklustre performance, Tuesday’s results further suggest that the emerging political contest in the most populous State could well be between Mayawati’s BSP, which won 9 seats, and a Rahul Gandhi-driven Congress organisation, which is slowly beginning to make its impact on the ground. Earlier, the BSP had only one seat out of the 11 seats for which elections were held in Uttar Pradesh. The Trinamool won seven seats in West

Bengal, while earlier it had only five seats out of the 10 in contention. The BJP could retain only two of the four Assembly seats it held two in Uttar Pradesh and one each in Himachal Pradesh and Chhattisgarh. Now, the party won one seat each in Rajasthan and Himachal. Overall, the Congress won 10 seats as against nine held by it. The party has won all three seats in Kerala, two in Assam, one each in West Bengal, U.P., Rajasthan, Himachal Pradesh and Chhattisgarh. Originally the party had two seats each in West Bengal and U.P., three in Kerala and one each in Rajasthan and Himachal. The Left Front suffered the worst defeat in Kerala as it gained nothing and in West Bengal, its ally, the All-India Forward Bloc, could gain only one seat. Originally in West Bengal the CPI(M) had two seats and the RSP one. In West Bengal and U.P., independents have won a seat each. Some of the other losers are the Asom Gana Parishad and the Assam United Democratic Front, which have lost one seat each to the Congress; and the Janata Dal (United), one seat in U.P. to the BSP. In the Ferozabad Lok Sabha constituency, the BSP's S.P. Singh Baghel finished third. While Mr. Babbar polled 3,12,428 votes, Ms. Dimple Yadav secured 2,27,385 votes and Mr. Baghel 2,13,571 votes. (The Hindu)

Mulayam routed, Muslim vote to blame?

Mulayam Singh Yadav was routed in his backyard on Tuesday, with Raj Babbar defeating his daughter-in-law in Ferozabad vacated by son Akhilesh and BSP romping home in Bharthana and Etawah assemblies, which form part of the belt synonymous with the Yadav chieftain. Mulayam's rout sounds like a death rattle because of the clinical nature of his defeat. Babbar, an SP rebel and without the attributes of caste or religion on his side, trounced Dimple Yadav in Ferozabad. Unthinkable. A BSP Yadav, Shiv Prasad, defeated Pradeep Yadav with ease in Bharthana. It was no ordinary assembly seat, vacated by Mulayam after he entered Lok Sabha in May, and awarded to the man who quit Kannauj LS to facilitate Akhilesh's political plunge. Etawah till now was a no-go area for Mayawati. What came out of bypoll results was a decimation of Yadav family and caste, with Congress and BSP sharing the spoils. Political circles reacted with obvious amazement. AICC general secretary Digvijay Singh said SP was disintegrating and prophesied that BSP and Congress would be the main players in 2012 assembly contest. Partisan claims apart, the defeat is portentous as it, like never before, portrays Mulayam as vulnerable even in his den. The SP supremo has ruled Chambal like a fief. Strong arm tactics apart, he was the tallest leader in the Yadav belt where his Mandalite image helped him consolidate other OBCs and his Babri heroism rallied Muslims around. The Tuesday heroes, ironically, are all loyalists-turned-rebels who showed that Yadavs could challenge their tallest leader in his borough or, like a Punjabi Babbar, win without caste appeal. Muslims, on the other hand, have plumped for Rahul Gandhi in Ferozabad and for a "secular" Mayawati elsewhere. The drift, triggered by SP's tie-up with one-time saffron icon Kalyan Singh, seems to be gathering pace. The evidence of changing fortunes could be the bypoll results where Congress, besides winning an LS and an assembly, came second in five seats. In contrast, SP drew a cipher and was second in just two seats. It puts in perspective the misleading message from May polls when SP managed to stay on top despite dropping its 2004 tally. The bypolls are sure to rejig the political pecking order, with Congress the likely challenger to obvious numero uno BSP which was prematurely dismissed after it came short of its pre-LS poll billing. SP, despite

its success in LS polls, was concentrated in pockets and showed signs of losing the trust of its committed lifeline Muslims. BSP, though behind SP and Congress, was spread across UP as either winner or runner-up, reinforcing that it had a more stable support base. As bypolls show, Congress is likely to chip away at Muslims and upper castes and, to some extent dalits, at the cost of all rivals -- BJP, SP and BSP. But the worst affected could be SP, setting the exciting possibility of BSP and Congress crossing swords in 2012. (The Times of India)

Liberhan panel report to be tabled in Parliament

Government will finally place the Liberhan Commission report which looked into circumstances leading to demolition of Babri masjid in Ayodhya on December 6, 1992 -- public by tabling it along with an Action Taken Report (ATR) in Parliament during the forthcoming month-long winter session. The report, which could have far-reaching political implications with regard to the role of some saffron leaders in the demolition, was submitted by Justice (retired) M S Liberhan to Prime Minister Manmohan Singh on June 30, the last day of its 48th extension. It was subsequently sent to the home ministry for further action. Sources in the ministry said the ATR was being finalised and it along with the commission's report would be presented in Parliament in the coming session. In any case, the government would not delay it further as it has to mandatorily submit the ATR within six months of receiving a report -- the deadline for which ends on December 31, they added. Though officials in the ministry remained tight-lipped about the contents of the report and the possible ATR, the terms of reference contain ample room for controversy. The commission had recorded statements of a number of political leaders including L K Advani, Murli Manohar Joshi, Uma Bharti and Kalyan Singh among others, besides senior officials of the Uttar Pradesh government. Set up on December 16, 1992, the commission was initially asked to give a report in three months. However, it could do so only after over 16 years that saw 399 sittings. About Rs 9 crore was spent on the commission, including on salary. (The Times of India)

Obama and Manmohan with Osama, Dawood among world's most powerful

US President Barack Obama and Indian Prime Minister Manmohan Singh find themselves in the unusual company of the world's most wanted terrorist Osama bin Laden and fugitive Dawood Ibrahim in a list of the World's Most Powerful people compiled by Forbes. Obama was named most powerful, while Chinese President Hu Jintao and Russian PM Vladimir Putin complete the top three. The list features three resident Indians - Singh and industrialists Mukesh Ambani and Ratan Tata, and two non-residents -- fugitive Dawood, and Lakshmi Mittal who lives in London and heads the world's largest steel company. Singh has been ranked 36th, while the country's top corporate house Reliance Industries' chief Mukesh Ambani finds himself ranked 44th ahead of Tata Group chief Ratan Tata (59). Ranked very next to Singh is al-Qaida founder Osama bin Laden at 37th place, while Indian underworld don Dawood Ibrahim is at 50th position. Dawood, head of the infamous 'D-Company', is wanted by India in connection with the 1993 serial blasts in Mumbai and has been listed by the US as 'Specially Designated Global Terrorist' for funding al-Qaeda. Osama Bin Laden, the mastermind of 9/11 terror

strike on US, too has been eluding US-led multi-national armed forces. Dalai Lama is ranked 39th and Pope Benedict-XVI 11th. The magazine took into consideration the influence of the person, whether they control relatively large financial resources compared with their peers and are they powerful in multiple spheres. (The Times of India)

Minorities' issues:

Jamiat upholds fatwa against Vande Mataram

In a move likely to spark a political controversy, the Jamiat Ulama-i-Hind on Tuesday endorsed a fatwa issued by the influential Darul Uloom seminary at Deoband that calls on Muslims not to sing Vande Mataram as doing so was violative of Islam's faith in monotheism. The resolution said Muslims were being targeted over the issue and asserted, "We love our country, but cannot elevate it to the status of Allah, the only one worshipped by Muslims... The fatwa of Darul Uloom is correct." The reference to nation as mother and an ode to motherland was unIslamic and "should not be deliberately raised for causing communal discord and law and order," the Jamiat said. The endorsement from a Jamiat "general session" at Deoband came on a day when the assembly was addressed by home minister P Chidambaram and saw BJP swiftly wading in, claiming the minister's presence had "legitimised" the "anti-Vande Mataram" view. "We oppose the Jamiat's resolution," said BJP leader Murli Manohar Joshi. The Jamiat move comes in the backdrop of some states like BJP-ruled Madhya Pradesh introducing singing of Vande Mataram in government-run schools. Endorsing Darul Uloom's "edict", the resolution said, "We love our country and have proved it many times, but Vande Mataram violates our faith in monotheism that is the foundation of our faith." BJP vice-president Mukhtar Naqvi said singing Vande Mataram was not compulsory but the manner in which the Jamiat opposed the verses immortalised in Bankim Chandra Chatterjee's classic was unacceptable. He also targeted Chidambaram for addressing a gathering where the singing of Vande Mataram was opposed saying this would be read as support for the Jamiat's "retrograde" viewpoint. Former Union minister Arif Mohammad Khan wondered about the "provocation" for Deoband's fatwa, stressing that the objectionable stanzas in the classic, which had idolatrous references to Bharat Mata, do not form part of the national song. BSP's Shahid Siddiqi, however, defended the religious seminary. On the issue of timing, he suggested that it was prompted by a campaign in western UP demanding that Deoband issue a fatwa recommending the national song to Muslims. In his address, Chidambaram steered well clear of any controversy, praising the Jamiat for its anti-terrorism resolution adopted at Deoband last year. He said it was a call for all citizens, not just Muslims, to oppose violence and terrorism. He also criticised the demolition of Babri Masjid and said it was the duty of the majority to look after the minorities. In other resolutions the Jamiat adopted, it opposed the proposed Central Madrasa Board as an intrusion in the running of madrasas while also saying that education of girls after 10 years of age should be in accordance to "complete Sharia norms." While what Sharia norms would mean is not spelt out by the resolution, it is understood to refer to segregated classrooms and use of veil and hijab. Darul Uloom has repeatedly ruled co-education as unlawful and also did not support a recent ruling of a

senior cleric at Cairo's highly respected Al Azhar that face veils were not required in all-women classrooms. Declaring Islam as a religion of peace, the Jamiat said it was opposed to killing of innocents as "unpardonable sin." It said the effort to make jihad synonymous with terrorism as incorrect. "Jihad is basically a constructive phenomenon... misrepresentation of jihad should be avoided. We condemn suicide bombings and murderous attacks targeted at innocent persons, women, children and elderly," the resolution said. Among the 25 resolutions that were adopted, the Jamiat opposed women's reservation bill but plugged for quotas for Muslims including marking out separate sub-quotas for Muslim OBCs and treating "labour castes" and "backward classes" among Muslims at par with Dalits by amending Article 341 of the Constitution. The scheduled caste category should be extended to sections like Muslim weavers. The resolutions slammed the government for not acting fast enough on Sachar Committee recommendations and the Ranganath Mishra report on alleged discrimination in government selection processes. Another resolution asked the government to bring forward the promised law on communal violence. The Jamiat strongly opposed the Delhi High Court ruling legitimising gay sex which it said would lead to "sexual anarchy and recognition of debauchery." The Jamiat declared homosexuality as "unnatural, accursed and deviant behaviour that would irreparably damage social fabric as two people of the same sex were in no way able to contribute to procreation of the human race". As in Deobandi writings, the Jamiat warned against other sects like Qadyani for being "turncoats", suggesting its own version of Islam was the true and correct one. Calling for professional technical institutions, it said it was necessary for Muslim organisations to take the lead as Muslims who studied professional courses could get cut off from their moorings. It condemned US intervention in Iraq and Afghanistan.(The Times of India)

'Modi abused Jafri when he called for help'

A key witness in the Gulbarg massacre case has told a special court that chief minister Narendra Modi had abused former MP Ahsan Jafri when he called him for help on February 28, 2002. Imtiyaz Saeedkhan Pathan, the first star witness to give testimony, recounted events of that day and said when they asked Jafri why police hadn't come to their rescue, the former parliamentarian told them that he would call up Modi for help. "When I asked him what Modi said, he said there was no question of help, instead he got abuses," Pathan told court. When a mob went on a killing spree at Gulbarg society a day after the Godhra carnage, Jafri, whose home had turned into a refuge, was making frantic phone calls to every one for help. Sixty-nine people were killed in Gulbarg Society including Jafri, whose body wasn't found. A young Parsi boy, Azhar Mody, also went missing from his house, the story of which became a Bollywood film Parzania. This film was banned in Gujarat. Pathan described the gruesome killings in detail how his family members and neighbours were butchered and women raped before his eyes. (The Times of India)

Fatwa against 'Vande Mataram' cannot be withdrawn: Darul Uloom

Days after a top Muslim body passed a resolution asking the community members not to recite 'Vande Mataram', a prominent Islamic organisation which had issued 'fatwa'

against the national song in 2006, on Monday said the edict cannot be withdrawn. The fatwa department of Darul Uloom had issued an edict in 2006, describing recitation of 'Vande Mataram' as anti-Islamic. Darul Uloom's Vice Chancellor Maulana Abdul Khalik Madrasi, however, said: "Fatwa is not an order but a guiding principle. People may abide it or ignore it". "We issue fatwas only when someone approaches us to seek guidance," he said, adding that the seminary cannot withdraw the edict which was issued three years ago. The cleric, however, made it clear that his organization has no objection to non-Muslims singing the song. On November 3, Jamiat-Ulema-e-Hind in its 30th general session in Deoband had passed a resolution asking Muslims not to recite Vande Mataram on the grounds that some verses of the national song are against the tenets of Islam. (The Indian Express)

Nitin Gadkari front runner for post of BJP president

The Bharatiya Janata Party hopes to more or less complete organisational elections at the mandal level by month-end. By mid-December, the process will move to the district level and then on to the State level, leading to the election of the new national president in January 2010, when Rajnath Singh's tenure expires. The search for a new party president also seems to be coming to an end. As of now, Maharashtra State president Nitin Gadkari is among the top favourites. Mr. Gadkari, is closeted with BJP general secretary (organisation) Ramlal, who is also the Rashtriya Swayamsevak Sangh's point man in the party. Emerging from the meeting, Mr. Gadkari said he was a foot soldier and would take up whatever responsibility was given, but added he was not aware of any move to make him president. He said he had never been in any race for any job. He had come to the capital on a "private visit." Officially, it was stated a meeting between Mr. Gadkari and RSS chief Mohan Bhagwat had not been scheduled and Mr. Bhagwat would leave Delhi on Friday. However, privately BJP leaders did not rule out a meeting between the two, later in Nagpur. It seems the other name that was seriously considered for the top job was Gujarat Chief Minister Narendra Modi. Both RSS and BJP sources said Mr. Modi wanted a free hand in running the party. It was felt that he might be too hot for the RSS as well as other senior BJP leaders to handle. Moreover, after the Biju Janata Dal walked out of the National Democratic Alliance ahead of the 2009 Lok Sabha poll, the BJP did not want to run the risk of its crucial ally in Bihar, the Janata Dal (United), also leaving the NDA. The JD(U) has repeatedly made known its dislike for Mr. Modi, making it clear to its partner that the Gujarat Chief Minister is "not welcome" in Bihar, not even for election campaigns. Yet another factor is the ongoing investigation by the Supreme Court-appointed Special Investigation Team into the 2002 Gujarat communal riot cases, including the role, if any, played by Mr. Modi. But above all, central party leaders are acutely aware that they will all be reduced to "zeroes" if Mr. Modi becomes president. Some other BJP Chief Ministers like Shivraj Singh Chauhan apparently let it be known they preferred to remain in their States. Yet another factor is that the three-year tenure of the next president will end more than a year ahead of the next Lok Sabha battle. Some leaders, including Mr. Modi, may be planning ahead for the top slot in 2012-13. "By a process of elimination, Mr. Gadkari has become the front runner, as of now," a party functionary said, adding the former Goa Chief Minister, Manohar Parrikar, never a too-

serious contender, went out of the reckoning after his remarks virtually comparing Leader of the Opposition L.K. Advani to “rancid pickle.” (The Hindu)

Hindu Fundamentalism:

Need to check religious conversions in India: Rajnath

BJP has advocated for amendment of the constitution to check large scale religious conversions allegedly being carried out by foreign forces through inducements. "There is a need to check large scale religious conversion being carried out in the country through inducements by incorporating the provision of embracing any faith before a competent authority...there is a need for a law which would give freedom to people to choose their religion," BJP president Rajnath Singh said yesterday. The country is facing lot of threats from within and outside and foreign forces are indulged in large scale religious conversion in the country with an aim to finish India's strength of embracing all faiths of the world, he said while addressing the 'Amrit Mahotsav' of senior BJP leader Kailash Narayan Sarang here. Singh said nearly 30 per cent population were converted in Jharkhand, Chhattisgarh and North Eastern states mainly through inducements, thereby threatening the demographic profile of the nation. Those opposing Ram Sethu or Amarnath Shrine Board land issue were also not successful in their designs because of the nationalist fervour of these leaders, he added. (The Indian Express)

Modi to visit Muslim-majority Indonesia

After the fiasco over his Oman visit, Gujarat chief minister Narendra Modi, now fully recovered from swine flu, has started packing his bags for a visit to Indonesia, which has a large Muslim population. Modi had to face a great embarrassment as just before his proposed visit to the Gulf nation, the embassy of Oman issued a statement saying Oman government had nothing to do with his visit as it is being hosted by a private port company. This was following protests from human rights groups saying Modi should not be allowed to enter Oman because of the role of his government during the 2002 communal riots in Gujarat. The statement left the chief minister embarrassed as his office had claimed that Modi's Oman tour was an official visit. Modi accepted an invitation to visit Indonesia in the second week of October, when a delegation led by Syavral Yasin Limpo, governor of Indonesia's South Sulawesi province, met him to discuss business relations in areas like agriculture and energy. The official denial by Oman government has only hastened the process. Modi's image managers had worked overtime to make this face of post-Godhra riots acceptable especially after the CM was denied an entry in the US in 2005. A large number of countries from the Muslim world were invited to participate in the Vibrant Gujarat Global Investors Summit in January 2009. While senior officials are not divulging more on the Indonesia visit, Modi is likely to cash in on the proposal from the cash-rich Salim Group, founded by an Indonesian Muslim, Sudono Salim, to set up a 10,000MW coal-based power plant at Bogath in Jamnagar district. (The Times of India)

Insurgency Movements:

Centre not for using Army against Maoists, says Antony

The Centre has no proposal before it to deploy the Army to check Maoists' activities in some States, Defence Minister A. K. Antony said. "The role of the Army is different. The last resort is to use the Army for internal security measures. The government does not intend to use it against the Maoists," Mr. Antony told media persons. The violence perpetrated by the Maoists would be dealt with firmly, the Minister said. No one, including the Maoists, would be allowed to take the law into their own hands. Law and order was a State subject and it was for the States to take action. The Union government was ready to extend all help in this regard and provide paramilitary personnel to deal with internal security problems. Maoists were operating in West Bengal, Chattisgarh, Jharkhand and Orissa, Mr. Antony said. Checking Maoist activities was a big challenge for these States. (The Hindu)

One year after, Maoists still rule the roost

It was exactly this Monday a year ago when a landmine blast, triggered by Maoists targeting West Bengal Chief Minister Buddhadeb Bhattacharjee's convoy at Salboni in Paschim Medinipur, sparked a full-blown Maoist-backed tribal movement against alleged police atrocities. It resulted in the government launching, seven and a half months later, a massive security offensive to flush out rebels from the region. Since then, several Maoist-supported tribal leaders have been arrested and more than 150 Communist Party of India (Marxist) supporters have died. Today, though the security forces have successfully reclaimed various areas dominated by Maoists, the writ of the rebels still runs in numerous pockets of the region, thanks to the Police Santrash Birodhi Janasadharaner Committee (PSBJC), a Maoist front. Director-General of Police Bhupinder Singh said that in spite of the murders, there was "considerable success" following the operation. The decision to build up a specialised anti-Maoist force, on the lines of the Greyhounds in Andhra Pradesh, would bolster the security operations. "Previously the Maoists almost liberated the zone such that no government machinery could function there. It could be re-established only after the operations started. We could also arrest several Maoist leaders in the meantime," Mr. Singh said. After the launch of the security offensive on June 18, one significant success is the arrest of the elusive PSBJC convener Chhatradhar Mahato, effected in an undercover operation on September 26. The PSBJC, however, seems undeterred by the setback, as it recently launched its military wing Sidhu Kanu Gana Militia to combat the security forces. "We started off with a democratic movement and wanted to resolve all issues through dialogue with the State government. But even after a year, if both the Centre and the State government unleash terror on innocent villagers through the security forces in the name of flushing out Maoists, we are left with no choice other than opting for armed struggle," Santosh Patra, a prominent PSBJC leader, told over telephone from the Lalgarh area. The police, however, rubbish the PSBJC claims. "The Maoists and the PSBJC are the same entity and the police have been saying so from the very beginning. It is only that they are publicly flaunting their military status," Mr. Singh said. He said various confidence-building measures like football matches were initiated to win back the people's trust. "The response has been very good."

However, “a major section of the media has become Maoist-centric and goes by their version of the story,” Mr. Singh said. (The Hindu)

Maoists ready for talks if there is a ‘ceasefire’

With the naxals facing the heat of an imminent concerted operation by the security forces, a top Maoist leader on Thursday said the ultras were ready for talks “if there was ceasefire on both sides” and withdrawal of the deployed paramilitary forces withdrawn deployed in from the naxal-hit States. “The process of talks with the Central government can only begin if there is ceasefire on both sides,” top Maoist leader Koteswar Rao alias Kishenji said. When asked to comment on the Centre’s condition that the Maoists should abjure violence and only then it was ready to sit across the table, Kishenji told PTI over phone, “The Centre is killing innocent people in the name of tackling the Maoists and it is they are asking us to abjure violence, which is ridiculous.” He said the Centre would have to withdraw the paramilitary forces from the seven States — Andhra Pradesh, Maharashtra, Chhattisgarh, Orissa, Bihar, Jharkhand and West Bengal — and treat the problems of the tribals in a sympathetic way. “Also, both the Centre and the State governments will have to apologise to the tribals for the prolonged atrocity meted out to them and the consequent suffering from the time of Independence,” Kishenji said. Asked what should be the nature of the apology, he said without elaborating, “They will have to come to the tribals and apologise.” Reminded that Prime Minister Manmohan Singh had on Wednesday referred to the systematic exploitation and social, economic abuse of the tribals over the years while emphasising on change of ways of dealing with them in the battle to win their hearts, Kishenji said, “It is nothing, but an eyewash.” Kishenji said political leaders from the time of Independence have said the same thing as Dr. Singh, but little had been done. Asked about the West Bengal Chief Minister’s visit to West Midnapore district, where he is likely to announce a Rs.1,600 crore package for the development of tribal areas in three districts, Kishenji said, “The people of the areas are fed up of these kind of promises. What the State government has done in the last 33 years is known to all.” (The Hindu)

Ideology to tackle naxalism?

In a highly ideological response on Maoists, CPM general secretary Prakash Karat on Friday said ultra-Left in India was nothing but part of "Left-sectarian and anarchist trend". Stressing the need for "political-ideological exposure" of Maoists in India, Karat, however, cautioned the government not to treat them as terrorists and even admitted that they had struck a chord among tribals and a section of intelligentsia. Comparing current violence in West Bengal to the one that swept through the state in the early 1970s, Karat said he was hopeful that it could be dealt with ideologically just the way it was done in the past. He cited election results to show that while CPM lost support among middle classes, it had retained support among tribals. Violence against his party cadre, Karat

said, was not a new phenomenon because Marxists mobilised people whom the extremists want to win over. Giving out a historical perspective on the growth of Maoists in India, Karat said wherever Left has grown, there has been Left-sectarian and anarchist trends. He cited Lenin saying how petty bourgeoisie was drawn to anarchism when it experienced horrors of capitalism. Karat, who had taken time off from party work in the mid-1980s to study naxalism, said before understanding Maoists it was important to understand their world view. Maoists, he said, saw South Asia on the verge of revolution while West Asia was seen as a focal point of struggle against imperialism. (The Times of India)

Maoists getting arms from China: India

The government for the first time on Sunday said that the Maoists are getting arms from China, which is a "big supplier" of small weapons. "Chinese are big smugglers... suppliers of small arms. I am sure that the Maoists also get them," home secretary G K Pillai said when asked if the Naxals were having links with China. The home secretary said the government has no information that the Maoists have any links with China except getting arms. "I do not think so, except getting arms," he told reporters. Pillai, however, did not elaborate whether the Maoists were getting arms from Chinese arms smugglers or official agencies. Home minister P Chidambaram had said in an interview last month that the Maoists are acquiring weapons through Bangladesh, Myanmar and possibly Nepal. "We know now that the weapons are coming through Bangladesh and Myanmar and possibly Nepal. The border is very porous. The Indo-Nepal border is a very porous border." he had said. (The Times of India)

CRPF may flush out Maoists on Andhra border

The Central Reserve Police Force (CRPF) is likely to launch a massive operation against Maoists along Andhra Pradesh's border with Orissa. According to sources, the paramilitary force is inquiring about helipad facilities for its troops to land at various places on Andhra Pradesh-Orissa and Andhra Pradesh-Chhattisgarh border. Highly placed sources said top CRPF officials took complete details about the helipad facilities in Khammam, East Godavari and the three north coastal districts of Visakhapatnam, Vizianagaram and Srikakulam from local authorities. "The choppers may come in handy for supply of arms, ammunition and food for the commandoes," a senior officer involved in anti-Naxal operations told. Sources said the CRPF top brass has already identified schools and college grounds for the landing of choppers in interior forest tracts in Khammam district on the state's border with Chhattisgarh. "The security forces are also considering using the police station at Chitrakonda close to Malkangiri district of Orissa where three choppers could land at one time," said a police officer. In G K Veedhi, Chintapalli, Seeleru, Darakonda, Munchingput and Hukumpet mandals in Vishakhapatnam, the security agencies could bank upon playgrounds in schools and colleges to serve as makeshift helipads. "The Andhra-Orissa border is an ideal shelter for the hit-and-run operations of Maoists. The hilly terrain with dense forests and flowing streams will surely pose a major challenge to the security personnel to track down the Maoists on the run," said the IPS officer. So far the police have taken the help of

choppers for only medical assistance during combing operations and encounter to transport the injured cops. “But this time, the use of choppers will be extensive to save time as well as to rush forces to the battlefield,” an officer from Khammam said. (The Times of India)

Maoists eye sea route to smuggle in arms

Apart from their traditional forest routes, Maoists are trying to use a sea route to smuggle arms into the state. Intelligence agencies have reasons to believe that senior Maoist leader Narayan is camping on the outskirts of Haldia and operating with the help of mainstream political parties. Police said Narayan has been active in the coastal belt of East Midnapore since 2007. He had played a crucial role in Nandigram. He camped in Sonachura and his team members trained more than 200 youth who had been roped in with the help of Bhumi Uchchedh Pratirodh Committee activists. Since then, he has been spreading his organization in different coastal villages in East Midnapore and South 24-Paragnas, police said. In the past couple of years, mass organisations which are believed to be the frontal outfits of the Red rebels have increased their activities in this part of Bengal. Intelligence agencies suspect that Maoists are looking for a new corridor to connect coastal Bengal to neighbouring Orissa. Two reasons make the sea route very important for Maoists. First, security agencies believe that Maoists are providing shelter to a large group of LTTE cadres who are suspected to have sneaked into India ever since it was defeated by the Sri Lankan troops. Despite all the loss it had suffered, LTTE still has a huge quantity of sophisticated arms in its arsenal. The outfit is trying to smuggle these out before the Lankan army seizes them. Secondly, the sea route is the best option for smuggling in arms. As Maoists have lost ground in coastal Andhra Pradesh, the Bengal coast is now the only option for them. "Maoist military strategist Kishanji maintains a close link with Naga insurgents who play a key role in smuggling arms for all Northeast rebel outfits. Maoists are looking for more sophisticated arms to combat the government's offensive. A safe sea route will be helpful for them to smuggle in arms through Bangladesh," said a senior intelligence officer. Intelligence agencies have confirmed that Maoists are spreading their organisation in South Bengal, trying to cash in on the recent debacle of CPM in this part of the state. The Maoists first set up a guerrilla zone in the western part of West Bengal the forest areas of West Midnapore, Bankura and Purulia. For south Bengal, they need a similar guerrilla zone and Sunderbans is ideal for it. Still, this coastal part of Bengal is remote. People are deprived here and the areas are under developed like Jangalmahal. Strategically, Sunderbans is ideal as the area has several escape routes. Intelligence officers have warned the security forces about this expansion. (The Times of India)

Economic Front:

Full circle: India buys 200 tons gold from IMF

More than 18 years after New Delhi pawned 67 tons of gold to tide over a balance of payments crisis, the Reserve Bank of India has bought thrice that amount of gold from the International Monetary Fund to diversify its assets. The IMF on Monday announced the sale of 200 metric tons of gold to the RBI, saying it represented almost half of the total sales volume of 403.3 metric tons that was approved by the Fund's Executive Board in September. Welcoming the purchase of 200 metric tons of gold by India's RBI, IMF MD Dominique Strauss-Kahn said, "I strongly welcome this transaction with RBI." "It is an important step toward achieving the objectives of the IMF's limited gold sales program, which are to help put the Fund's finances on a sound long-term footing and enable us to step up much-needed concessional lending to the poorest countries." For India, the purchase, apart from signaling that its economy has come full circle, is a way of spreading its assets which are said to be currently over-weighted with foreign currency, mainly in the form of sovereign US Treasury bonds. In other words, it is a hedge against a falling dollar. India is the world's largest private gold consumer, but the government's holding of gold as an asset is modest. Even so, the latest purchase puts it at Number 10 among the list of top 10 gold-holders in the world. Of India's current foreign exchange reserves of nearly \$285 billion, foreign currency assets account for more than 90% (\$268.3 billion), followed by gold (\$10.3 billion), IMF's Special Drawing Rights (\$5.2 billion) and a reserve position in the IMF of \$1.59 billion. While India's current gold holdings, accounting for just 3.7% of assets, are said to be historically low, buying 200 tons in addition to the 358 tons it already holds is expected to bump up the gold reserves to more than 6%. The dash to gold is prompted by the unsteady dollar and countries such as China, Russia and Brazil have already gone this route. Commenting on the purchase, finance minister Pranab Mukherjee said, "It doesn't mean we don't prefer the dollar any more or like gold any better." Recalling the embarrassment of 1991, when India was forced to mortgage a part of its gold reserve, he said that when RBI recently asked whether it should invest in gold, he told the central bank it could do so to bolster the reserve. An RBI statement said the purchase of gold was made as part of the bank's foreign exchange reserves management operations. The IMF said the transaction, which is in the process of being settled, involved daily sales that were phased over a two week period during October 19-30, 2009, with each daily sale conducted at a price set on the basis of market prices prevailing that day. Officials said the total sales proceeds are equivalent to US\$ 6.7 billion at an average gold price of \$ 1045 per ounce. India's gold trauma occurred in the summer of 1991, when faced with dwindling foreign exchange reserves and a possibility of a default on payments, the government hocked 47 tons of gold to the Bank of England and 20 tons of gold to the Union Bank of Switzerland to raise \$ 600 million. The move helped tide over the balance of payment crisis, and also kick-started the reforms process when the next Prime Minister, Narasimha Rao, appointed Dr Manmohan Singh as the finance minister. (The Times of India)

India in recovery phase, US, Europe to take longer: Ratan Tata

Tata Group chairman Ratan Tata said on Thursday that he felt that India was on the way to recover from the economic slowdown, though it may take more time for the US and UK to achieve the same. "I think in India we are in a recovery phase. Europe and US will take longer," Ratan Tata told reporters. "I think the good news is that by and large the

free fall is no longer there," he stressed. Tata was in the hill station to attend the Silver Jubilee celebrations of the High Range School run by the group. Asked if the group was thinking of austerity measures, he said, "just before the meltdown took place, I wrote to all our employees saying I felt the environment is very dull, that the demand might go down. We advocated that company should cut its costs." Tata said the executives did give up their bonus and travelled business class when the crisis was at its peak. On his future plans, Tata said, "we are looking at a variety of new products to cater to the lower end of the pyramid where many manufacturers are not looking. Low cost housing is one." Tata group had started its low-cost housing project in Bangalore, Kolkata and Assam and has got invites from Maldives. (The Times of India)

Delhi and Mumbai may join elite club by 2025

Mumbai and Delhi are likely to witness a significant jump in economic growth along with other emerging markets and make it to the league of the world's wealthiest cities by 2025, according to a report. "New York, London and Paris may trip off the tongue as the world's top cities in terms of wealth, but over the next 15 years emerging cities such as Sao Paulo, Shanghai and Mumbai will give them a run for their money," *The Observer* said, quoting a research report from consultancy firm PricewaterhouseCoopers (PwC). The league table of the world's great cities is going to change radically between now and 2025, thanks to the economic growth of many cities in the emerging world, which are likely to be much stronger than those in many developed economies. According to PwC, Delhi, Guangzhou, Rio de Janeiro, Istanbul and Cairo are likely to rise rapidly up the table. The current and projected top five in the global gross domestic product per capita rankings are likely to remain the same: Tokyo, New York, Los Angeles, London and Chicago. Citing the report, *The Observer* says Shanghai is set to rise from its current 25th place to 9th. Mumbai is likely to storm to 11th from 29th. Beijing will leap from 38th to 17th and Sao Paulo will jump to 6th from the present 10th. Quoting PwC head of macroeconomics John Hawksworth, the report says: "If you look at the projected percentage GDP growth from 2008 to 2025 of the top emerging and the top advanced economy cities, the comparison is stark." "Lots of American and European cities, however, are set to slide sharply over the same period, with ... Sydney, Singapore and Madrid likely to drop out of the top 30 altogether," it says. (The Hindu)

India can't handle high fiscal deficit for long: FM

Finance Minister Pranab Mukherjee has said that India will not be able to sustain high fiscal deficit in the long run, but he did not give any timeframe for withdrawing the stimulus measures that inflated the deficit. As Prime Minister Manmohan Singh shared with industry leaders in New Delhi on Sunday, his government's intent to wind down stimulus measures next year, Mukherjee told reporters in St. Andrews, Scotland, that he had already told Parliament high fiscal deficit was not sustainable in the long run. India's fiscal deficit is projected to be 6.8 per cent of GDP this fiscal, consequent to duty sops given last year to the industry to insulate it from the effects of the global economic crisis. Mukherjee said efforts would be made to reduce fiscal deficit to four per cent of the GDP and revenue deficit to 1.5 per cent by 2012. Echoing the sentiments expressed by the

Prime Minister, he said that the economy would grow by more than seven per cent next fiscal. "In the next year, we will have growth projection of more than seven per cent," he told reporters yesterday evening after a G-20 Finance Ministers meeting. With regard to the current fiscal, he said the country was likely to register an economic expansion of 6.5 per cent, less than the 6.7 per cent recorded in 2008-09. (The Indian Express)

Geo-strategic developments:

Don't politicise my Tawang visit, Dalai tells China

The Dalai Lama on Saturday hit out at China for opposing his proposed trip to Arunachal Pradesh saying it was "politicising the issue too much" and he was going there solely for teaching. The Tibetan spiritual leader said he was surprised and saddened by China's criticism of his visit to Tawang monastery in Arunachal. "I was surprised at China's criticism. If my visit creates problem, I am very sad, that's all," Dalai Lama told journalists here, implying that he intends to go ahead with his November 8 visit. "The Chinese government politicises too much wherever I go. Where I go is not political," he said. Contending that he was travelling to Arunachal in connection with teaching his beliefs, the Dalai Lama said Tawang held great memories for him as this was his first stop 50 years ago when he was forced to flee Tibet. India and China were recently engaged in a spat over Dalai Lama's proposed visit to Arunachal which China claims is disputed territory. China objected to his visit, but India brushed aside the objection saying the Tibetan leader was free to travel anywhere in India. New Delhi, however, has made it clear that the Dalai Lama is not supposed to indulge in political activities or discuss the India-China boundary issues. The Dalai Lama is scheduled to visit Tawang monastery to deliver spiritual discourses to his followers at the invitation of local leaders.(The Indian Express)

Defence College, a prime target, says FBI

The National Defence College in New Delhi was one of the prime targets of David Coleman Headley and Tahawwur Hussain Rana, who were arrested for plotting a terror attack in India at the behest of the Lashkar-e-Taiba, prosecutors said. Details of the conversation between Headley and Rana, submitted by prosecutors to a Chicago court, indicates that the Lashkar-e-Taiba was giving priority to its attack on the National Defence College over other targets. Attorneys from the Department of Justice opposed the bail application of Rana, saying he was a danger to the community and might leave the country if he was enlarged on bail. (The Hindu)

Indo-French deal gives assurance of lifetime supply of nuclear fuel for French reactors

The Indo-French Civil Nuclear Cooperation Agreement, signed by the two countries in Paris on September 30, 2008, explicitly allows for reprocessing of spent nuclear fuel from French nuclear reactors under safeguards, and gives an assurance of lifetime supply of nuclear fuel for these reactors. Significantly, the agreement does not explicitly bar the transfer of enrichment and reprocessing technologies, the so-called ENR technologies or

Sensitive Nuclear Technologies. Transfer of these to India from the United States requires a special amendment to the India-U.S. Civil Nuclear Cooperation Agreement (the 123 Agreement) and congressional approval of the same. French nuclear supplier Areva has been allotted the nuclear project site at Jaitapur in Maharashtra to initially build two power plants based on Areva's EPR1600 light water reactors. The India-specific waiver of the nuclear transfer guidelines of the Nuclear Suppliers Group (NSG) was issued on September 6, 2008. These aspects of the Indo-French agreement have now become clear after the document became public subsequent to its approval by the French Senate (the upper chamber) on October 15, 2009. The agreement still needs the approval of the Parliament's lower chamber, the National Assembly, for its final ratification. The Assembly, according to the French Embassy's press information officer Allen Perier, took up the review of the Agreement on October 28. It is hoped that this should happen by the end of November and the agreement should enter into force by the end of the year. Now that India has unconditional reprocessing rights from both Russia and France except for requiring that reprocessing be done under the safeguards of the International Atomic Energy Agency (IAEA) the U.S. would seem to be at a disadvantage vis-à-vis these two. Under Article 6 (iii) of the 123 Agreement, reprocessing rights over spent fuel from a U.S. facility may be granted only after "subsequent arrangements and procedures" are worked out. These are at present under negotiations between the two countries. It is, therefore, not clear as yet if such rights would be granted at all and, even if granted, whether they would be unconditional. Moreover, the 123 Agreement requires a new reprocessing facility under IAEA safeguards to be built, which is not the case for the Russian or French grant of reprocessing rights. Article V (3) of the Indo-French agreement says: "Reprocessing and any other alteration in form or content of nuclear material transferred pursuant to this Agreement and nuclear material used in or produced through the use of material, nuclear material, equipment or technology so transferred shall be carried out in a national nuclear facility under IAEA safeguards. Any special fissionable material that may be separated thereby may be stored and utilised in national facilities in the recipient country under IAEA safeguards." Article I (2) that describes the ambit of cooperation includes the following: "...Full civil nuclear cooperation activities covering nuclear reactors, nuclear fuel supply and other aspects as agreed between the parties; nuclear fuel and nuclear fuel cycle management including through the development strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's safeguarded nuclear reactors. Article V (1) elaborates on this as follows: "The party supplying nuclear power plant shall facilitate reliable uninterrupted and continued access... nuclear fuel supplies, reactor systems and components for the lifetime of the supplied nuclear power plant. In respect of supply of nuclear fuel for the lifetime of India's safeguarded reactors, long term contracts... will be established between respective designated entities of the parties. Article V (2) further adds: "To further safeguard against any disruption of supply over the lifetime of India's safeguarded reactors, France will support an Indian effort to develop a strategic reserve of nuclear fuel. This support includes France convening a group of friendly countries or joining such a group convened by others to pursue such measures as would restore fuel supply to India in the event of fuel supplies to India." As regards technology or equipment transferred, Article I (3) says without any qualification: "Cooperation under the Agreement may take the following forms: ...Supply of material, nuclear material,

equipment, technology, facilities and services including setting up of nuclear power projects.” The Article significantly also includes “Nuclear cooperation projects in third countries.” However, the Agreement requires the establishment of a civil nuclear liability regime, as has been insisted upon by the U.S. as well. Article VIII (2) says: “The Parties agree that, for the purpose of compensating for damage caused by a nuclear incident involving nuclear material, equipment, facilities and technology [transferred under the Agreement], each Party shall create a civil nuclear liability regime based on established international principles.” It is known that a draft Indian bill for a civil nuclear liability law is ready and is under inter-ministerial discussions before it comes up before the Parliament for its enactment. (The Hindu)

China reassures India on dam projects

The Chinese government on Thursday said it would not undertake dam projects on the Brahmaputra river that would damage India’s interests, amid reports that China was starting construction of a hydropower project on the river. “China is a responsible country and will not do anything to damage the interests of others,” Foreign Ministry spokesperson Ma Zhaoxu said when asked about China’s plans to build dams on the Brahmaputra, or the Yarlung-Tsangpo as it is known in Tibet. The river flows 1,625 km in Tibet before it enters India. In March, a 1.14 billion Yuan contract was awarded to the Gezhouba Corporation, one of China’s biggest engineering and construction companies, to build a hydropower project at Zangmu in Tibet, along the Yarlung-Tsangpo. Initial work is expected to commence soon, and the project will be completed by December 2015, officials said. Experts say run of the river hydropower projects such as the one at Zangmu, which do not involve substantial diversion of a river’s waters, will not significantly impact areas in India downstream. “The point where they were making a dam is 1,100 kilometres away from our boundary. It’s a small dam and no reservoir as such. They already have such 15 dams there which they are using for local purposes,” Water Resources Minister P.K Bansal said on Thursday in New Delhi, PTI reported. He said while run of the river projects were China’s right to pursue, India’s concern was there should not be diversion in existing flow exceeding 79 BCM (billion cubic metres). “There is no evidence of any such diversion so far,” Mr. Bansal said. China has also announced plans to build a dam on the “great bend” of the Brahmaputra, further down the river from Zangmu, where the river changes direction and begins its flow into India. This plan involves substantial diversion of the river’s waters, and is part of Beijing’s \$62 billion “South to North Water Diversion” project which envisages diverting waters from the Brahmaputra to the drought-affected northern areas of the country. The plan has been grounded in delays as a result of soaring costs, and is more than five years behind schedule. Work has not started on the project, and feasibility studies have not yet been completed. Prime Minister Manmohan Singh first raised India’s concerns about this project when he met Chinese President Hu Jintao here last year. He also raised the issue when he met Chinese Premier Wen Jiabao in Thailand last month. China has assured India that it will not begin work on any diversion project without first notifying New Delhi through the joint working group mechanism the two countries have set up to discuss water-sharing issues. (The Hindu)

Rise of terror in Af-Pak a worry: PM

Expressing concern over the rise in terrorism in Afghanistan and Pakistan, PM Manmohan Singh on Sunday asked the global community to extend sustained cooperation for dealing with the menace for ensuring stability in the region. Replying to a question from founder and executive chairman of the World Economic Forum Klaus Schwab on the developments in the neighbouring countries, Singh said, “we are very worried about the rise of terrorism in our neighbourhood, particularly what is going on in Afghanistan and in Pakistan. We have a vital stake in peace, progress and stability of these countries and other countries of South Asia.” (The Times of India)

China criticises India for ignoring its ‘concerns’

The Chinese government on Tuesday accused New Delhi of “disregarding China’s grave concerns” by allowing the Dalai Lama to visit Arunachal Pradesh and said it was “strongly dissatisfied” about the Tibetan leader’s visit to the State, parts of which China has claims on. Last week, Beijing accused the Tibetan religious leader of “sabotaging” ties between India and China but stopped short of criticising New Delhi for granting approval for the visit. Beijing reiterated its opposition on Tuesday, but this time directly blamed New Delhi for ignoring its concerns. “The Indian side has disregarded China’s grave concerns and allowed the Dalai Lama to visit,” Foreign Ministry spokesperson Qin Gang said. “China is firmly against the Dalai Lama’s visit to the disputed area of the eastern section of the boundary region.” The Tibetan leader’s visit to the State has heightened already frayed tensions between the two countries over the long-running border dispute. To avoid further fanning the flames, the Indian government and the Dalai Lama have repeatedly stressed in recent weeks that the Tibetan religious leader’s visit to the State was not political in any way, and that the Dalai Lama would only visit monasteries, schools and hospitals. But that is far from how the visit is being viewed in Beijing. The Chinese government in public statements described the Dalai Lama’s visit to the State, which borders Tibet, as “anti-China” and “separatist”, while articles appearing in China’s official media in recent days have even suggested New Delhi was using the visit to stake its claims to the disputed region. In an article headlined “India covets Dalai Lama’s visit,” the State-run Global Times newspaper quoted a well-known Chinese scholar who said India “may make use of the Dalai Lama to solve the decade-long territorial conflict.” “The Dalai Lama went to southern Tibet at this critical moment probably because of pressure from India,” Hu Shisheng, a South Asia scholar at the government-supported China Institutes of Contemporary International Relations told the newspaper in an interview. “By doing so, he can please the country that has hosted him for years.” (The Hindu)

Centre curbs Dalai Lama, tells media to leave Tawang

Although the government maintained that it would not interfere with the high-profile Dalai Lama visit to Arunachal Pradesh, state officials on Wednesday asked the Tibetan leader to amend his programme and ordered reporters covering his trip to leave Tawang. On the eve of the Dalai Lama's departure for Dirang and Bomdi La in West Kameng,

state officials asked him to convert a public address, which was scheduled to take place in Tawang, into a religious discourse. "Keeping the sensitivity of the area, we've advised His Holiness to amend his programme," said a senior official. The direction came a day after Beijing reiterated its objection to Dalai's visit to the area that China claims as its own. Around the same time on Wednesday, Arunachal officials flatly rejected extension requests of inner line permits (ILPs) for reporters. "We've got instructions not to extend ILPs beyond the Dalai's Lama's stay in Tawang," said one official. ILPs are mandatory for non-state residents who want to visit Arunachal. "Our officers reprimanded us for allowing the media to get close to the Dalai Lama. They said journalists were asking all sorts of questions about China," said a paramilitary officer. On Tuesday, it was later learnt, the government had cancelled the Dalai Lama's visit to a monastery in the heart of Tawang. Organisers of his visit also withdrew volunteers of the India-Tibet Friendship Society. On Sunday, the first day of the visit, these volunteers had miniature Indian and Tibetan flags on their T-shirts. Despite the restrictions imposed in Arunachal Pradesh, the Dalai Lama continued to draw thousands of followers. For the fourth consecutive day, Tawang remained closed for about six hours as almost all its residents went to attend the Tibetan leader's discourse at the Yid-Gha-Choezin Monastery. He was also scheduled to visit the Urgelling Monastery on the outskirts of Tawang, where the sixth Dalai Lama was born in the 17th century. The present Dalai Lama is 14th in the lineage that began over 650 years ago. Despite the chilly weather, unprecedented enthusiasm and joy was seen along the 186-km stretch from Tawang to Bomdi La, the route the Dalai Lama had taken during his sensational flight from Tibet in 1959. All shops, including eating houses, were closed. Local Buddhists draped the road with thousands of five-colour religious flags and erected welcome arches with sacred motifs at numerous places. Till evening, the Dalai Lama's followers were seen going to Dirang and Bomdi La to listen to his discourses over the next two days. "We are all thrilled to find god's reincarnation among us," said Pema Thondup, a former Assam Rifles jawan from Themang, as he walked to the venue of the Dalai Lama's discourse at Dirang. (The Times of India)

Stapled visas issued by China not valid

India on Thursday announced that issuance of paper visas stapled to passports by the Embassy of China and its consulates in India would not be considered valid for travel out of the country. In a statement the Ministry of External Affairs said it has come to the attention of the government that the Embassy of the People's Republic of China and the Chinese consulates in Mumbai and Kolkata were issuing visas on a separate piece of paper "stapled" to the passport (rather than "pasted" as is the usual practice), to certain categories of Indian nationals on the basis of their domicile, ethnicity and or place of issue of the passport. "Such paper visas stapled to the passport are not considered valid for travel out of the country," the statement said. It cautioned all Indian citizens to ascertain from the Chinese missions in India whether the visa would be affixed to the passport or a stapled paper visa to avoid any inconvenience on this count. The issue came to light when the embassy issued stapled paper visa to people from Jammu and Kashmir.(The Hindu)

Indian Occupied Kashmir:

Self-rule is a practical solution to Kashmir issue: Noorani

Maintaining that the Self Rule proposal mooted by the opposition People's Democratic Party (PDP) was a practical solution to the Kashmir problem, noted commentator and legal luminary A.G. Noorani on Sunday said that Article 370 should be made a model to address demands of all stakeholders in the State. Speaking at a day-long seminar organised by the PDP to explain the broad contours of Self Rule, Mr. Noorani said the self-rule document was very good, very imaginative and a very practical proposal. It (self rule) reflects the aspirations of the people of Kashmir and is the best solution to the problem of Kashmir, he said adding that if all accepted it, the entire scenario would change. He suggested that Article 370 should be redrafted and made a model to address the demands of all principal stakeholders in the Kashmir issue. "The redrafted Article 370 should be acceptable to all. Let the NC [National Conference] also sit with the PDP, and some day, the NC and the PDP will agree on this. Moreover, I am confident that Mirwaiz Umar Farooq will seek a deal. Syed Salahuddin, too, will not be averse to it," Mr. Noorani said. Stating that Kashmir needed much more than a guarantee, he said they (the Kashmiris) have been repeatedly cheated by none other than Jawaharlal Nehru himself. He distorted and perverted it, and called upon the intelligentsia and the civil society to have their own discourse on Kashmir. "I appeal to professors, lawyers, political scientists, scholars and other professionals in Kashmir, please do not let India and Pakistan monopolise the discourse on Kashmir." Mr. Noorani conditioned a solution to Kashmir with three main tests. The solution should be such that a Kashmiri leader could announce it in Lalchowk, a Pakistani leader in Mochigate Lahore, and an Indian leader at the Red Fort. Questioning the Indira-Abdullah accord of 1975, he dismissed it as one between two politicians and not between India and Jammu and Kashmir. It had nothing to offer the people, he said. On the occasion, the former Chief Minister and PDP founder Mufti Mohammad Sayeed invited the Hurriyat Conference to join what he called the struggle to find a way forward for Kashmir. There is a need for a dialogue on the Kashmir issue, and this is the golden and historical opportunity to solve the long-pending issue, Mr. Sayeed said. He asked his arch rival the National Conference to support the PDP for a consensus on some broader points on Kashmir. I think article 356 should not be applicable to the State. So let us agree on some broader points," Mr. Sayeed told the NC. He also invited the Hurriyat to join hands with the PDP and other mainstream parties to achieve something practical on Kashmir. "If we can achieve something, we will achieve it by working jointly. So I invite the Hurriyat to join hands as there is an opportunity," he said. The former Union Home Minister impressed upon New Delhi to learn lessons and start trusting Kashmiris. "When the situation turned hostile in Kashmir, India's then Prime Minister P.V. Narasimha Rao promised that the sky was the limit. Atal Bihari Vajpayee said the Kashmir issue will be solved within the ambit of humanity. Now Prime Minister Manmohan Singh is saying one thing, and the Army Chief totally negates that the Army will be thinning or the AFSPA [Armed Forces Special Powers Act] be revoked," he said. (The Hindu)

Farooq slams Centre for bias against Kashmiri Muslims

Union minister and former Jammu & Kashmir chief minister Farooq Abdullah on Thursday lashed out at the Centre for harbouring “bias against Kashmiri Muslims” and asked it to put an end to the mindset. “We’re a Muslim majority area and proud of it. We aren’t terrorists and don’t treat us like that,” he said and added that the “bad treatment” hurts people and forces them to revolt and agitate. The Union minister said he fears that it (bad treatment) would simmer in the hearts and minds of youth. “It’s time we were treated as equals and this bias was washed away,” said Farooq, addressing the 15th Indian Distance Education Association Annual Conference in Srinagar. “Think of us as you think of yourself,” he said, referring to the Centre. He asked the delegates from across the country to promote Kashmir’s positive image. “Tell your friends and relatives that we’re peace-loving people. Islam teaches us to be peaceful. It doesn’t teach us hate, but love and respect. That is the message you should take back from Kashmir,” he said amid thundering applause. Farooq said Kashmiris are proud people and not beggars. “We may have made mistakes in the past, but there is nothing that can’t be rectified.” He lashed out at the Services cricket team for not playing Ranji Trophy match in Srinagar. “Services apologised after doing the damage. It’s unfortunate that those who say we’re here to protect you didn’t play the game,” he said. “The services decision damaged Kashmir’s image beyond imagination.” (The Times of India)

New Delhi must take concrete steps first, says Mirwaiz

Hurriyat Conference (moderate) chairman Mirwaiz Umar Farooq virtually said “no” to quiet diplomacy, advocated by New Delhi, and reiterated that some measures need to be taken first to make the situation conducive for dialogue. After three days of deliberations over the issue at the Hurriyat executive and parleys with the other faction of the Hurriyat led by Syed Ali Geelani and JKLF chief Yasin Malik, the Mirwaiz told a Friday congregation that his party was not against dialogue process but it should follow certain measures on the ground. “Whether it is quiet diplomacy, open diplomacy or secret talks it cannot succeed unless some concrete steps are taken first. A common Kashmiri should feel that New Delhi has changed its method and mindset,” he said. The Centre did not show consistency in its policy. The Mirwaiz said: “The Prime Minister says something on August 15 and in Kashmir says a different thing while his Army chief toes a different line. If they are serious and sincere, the ground realities have to be accepted.” He reiterated the Hurriyat’s five conditions set on June 11 last year which include withdrawal of troops and release of detenus. He said his faction was committed to agreement with the other one and others in which it was agreed not to enter into a bilateral dialogue and “no compromise on right to self determination.” The engagement had to be on a triangular pattern. “If we talk to Delhi it will be followed by our talks with Pakistan. Then India and Pakistan have also to talk.” He also made it clear that the table of dialogue was to be supported by four important parties viz Srinagar, New Delhi, Islamabad and Muzaffarabad. “We are in process of consultation to arrive at a consensus,” he said appealing all the parties to come forward. (The Hindu)

Division of J&K not acceptable: Mirwaiz

Hurriyat Conference (moderate) chairman Mirwaiz Umar Farooq on Wednesday made it clear that division of Jammu and Kashmir as a solution to the political problem was not acceptable. In a bid to reach out to people in the mountainous region, the Mirwaiz began a three-day tour of Doda, Kishtwar and Baderwah which are predominantly Muslim areas in the Jammu division. Addressing a public meeting in Doda on Wednesday, he said Doda was part and parcel of Kashmir and “here the people have always supported the political struggle which is based on a just and genuine cause.” “I want to assure you that you are part of us and you will not be ignored in any process which is initiated for resolution of the Kashmir problem,” he told an enthusiastic crowd in Doda Chowk. The Mirwaiz said the Hurriyat Conference would vociferously oppose any division of the State on geographical or regional basis. “That is not the solution acceptable to us,” he said. “The Kashmir issue is not about transfer of governance or an economic issue or about packages and its needs should be resolved politically.” He said the Hurriyat was ready for dialogue, but rejected bilateral talks and added that the solution lay in tripartite talks.

(The Hindu)

Social front:

Supreme Court judges disclose assets

Twenty-one judges of the Supreme Court, including Chief Justice of India K.G. Balakrishnan, have declared their assets, giving details of movable and immovable property owned by them and their spouses in the Supreme Court website. Justice B.N. Agrawal, who retired last month, has also declared his assets on special request, while Justice H.S. Bedi is yet to do so. Monday’s declaration says it is in terms of the May 7, 1997 resolution and it is purely voluntary. At present, there is no law governing the declaration of assets by judges. The May 7, 1997 resolution says: “Resolved that every Judge should make a declaration of all his/her assets in the form of real estate or investment [held by him/her in his/her own name or in the name of his/her spouse or any person dependent on him/her] within a reasonable time of assuming office and in the case of sitting judges within a reasonable time of adoption of this Resolution and thereafter whenever any acquisition of a substantial nature is made, it shall be disclosed within a reasonable time. The declaration so made should be to the Chief Justice of the Court. The Chief Justice [should] make a similar declaration for the purpose of the record. The declaration made by the Judges or the Chief Justice, as the case may be, shall be confidential.” What is confidential till now with the CJI has been made public. As per the details furnished by the CJI, he has a house at Thrikkakara South village in Kanayanur taluk in Kerala; a two-bed room residential flat costing Rs. 5.75 lakh and 15.840 cents of land in Ernakulam, costing Rs. 4.33 lakh; a family property at Najeezhoor Kaduthurty village, Vaikom taluk, costing Rs. 3.5 lakh; a residential plot in Faridabad, costing Rs. 4.50 lakh; 20 sovereigns gold jewellery and a Santro car; his wife Nirmala Balakrishnan has 68 cents of land at Epakadu village in Mennachil taluk, Kottayam. (The Hindu)

A nation of shoplifters? India No.1 in retail theft

A survey of retail crime and loss in the world says India has the highest retail shrinkage at 3.2% in the world. Retail shrinkage is the loss of products due to shoplifting, employee theft, paperwork errors and supplier fraud. The country's retailers complain that the main causes for the US \$2.6 billion loss are shoplifting and employee theft. The survey, the third annual Global Retail Theft Barometer 2009, covered 1,069 large retailers across 41 countries between July 2008 and June 2009. India has consistently maintained its position in top spot with desi thieves preferring to steal electronic items, cosmetics, alcohol, apparel and jewellery over other goods because of their value and portability. The international list of most-stolen merchandise includes Wii games, printer cartridges, razor blades, branded watches and DVDs. "The smaller the gadget the more the chances of it getting stolen," explains Nilesch Gupta, managing partner of electronics and durables retail chain Vijay Sales. "MP3 players and cell phones are the most stolen items," he says. Of the total shrinkage, the shoplifting theft rate in the country is at 45%, higher than the global average rate of 43%. "Shoplifting is very rampant in jewellery shops in Mumbai, says Binit Bhatt, COO Treasure Jewellery whose store was recently robbed. "Many thieves operate in gangs and are skilled operators who don't get caught easily. Very few threaten with brandishing knives," he says, adding that he has augmented his security force after the experience. EAS (electronic articles surveillance) machines, dummy models of goods, CCTV cameras, security guards and other security spending by Indian retailers amounted to US\$ 158 million, representing 0.19% of retail sales. After shoplifting, employee theft accounted for 23.3% of retail shrinkage. Store managers are now making sure employees are frisked every time they leave the store. "It is easier to catch a shoplifter than your own staff stealing," says Irfan Bhamla, owner Beauty Palace, a cosmetics store at Crawford Market. The survey highlights that the amount of loss incurred due to employee theft is five times more than shoplifting in the Asia Pacific region. The most popular security resource is the human security guard, followed by CCTV cameras and EAS systems, says Dharmesh Lamba, Country Manager, Checkpoint Systems. "Shrinkage directly hits profitability," he says. The lowest rates of shrinkage were found in Hong Kong SAR (0.92%) and Taiwan (0.89%). The survey was earlier called the European Theft Barometer. (The Times of India)

India's swine flu deaths jump to 514, over 15,000 affected

Six swine flu deaths, including two each from Rajasthan and Gujarat, were reported on Thursday, pushing the total toll to 514 in India, health authorities said here. Also, a record 154 new cases were reported in the country, taking to 15,016 the total number of people affected with the contagious flu. Apart from the two deaths on Thursday each in Gujarat and Rajasthan, one death each was registered in the national capital and Maharashtra. The total in Rajasthan has now touched 21, while it is 42 in Gujarat. In Delhi, the deaths have now gone up to 18. However, Maharashtra continues to report the highest number of deaths in the country. With Thursday's death, the state's figure has gone up to 210. The state also records the highest number of people - 3,778 - affected with the virus. "Till date, samples from 78,002 people have been tested for Influenza A

(H1N1) in government laboratories and a few private laboratories across the country, and 15,016 of them have been found positive," said a statement issued here. Of the total 154 cases reported Thursday, 32 alone were from the Indian capital. With these figures, the total number of people affected with the flu in the national capital has gone up to 3,702. New cases were also reported from Rajasthan (49), Kerala (16), Tamil Nadu (13), Maharashtra (10), Karnataka (5), and Andhra Pradesh (1). (The Times of India)

Foreign Relations:

India, Saudi agree to grant multiple entry visas

Taking forward their economic ties, India and Saudi Arabia have agreed to grant long-term, multiple entry visas to businesspersons to facilitate their frequent visits and decided to strengthen cooperation in fields like customs, science and technology and oil, gas and minerals. The decision followed extensive discussions at the eighth session of the Indo-Saudi Joint Commission at the Riyadh Conference Palace yesterday, during which Finance Minister Pranab Mukherjee led the Indian side while the kingdom's delegation was headed by its Commerce and Industry Minister Abdullah Zainal Alireza. The new scheme, under which long-term, multiple entry visas would be granted to entrepreneurs, would facilitate frequent business visits from both sides and enhance bilateral economic and commercial exchanges, officials said. The Indian and Saudi sides held talks on a plethora of issues ranging from economic and commercial exchanges, investment, security to labour, visas and community welfare. The two sides also decided to cooperate in the fields of customs and oil, gas and minerals, apart from strengthening cooperation in the science and technology sector. New areas of cooperation such as engineering, agricultural and higher education were also discussed. "The Indo-Saudi Joint Commission meeting was fruitful and brought in new vistas of cooperation thereby deepening the economic and commercial relations," Mukherjee told reporters. "The meeting also addressed the concerns of both sides regarding visas, labour issues and community welfare matters," Mukherjee said. Both sides also agreed to set up a monitoring mechanism that would report to the respective co-chairs every six months on the progress in implementation of the recommendations made during the meeting. Alireza said at the meeting that relations between the kingdom and India would reach new heights in economy and trade. "The two countries share common goals towards the development of economy and trade, as a result we could see remarkable developments in bilateral relations in the relevant sectors," he said. Responding to the Saudi minister's remarks, Mukherjee praised the endeavours of the Saudi government in supporting India at all international forums, including the G-20. "We share identical views on the themes of the G-20, including the ongoing deliberations on climate change and look forward to continued cooperation from Saudi Arabia," he said. On the sidelines of the meeting of the Joint Commission which was set up in 1983, Mukherjee had an audience with King Abdullah bin Abdul Aziz Al-Saud and discussed key bilateral, regional and international issues. He also met Saudi Foreign Minister Saud Al-Faisal and Saudi Finance Minister Ibrahim Al-Assaf. Earlier yesterday, Mukherjee inaugurated the Indian Textiles Exhibition and Buyer-Seller Meet at Hotel Riyadh Palace along with the Saudi Commerce Minister. The show attended by more than 20 Indian companies was

organised by the Synthetic Rayon and Textile Export Promotion Council (SRTEPC). India's export of man-made fibre textiles to Saudi Arabia amounted to \$129 million in 2008, which posted a growth of 20 per cent over 2007, said V K Ladia, SRTEPC's Vice Chairman. The buyer-seller meet will also be organised at Hotel Trident in Jeddah on November 4 and 5. An exhibition of catalogues of Indian companies and products -- India Catex 2009 -- was also held along with the textiles exhibition at Hotel Riyadh Palace. In addition to the official delegation, Mukherjee was accompanied by over 50 businesspersons representing elite business houses from public and private sectors of India. Alireza said it was extremely important for the two sides to create an institutional framework by which certain actions can be taken and plans made for moving forward. "We have moved from what used to be the old world to the new world," he said. In the field of petroleum and mineral resources, the two sides agreed on the importance of supporting and activating the role of the Secretariat General for the International Energy Forum. Trade relations between India and the kingdom go back several centuries. The value of two-way trade between the two countries in 2006-07 was more than \$23 billion, including import of crude oil and products, while joint investments exceeded \$3 billion. (The Indian Express)

Indian terror link proof yet to be given to New Delhi: Pak

The evidence of Indian arms, bombs and medicines being found in South Waziristan, where the Pakistani army is battling the Taliban, was yet to be handed over to New Delhi, a foreign office spokesman said late on Tuesday. Foreign Office spokesman Abdul Basit Khan said there exist evidences in South Waziristan Agency (SWA), which speak volumes of Indian involvement in prevailing uprising and insurgency in agency, Geo News reported. He told Geo News that the evidences found against India in South Waziristan included Indian arms, bombs and Indian medicines. Khan said that the evidences were being investigated. "We have yet to entrust proofs to Indian government," he added. New Delhi on Tuesday refuted Islamabad's accusation that it was instigating trouble in the neighbouring country and rejected any connection with its internal developments. "We have absolutely nothing to do with whatever is happening in Balochistan or whatever is happening within Pakistan. I think it is their own making," foreign minister S M Krishna said. Pakistan's military spokesperson Athar Abbas on Tuesday claimed that Islamabad has enough evidence to substantiate that India was funding terror in South Waziristan. He alleged that Pakistani security forces had seized Indian-made arms and equipment from the Taliban bastion of South Waziristan and added that Islamabad would soon raise the issue through diplomatic channels. (The Times of India)

Seeking deportation, Indian workers protest in Saudi Arabia

Over the last two days, nearly a thousand Indian workers have marched on the Indian consulate in Jeddah demanding they be sent back home. Mostly from Tamil Nadu, Kerala and Andhra Pradesh, these workers have been living under the Sharafiyah flyover in Jeddah for the last three months, waiting for deportation. Some of them had been overstaying after their visas expired while some others had valid passports, without

sponsors' clearance. Sources said the workers shouted slogans in front of the consulate and were taken away by the Saudi police. They were taken to Madinat Al-Hujjaj, the deportation centre near the seaport. In August, over a hundred Tamil workers who were living under the Sharafiyah flyover were deported to Chennai after VCK MLA D Ravikumar had prevailed upon minister for overseas Indian affairs Vayalar Ravi to help them. B S Mubarak, consul at the Indian consulate in Jeddah, confirmed that there were around 1,000 Indian workers stranded in Jeddah wanting to be deported. "We have given the workers application forms for emergency certificates (one-way travel documents issued to illegal Indians). Clearance from their sponsors takes time and they will be repatriated home soon," Mubarak told. Deputy chief of mission at the Indian embassy in Riyadh Rajeev Shahare said around 3,977 emergency certificates had been issued to Indian workers during the past eight months. R Karuppiah, one of the labourers from Palaymakottai district in Tamil Nadu, who is stranded in Jeddah told that it has been three months since he approached the consulate with a request to be sent home. "I have cried and pleaded with the officials to send me back to India but I have been asked to wait. I ran away from my employer as I was ill-treated and not paid. My family is suffering back home and only those who had political connections have managed to get their documents cleared and leave, but people like us are still sleeping under the bridge like beggars." Karuppiah said. (The Times of India)

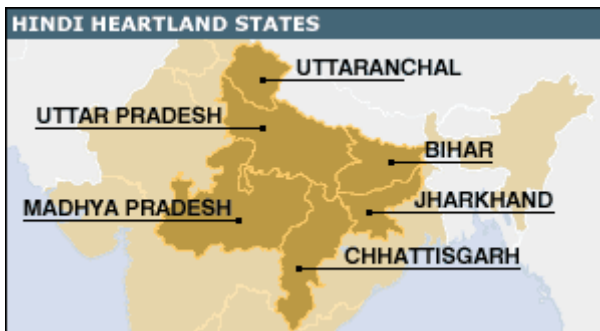
Centre to press for extradition

Senior officials in the Home Ministry claimed that Indian investigators had evidence to show that U.S. national David Headley had links with the Lashkar-e-Taiba (LeT) and the HuJI, both Pakistan-based terror groups. They said the government would produce the documents before the U.S. court in January next and press for the extradition of Headley and his accomplice, Tahawwur Hussain Rana, to India. The National Investigation Agency booked both Headley and Rana, a Canadian citizen of Pakistani origin having wide business interests, under Sections 120-B, 121-A of the Indian Penal Code (IPC) and provisions of the Unlawful Activities (Prevention) Act (UAPA). Taking cognisance of the credible information against the duo, the case filed on Wednesday night also invoked relevant provisions of the SAARC Convention on Suppressing Terrorism, 1993. It mentioned the names of three Indian cities Delhi, Mumbai and Pune which had been visited by Headley in a bid to carry out reconnaissance for selecting further targets for planning terror strikes. Headley had also visited Kochi and Pune besides four other cities, including Delhi, the Home Ministry officials said. Observing that the investigators would try to find out what Headley did during his visits to India, Union Home Minister P. Chidambaram told journalists that "whatever steps have to be taken, will be taken." He said the media was speculating on terror alerts to the States because Headley had visited those cities. He dismissed the charge that the Indian team had returned "empty-handed" from the U.S. without gaining access to either Headley or Rana. "Headley is in custody in Chicago and the Indian officials went to Washington. How do you come to a conclusion that we went to Washington to interrogate him. It is common sense that you cannot interrogate Headley, who is in Chicago, sitting in Washington. That was never on the agenda," the Home Minister said. He maintained that the Indian officials went to Washington on suggestions from the FBI and Indian agencies. He said the officials had a

“good meeting with officers of the FBI and the Department of Justice and the team has since returned and reported.” On the arrests made in Pakistan on the basis of FBI inputs from Headley and Rana’s interrogation, Mr. Chidambaram said at least two people had been arrested, but India had no access to them. He said India would wait for more information on the arrests made in Pakistan. The investigators would focus their efforts on finding out if the handlers of Headley and Rana and the attackers of Mumbai last November were the same. (The Hindu)

Regional Report

Central India (Hindi Heartland)



Politics:

For Samajwadi Party, bypolls a do-or-die affair

Mulayam Singh Yadav has battles lined up in his backyard as byelections in Uttar Pradesh have turned into a critical challenge for the Samajwadi Party. The SP chief has three elections in his stronghold where rivals are leaving no stone unturned to upset his OBC applegate. By political convention, SP has to win Ferozabad Lok Sabha and Bharthana and Etawah assembly seats. An upset on Mulayam's turf could turn the political war of perception in a state-in-flux against him. What has made the bypolls gripping is Congress wading into the usual bitter duel between SP and BSP and a strong three-way tussle is making the Mulayam camp sweat. Recent trends here have made the battles interesting. In Etawah assembly segment, SP trailed BSP by around 900 votes in 2009 Lok Sabha polls, a rare occurrence. In Bharthana, which also falls in Etawah LS, SP led BSP by some 8,000 votes, not a huge margin. In Ferozabad LS, Mulayam's son Akhilesh has vacated the seat. If BSP has weaned away leaders from Mulayam's fold in these seats to challenge SP, Congress has made a high voltage entry by fielding Raj Babbar against Mulayam's daughter-in-law in Ferozabad. Its seriousness is reflected in Rahul Gandhi making a rare bypoll campaign and AICC general secretary Digvijay Singh camping here. Mulayam has left nothing to chance, pressing film stars like Sanjay Dutt into service to counter Babbar. His anxiety is evident from his fielding a family member to hold on to OBC votes which he feared could fragment. In the unsettled state politics, the seats hold importance beyond real value. For SP, which barely managed top position in LS polls, it is Congress which holds the threat in near future. A Congress win, on the back of a favourable wave nationally, can decimate SP among social groups looking for political affiliations. The signal going out to minorities, who are still to decide their loyalty since Congress overwhelmed secular rivals like BSP and SP, may be enormous as may be the message to sections of OBCs. A good performance can boost Congress statewide. The gains for BSP, however, may be nominal as bypoll victories by ruling parties are not given much importance. A failure to net all seats is sure to have serious implications for SP as it will appear to be on the slide, coming up short for the second time after taking on Congress full throttle. (The Times of India)

BJP-JD(U) end differences, to contest jointly in Jharkhand

The Bharatiya Janata Party and the Janata Dal (United) on Thursday agreed on a seat-sharing arrangement for the Jharkhand Assembly elections after talks broke off on Wednesday and the JD(U) announced it would go it alone. The pact was signed and sealed by BJP president Rajnath Singh and JD(U) chief Sharad Yadav. The JD(U) will contest 14 Assembly segments in a House of 81. The rest will be contested by the BJP. Trouble had arisen earlier as the BJP wanted to cut by half the number of seats it was willing to cede to the JD(U) from 18 in the previous Assembly election to 9. However, the JD(U) insisted on the old formula, but was willing to get its share reduced by a "seat or two." After Mr. Yadav's terse announcement on Wednesday calling off the talks, Mr.

Singh asked senior leader Mukhtar Abbas Naqvi to better the offer to the JD(U) and this led to an amicable settlement of the disagreement. Subsequently, the JD(U) withdrew its list of 19 nominees released on Wednesday and announced a new list of 14 candidates. JD(U) State president Jaleshwar Mahto will contest the Baghmara seat and the lone woman candidate in the list, Sudha Chaudhry, will try her luck from the reserved constituency of Chhattarpur. The Hussainabad segment will see Dashrath Kumar Singh in the contest. The BJP has so far finalised a list of 64 candidates. The Bagodar seat will be contested by Nakul Mandal; Tundi by Pradeep Aggarwal; Garwa by Alaknath Pandey; Ghatshila by Surya Singh Basera and Mander by Anil Orao. The candidate for the Ranchi seat is Chandreshwar Prasad Singh; Dhanbad will be fought by Raj Sinha; Jamshedpur East and West by Rakhi Rai and Raghuvar Das respectively; Jharia by Kunti Singh; Daltonganj by Dilip Singh Namdhari; Jamua (SC) by Kedar Hajra; Chatra (SC) by Subedar Paswan and Dumka (ST) by Lues Marandi. Arjun Munda, former Jharkhand Chief Minister, does not figure in the list of 64. (The Hindu)

Setback for Mulayam, BSP sway continues

While the ruling Bahujan Samaj Party continued to hold sway in Uttar Pradesh, winning nine of the 11 Assembly seats in the November 7 by-elections, the Congress wrested the Firozabad Lok Sabha seat from the Samajwadi Party. The two other Assembly seats were won by the Congress and an Independent. The SP and the Bharatiya Janata Party drew a blank. In Firozabad, the Congress' Raj Babbar trounced SP chief Mulayam Singh's daughter-in-law, Dimple Yadav, by a margin of 85,043 votes. S.P. Singh Baghel of the BSP finished third. Mr. Babbar got 3,12,428 votes, Ms. Yadav 2,27,385 and Mr. Baghel 2,13,571. The BSP won the Rari, Isauli, Hainsar Bazar, Lalitpur, Bhartana, Padrauna, Powayan (Reserved), Etawah and Jhansi Assembly seats. Kol Asla was won by Independent Ajai Rai, who was formerly with the BJP and who contested the 2009 Lok Sabha polls from Varanasi on SP ticket. The Congress wrested Lucknow West from the BJP. The Congress had last won this seat in 1985. More than the victory of the BSP, the by-elections will be remembered for the setback suffered by Mr. Mulayam Singh, who staked his prestige in Firozabad. Apart from having failed to win a single Assembly seat, two SP strongholds, Bhartana (the seat was vacated by Mr. Singh after his election to the Lok Sabha) and Etawah, also slipped out of the party's grip. By fielding his daughter-in-law in Firozabad, the SP president indicated that he wanted to keep the seat, which his son Akhilesh Yadav vacated, in the family. Mr. Singh banked on the support of Yadavs and Lodhs and the charisma of film stars. The Rashtriya Lok Dal chief Ajit Singh's son, Jayant Chaudhary, was roped into the campaign. But nothing worked to the SP's advantage. According to political observers, Mr. Singh's emphasis on family ties and personal attacks on Mr. Babbar the Congress nominee was reportedly called a ghaddar (traitor) by his poll rivals proved counter-productive to the SP. In the Assembly by-elections, the SP was placed second in Etawah, Bhartana, Rari and Lalitpur; third in Powayan, Isauli, Hainsar Bazar and fourth in Lucknow West and Jhansi. As for the BJP, barring in Lucknow West and Jhansi, its candidates lost their deposits in all Assembly constituencies and Firozabad. The party paid a heavy price for infighting in Lucknow West, where Amit Puri was made the proverbial sacrificial goat. The BJP lost its stronghold of the last 20 years where Shyam Kishore Shukla of the Congress won. The

party position in the Assembly now is: BSP 227; SP 87; BJP 48; Congress 20; RLD 10; RSP 1; Independents 9 and Nominated 1. The Mughalsarai seat is vacant. (The Hindu)

Congress can emerge as an alternative in U.P.

The outcome of the November 7 by-elections in Uttar Pradesh has handed the Congress a chance to emerge as an alternative to the Bahujan Samaj Party (BSP) at the expense of the Samajwadi Party (SP) and the Bharatiya Janata Party, which have been routed. Given that the party has won the Firozabad Lok Sabha and Lucknow West Assembly seats, and notched up an increase in its vote share in eight other Assembly seats, the mood in the Congress camp is upbeat. However, much will depend on how the party is going to sustain the new vigour to achieve Rahul Gandhi's "Mission 2012" in the State. Though the Congress's vote share has dipped in four constituencies, compared with the 2007 Assembly elections, it has gone up in seven other seats. In Firozabad, the party polled a mere 6,341 votes in the Lok Sabha elections held earlier this year; this time round, the tally has shot up to 3,12,728 votes, with its candidate Raj Babbar winning the seat. But again, six Congress candidates have lost their deposits in the Assembly by-elections from Etawah, Lalitpur, Jhansi, Padrauna, Kol Asla and Rari. In Powayan, the Congress polled 31,322 votes in the 2007 Assembly elections, but in the by-elections, its candidate has garnered 44,322 votes. In Lucknow West, the party came third with 11,011 votes in 2007; but this time, it has won the seat with 32,166 votes. The party polled 8,794 votes in Isauli in 2007, but has come second this time, polling 32,686 votes. In Bhartana, its tally has shot up from 3,270 in 2007 to 31,166 in 2009; in Lalitpur from 4,741 to 29,479; and in Hainser Bazaar from 3,462 to 39,018. At Rari, the increase is negligible though: from 4,755 to 4,880. The party's vote share has declined in Jhansi, Padrauna, Etawah and Kol Asla. Jhansi and Padrauna were represented by Union Ministers Pradeep Jain and R.P.N. Singh before they were elected to the Lok Sabha in 2009. Now the Congress is focussing on strengthening the organisation and increasing the membership. The organisational elections will start in January next. This apart, the party is determined to expose the shortcomings of the Mayawati government. "Armed with the Rahul Gandhi factor, the Congress will expose the mismanagement of the Mayawati government," says UPCC spokesperson Subodh Srivastava. has been accused of having misused official machinery. (The Hindu)

Social front:

Rs 80 crore aid to Madhya Pradesh to fight malnutrition: British High Commissioner

British High Commissioner Richard Stagg on Tuesday said that of the Rs.300 crore provided to Madhya Pradesh for development programmes from his country's Department for International Development (DFID), Rs.80 crore were to tackle

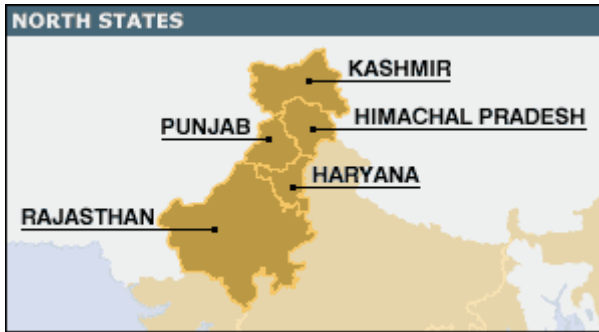
malnutrition. Addressing a joint press conference with DFID head Michael Anderson, Stagg said the quality of life in slums has improved in Madhya Pradesh with the aid. The two said that though the state government has not been as strong as it should have been in tackling malnutrition, it should also be kept in mind that malnutrition is not the problem of lack of food alone but a more complex problem. "Only supplementary feeding among the children in the age group of 3 to 6 years is not enough to tackle malnutrition. It should be taken to the household level among the children of 0 to 2 years age group", they said. The duo also visited the slum areas in Bhopal where the DFID assisted programmes are being implemented and expressed satisfaction over the pace of works. (The Times of India)

Economic Front:

Uttar Pradesh farmers protest against Centre's sugarcane price

As sugarcane farmers in western Uttar Pradesh blocked road and rail traffic and resorted to dharna and demonstration, demanding a price of Rs. 280 per quintal, the State government shifted the onus on the Centre, claiming that the agitation was against the Fair and Remunerative Price (FRP) declared by the Centre. Defending the decision on the State Advised Price (SAP) of Rs.170, Rs.165 and Rs.162.50 per quintal, Uttar Pradesh Cabinet Secretary Shashank Shekhar Singh said here on Monday that a mutually agreeable price would be worked out with the approval of the farmers and mill owners, with the government acting as a facilitator. Mr. Singh said directives had been issued to the divisional commissioners and district magistrates for convening a joint meeting. "SAP is the minimum and not the maximum price," he told journalists, thus indicating that the SAP would not be increased. He assured the growers that they will get all facilities from mill owners apart from the timely payment of SAP. This, to ensure that the cane crushing by mills started without any further delay. Mr. Singh said Chief Minister Mayawati had written to Prime Minister Manmohan Singh, urging him to reconsider the decision on FRP. The Cabinet Secretary regretted that no positive steps had been taken by the Centre to redress the situation. Referring to the meeting of Union Agriculture Minister Sharad Pawar with the mill owners in New Delhi on Tuesday, Mr. Singh said it is likely that some solution will emerge. (The Hindu)

The North



Politics:

Over 50% polling in Rajasthan

Over 50 per cent of the voters exercised their franchise during the polling for by-elections for the Assembly seats of Todabhim and Salumber in Rajasthan on Saturday. Except three or four incidents of minor skirmishes, the polling was peaceful in both the constituencies. According to State Election Department sources, the final voting figures would be between 50 and 55 per cent. An electronic voting machine was replaced at polling booth number 189 in Salumber after it developed technical snag and the presiding officer of another booth was shifted at Harda. The peaceful polling in Todabhim came as a big relief to the officers responsible for law and order, as the region had witnessed large-scale violence between rival groups of Gujjars and Meenas during the previous Assembly and Lok Sabha elections. No untoward incident was reported from anywhere in Karauli district, where Todabhim is situated. The stalwarts of the Meena and Gujjar communities Kirorilal Meena and Kirori Singh Bainsla were conspicuous by their absence during the entire election campaign as well as on the polling day. Both the seats are reserved for the Scheduled Tribes, and the Gujjars hold the key to Todabhim because of their majority. With the Congress and the Bharatiya Janata Party locked in a direct fight in both the seats, the caste equations were highlighted at the hustings. Six candidates were in the fray at Todabhim, while seven contested from Salumber. Interestingly, the BJP nominee from Salumber, Amritlal Meena, could not cast his vote as his name was missing from the electoral rolls. The polling was slow in the morning and picked up as the day progressed. The bypolls were necessitated after Raghuvver Meena of the Congress and Kirorilal Meena (Independent) resigned their Assembly seats on getting elected to the Lok Sabha from Udaipur and Dausa earlier this year. Mr. Raghuvver Meena's wife, Basanti Meena, was the Congress candidate from Salumber, while the party fielded the former Zila Pramukh, Shivdayal Meena, from Todabhim. The BJP's candidate for the seat was Ramesh Chand Meena. The by-elections are being treated as a litmus test for the Ashok Gehlot government in the State, as their results will depict how popular is the ruling Congress. (The Hindu)

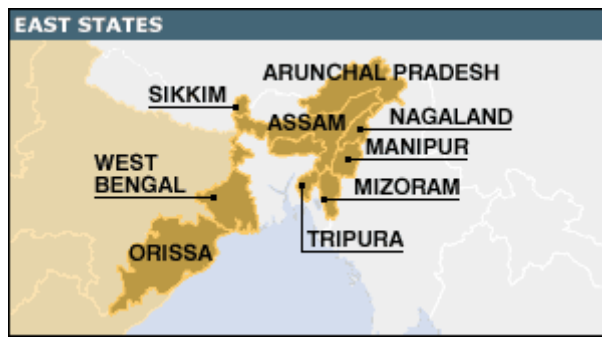
Social front:

Swine flu spreading fast in Rajasthan

With swine flu spreading fast in Jaipur, the Rajasthan Government on Monday stepped up efforts to control the virus and authorised 30 private hospitals here to treat patients showing symptoms of infection and established 17 new centres here to collect samples. The death toll in the State due to swine flu has gone up to 17 with the lethal virus claiming the life of a 40-year-old man at Sawai Man Singh Hospital on Sunday. The deceased, Dhani Ram, was admitted to the hospital on October 20 and was shifted to the intensive care unit on October 29 when his condition worsened. According to State Medical and Health Department sources, 200 positive cases have been registered across the State and 169 of them are in Jaipur. A large number of the registered patients are youngsters and adolescents, even as the majority of schools in Jaipur have been closed following the sudden spurt in infection among the children. Health Minister Aimaduddin Ahmed Khan visited the Swine Flu Centre established at S.M.S. Hospital on Monday to look at the arrangements for diagnosis and treatment of patients. The Minister said two private laboratories, in addition to a lab established at S.M.S. Hospital recently, had been given licence to conduct swab tests and efforts were underway to set up the similar laboratories at some district hospitals. (The Hindu)

Economic Front:

The East



Politics:

Violent situation may lead to early elections in West Bengal: Mamata

The political turmoil in West Bengal could result in early Assembly elections, said Trinamool Congress chief Mamata Banerjee on Wednesday and asked her supporters to be “patient.” Addressing a party rally in protest against the killing of a supporter in September and subsequent violence against party men, allegedly by the CPI(M), Ms. Banerjee said: “Given the violent situation in the State, how do you know that the Assembly elections will not be held within six or even two months? But you [Trinamool Congress supporters] need to be patient.” The State elections are due in 2011. Sporadic

incidents of violence en route the location of the rally added to the tension on Wednesday. Blockades were put up by CPI(M) supporters on the road leading to the rally ground at three spots and supporters of the both the parties, armed with swords, bamboo staves and brickbats, were seen jeering at each other. Daring the CPI(M) to test its strength in the electoral battle, she said that she would fight it out “politically and democratically.” Claiming that the TC was not in favour of the President’s rule in the State, she alleged that the violent actions sponsored by the CPI(M) itself was hurtling the State towards President’s rule. (The Hindu)

65 % polling in West Bengal

Barring some minor incidents, the by-elections in 10 Assembly constituencies in West Bengal passed off peacefully. Railway Minister Mamata Banerjee cast her vote at a school in the Alipore constituency. Veteran Marxist leader Jyoti Basu now confined to his home, stayed away from the process. Chief Electoral Officer Debashis Sen said the overall percentage of polling was over 65. The highest of 75 per cent was recorded at Rajgunj in Jalpaiguri district, North Bengal. The lowest 45 per cent was at Alipore, an elite residential locality in South Kolkata which was vacated by Trinamool Congress legislator Tapas Pal, who had won by a margin of over 1,100 votes. He is now a Trinamool MP in the Lok Sabha. Altogether 45 companies of the Central forces and 75 companies of the State police were deployed for the smooth conduct of polls. The CPI(M) fielded candidates in five of the constituencies and CPI nominees are in the fray in two constituencies. Candidates representing the Left Front constituents are contesting in the remaining three. Ramola Chakraborty, is trying to defend her husband’s seat in Belgachia East. The Trinamool has fielded candidates in most of the seats. (The Hindu)

Shift in balance of power at grass roots in West Bengal

It is indeed ironical that the description of the results of the recent by-elections in 10 Assembly seats in West Bengal as a “vote against atrocities” should come from Trinamool Congress chief Mamata Banerjee at a time when the Left leadership in the State accuses her party and Maoists of being responsible for the killings of more than 150 of its supporters this year alone. The Trinamool Congress has had its share of victims too, but there is no denying that the present cycle of violence is the outcome of a shift in the balance of power at the grassroots level as turf wars between activists of the Trinamool Congress and the Communist Party of India (Marxist) rage intermittently, particularly in south Bengal. The ferocity and frequency of this jostling for political space have increased since the electoral successes of Ms. Banerjee’s party in the panchayat elections in May 2008. But even before it savoured that success, the Trinamool Congress had been spoiling for a confrontation with the Left Front government once Chief Minister Buddhadeb Bhattacharjee’s regime was re-elected in the 2006 Assembly polls whether on the thorny issue of acquisition of land for industry in Singur (that started in 2006) or in Nandigram (2007). Agitation mode has continued. There were the developments in Lalgarth, precipitated by the setting up in November 2008 of a local resistance group backed by the Maoists, against alleged police atrocities on a section of villagers one that also got the support, occasionally overt, of the Trinamool Congress. The party’s

equations with the Maoists have, at best, been dubious. Having opposed from the start the joint security operation against the ultras and having dismissed any suggestion of their presence in the State, Ms. Banerjee is now calling the Marxists and the Maoists “two sides of the same coin;” the operation a pretext of the State government for engaging in “state-sponsored terrorism” even though the security exercise might have been mandated by a government at the Centre, of which she is a Minister. This change in her posturing has raised questions in various political quarters. Could it have come in the wake of the acknowledgement by Prime Minister Manmohan Singh and Union Home Minister P. Chidambaram that the Maoists are the greatest threat to internal security? Have their assertions forced Ms. Banerjee into a position of awkwardness that she is desperate to wriggle out, given the disclosures by Maoist Polit Bureau member Koteswar Rao, alias Kishenji, that left-wing extremists were present in Nandigram during the agitation spearheaded by the Trinamool Congress there in 2007? Not to speak of her meeting with Chhatradhar Mahato, convener of the Maoist-backed Police Santrash Birodhi Janasadharaner Committee, a self-confessed agent of the Trinamool Congress in Lalgarh during the 2008 rural elections. Even as the Left Front leadership, reeling under the impact of reverses in successive elections over the past year, is looking for corrective measures to get its act together ahead of the crucial Assembly elections in 2011, it appears that the Trinamool Congress leadership, riding the crest of its electoral successes, is in a hurry for the polls. Of late, Ms. Banerjee seems to have dropped the demand for imposition of President’s Rule in the State on the ground of a “total breakdown in law and order” something Ms. Banerjee had been strident about since the resounding success of the Trinamool Congress-Congress electoral alliance in the April-May Lok Sabha elections. Instead, she is now speaking of “Assembly elections drawing nearer with every act of terror” the CPI(M) is allegedly responsible for. Not that the relations between the Trinamool Congress and the Congress are exactly hunky-dory. Even though leaders of the two parties keep trying to put their differences under the lid, the Congress has not always taken kindly to Ms. Banerjee’s high-handedness in matters of seat adjustment, demanding greater “mutual respect” for the sake of the alliance. Privately, the Trinamool Congress may not be too disappointed over the failure of its electoral partner to win more than one of the three seats it contested in the recent by-polls when it, on the other hand, recorded a “hundred per cent” success, coming up trumps in all the seven constituencies where it was in the fray. A definite outcome of the November 7 by-elections is that Ms. Banerjee’s writ shall prevail when it comes to matters concerning the alliance. (The Hindu)

Social front:

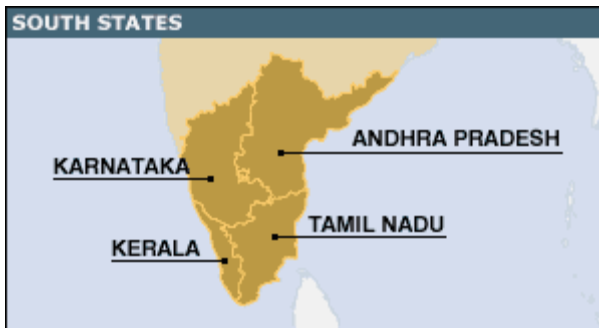
Orissa Government comes under fire on farmers’ suicide

A farmers’ meet was organised at Sanakhemundi in Ganjam district on Sunday to protest against the government for not accepting crop loss and debt burden as the reason for suicide of farmers in Sanakhemundi block. The farmers’ meet was organised by the tribal organisation Lok Sangram Manch (LSM). Social activist Praful Samantra and spokesperson of CPI-ML (New Democracy) Bhala Chandra Sarangi, Zilla Parishad member Pratap Nayak were among the activists who attended the meeting. The farmers

were critical of the recently-declared norms for sanction of loans to the sharecroppers in the State. As per the norms, the land owners should stand guarantee for the loans of sharecroppers. According to farmers, no land owner would agree to it. They wanted the State government to stand guarantee for loans to the sharecroppers. The farmers decided to stage a dharna in front of the Sanakhemundi block office at Patapur from Tuesday. It may be noted that Chief Minister Naveen Patnaik is expected to visit his home district Ganjam on that day. Similar farmers' agitation would be taken up in all the blocks of Ganjam district from Thursday if the State government did not heed to the demands of farmers, said LSM leader Umakant Patnaik. The farmers' who attended the meeting demanded that the State government caution the officials to refrain from the attempts to hush up the suicide of farmers in the district of the Chief Minister through false claims and data. "The government and administration should accept that these suicides were related to loss of crop and debt trap," Mr. Nayak said. They also demanded fair survey of crop loss and payment of compensation to the farmers who had committed suicide. It may be noted that Banchhanidhi Pradhan of Srichandanpur and Kailash Panda of Gangapur under Sanakhemundi block of Ganjam district recently committed suicide. It was alleged that these sharecroppers were allegedly disturbed by the crop loss due to low rainfall and pests. (The Hindu)

Economic Front:

The South



Politics:

Karnataka: talks at 'delicate stage'

The Bharatiya Janata Party was confident on Thursday that its Karnataka crisis was moving towards a resolution, but admitted that the matter was at a "delicate stage." It could take a few more days to work out a solution, several senior leaders indicated. Meetings were held throughout the day among senior BJP leaders themselves, between them and the rebel group led by Tourism Minister G. Janardhana Reddy, and between the central leadership and Chief Minister B.S. Yeddyurappa and State unit president Sadananda Gowda. Emerging from one of the meetings held at his residence, BJP president Rajnath Singh said: "Some issues remain to be resolved. Talks are continuing. There will be a solution soon." He was not willing to say whether the issue would be

sorted out in a few hours or in a few days. What he did add was that the matter raised by the Reddy brothers, G. Janardhana and G. Karunakara — both Ministers — was “not a matter of indiscipline.” In response to a question he stated: “The issue of change of leadership in the State is not before me.” It seems that senior leader Sushma Swaraj, who is believed to have a good rapport with the two Reddys, was able to persuade them not to insist on a change of Chief Minister. It was conveyed to the Bellary-based brothers that the rest of their demands could be negotiated. However, just when the BJP thought this was a major breakthrough, Mr. Janardhana Reddy again changed his stand after a meeting at M. Venkaiah Naidu’s residence. (The Hindu)

Social front:

Economic Front:

West India



Politics:

Praful meets Pawar, deadlock continues

Civil Aviation Minister Praful Patel, chief negotiator of the Nationalist Congress Party (NCP) with the Congress for government formation in Maharashtra, met NCP chief Sharad Pawar on Sunday. Mr. Patel, who was on a two-day trip to Turkey, met Mr. Pawar at his residence, sources said. The Minister left for Delhi after the meeting. The process of government formation remains deadlocked. While the NCP wants to stick to the 1999 formula of equal sharing of portfolios, the Congress, which has bagged 20 more seats than the NCP, in the just-concluded Assembly elections wants to retain the key portfolios of Home, Finance, Power and Rural Development. It is also eyeing the post of Speaker. The coalition partners, who came back to power for the third consecutive term, have broadly agreed to a 22:20 formula, the sources said. (The Hindu)

BJP-Sena combine sets deadline for government formation

The BJP-Shiv Sena combine will seek President’s rule in Maharashtra if the new government is not formed by November 3, when the tenure of the present Assembly expires, a senior BJP leader said on Sunday. “If the new Ministry is not sworn in by

November 3, we will meet Governor S.C. Jamir and demand the imposition of President's rule," BJP leader in the Assembly Eknath Khadse told PTI. The Congress-NCP combine was delaying formation of a new government, though it had the mandate to rule, he said. Criticising the delay by Congress in forming the government despite finalisation of names for posts of Chief Minister and Deputy Chief Minister, Khadse said, "if the ruling alliance was concerned about people, they would have formed the government by now." Asked whether there was any difference between the BJP and the Shiv Sena alliance partners over who should be the Leader of the Opposition, Mr. Khadse said: "As per the tradition, the post is held by the party with the maximum number of seats." (The Hindu)

Congress, NCP resolve Maharashtra deadlock; swearing-in Saturday

The Congress and the Nationalist Congress Party (NCP) finally broke their deadlock over power sharing in Maharashtra Thursday, paving the way for swearing-in of the new government by the weekend more than a fortnight after the assembly poll results were declared. As per the formula worked out, the Congress will get 22 ministers plus the chief minister as compared to the NCP's 20, said NCP spokesman DP Tripathi in New Delhi. "The NCP will retain home, finance and power portfolios while negotiations are continuing on some of the other portfolios," Tripathi said on Thursday evening. NCP leader Praful Patel said Thursday night in Mumbai that a letter of the Democratic Front of the Congress and the NCP to form the government would be submitted to Maharashtra Governor SC Jamir on Friday and the swearing-in ceremony is likely to be held Saturday. Briefing media persons, Patel, the union Minister of State for Civil Aviation, said that there were no differences now between the Congress-NCP over power sharing. "There were some adjustments and the matter is resolved now. The swearing-in ceremony will be held simultaneously for the entire team," Patel said. The other critical departments on which the two parties remain stuck include rural development, agriculture, public works, and the post of speaker. Thursday evening, the Congress also completed its final crucial meeting at 10, Janpath - the residence of Congress President Sonia Gandhi. Emerging from the meeting, senior Congress leader and Defence Minister A.K. Antony told media persons, "Our negotiations are over, we have settled everything. The details are being worked out, we shall tell you tomorrow." The development comes 14 days after the assembly results were declared (Oct 22), in which the Congress emerged as the largest party in the 288-member house, securing 82 seats, the NCP came next with 62. The Bharatiya Janata Party (BJP) got 46 seats, the Shiv Sena 44, Maharashtra Navnirman Sena 13 and remaining went to Independents and smaller parties. The Communist Party of India-Marxist could get only one seat. In the previous ministry, the Congress had 19 ministers while the NCP had 23. This was because the NCP had 71 seats compared to the Congress' 69 in their assembly. However, since the Congress was keen to keep the post of the chief minister, it agreed to give four extra portfolios to the NCP. Thursday's development came two days after Governor S.C. Jamir summoned Chavan and deputy-chief minister-designate Chhagan Bhujbal over the delay in forming the new government. On Wednesday, the state opposition had met Jamir and demanded imposition of president's rule in the state following "inordinate" delay on the part of the Congress-NCP in forming the government. The governor also chided the warring Congress-NCP over

the issue. He urged them to respect the peoples' mandate and form the government at the earliest. The NCP at one point even threatened to offer only outside support to the new government if the Congress did not go by the 1999 formula of power sharing. (The Times of India)

Finally, Maharashtra gets a new govt

After a stormy fortnight of hard bargaining between coalition partners Congress and NCP, Maharashtra's new ministry chief minister Ashok Chavan, deputy CM Chhagan Bhujbal and 36 other ministers was finally administered the oath of office by governor S C Jamir at a simple ceremony at Raj Bhavan on Saturday. Twenty NCP and 18 Congress ministers took the oath, with the Congress keeping five berths in abeyance. Political observers say the composition of the new cabinet suggests that Ashok Chavan has unquestionably got the upper hand. Chavan, whose main rivals in the chief ministerial sweepstakes were Vilasrao Deshmukh and Narayan Rane, is seen to have decimated the duo by sidelining all their supporters. While Rane got a berth, none of his supporters did; as for Vilasrao, his brother Dilip Deshmukh was dropped as well as former CM Shivajirao Patil Nilangekar. Vilasrao's son Amit has been kept out as well however, this was a part of the party's policy not to induct first-time MLAs. Others who were dropped from the previous cabinet include Dilip Walse Patil, Nawab Malik, Vimal Mundada and Rajendra Shingne (all NCP) and Chandrakant Handore (Congress). Mumbai city, with 36 legislators, got only four berths cabinet ministers Suresh Shetty and Naseem Khan (Congress) and MoS Varsha Gaikwad (Congress) and Sachin Ahir (NCP). Apart from Gaikwad, there is only one other woman in the cabinet Fauzia Khan of NCP. While the NCP had drawn up its list of ministers well before the ceremony, excitement prevailed in the Congress camp, as names of the Congress ministers were released at the nth hour. Senior Congress leader Patangrao Kadam, whose name did not figure in the list till late afternoon, had to call senior party leaders in Delhi who assured him that his berth was safe. (The Times of India)

MNS members attack Abu Azmi in Assembly

All hell broke loose on the first day of the session of the newly elected Maharashtra Assembly on Monday when Samajwadi Party member Abu Azmi took the oath of office in Hindi. Vehemently protesting against it, over a dozen Maharashtra Navnirman Sena (MNS) members stormed the podium and attacked Mr. Azmi for not taking the oath in Marathi. In an unprecedented act of vandalism, 13 MNS members damaged equipment, hurled papers and banners and stalled the proceedings. A woman member also became the target of the attack. The outrageous incidents took place in the wake of the MNS president Raj Thackeray's open letter to party legislators asking them to take the oath in Marathi, and his veiled warning against using any other language. Condemning the incident and terming it shameful and deplorable, the Assembly passed a resolution suspending four MNS legislators Shishir Shinde, Ramesh Wanjale, Ram Kadam and Vasant Geete for four years. They were banned from entering the premises of the Vidhan Bhavan in Mumbai and Nagpur. The rampage began the moment Mr. Azmi went up the dais and uttered his first word mai (I). At this, Mr. Wanjale rushed to the pulpit and

pulled down the podium and the mike, supported by his party MLAs. The MNS members rushed to the well and tried to pull down Mr. Azmi from the podium. Among them were prominent leaders Mr. Shinde and Mr. Geete. The MNS members displayed banners propounding the use of Marathi and hurled a sheaf of papers at Meenakshi Patil who had gone up to the podium to help Mr. Azmi. Seconds later, she fended off a banner. There were attempts to throw slippers at and slap Mr. Azmi. In the melee, Mr. Azmi hastily read out his oath in Hindi, standing close to the Speaker's chair and dodging menacing MNS members. When Mr. Azmi finally moved away from the dais, Mr. Shinde pushed him. Mr. Kadam hit Mr. Azmi on the head with sheets of paper. A security guard came and whisked Mr. Azmi away. The House was adjourned for half an hour. (The Hindu)

Now, it's Shiv Sena's turn

A day after he was attacked by Maharashtra Navnirman Sena MLAs, Samajwadi Party leader Abu Asim Azmi became the target of the Shiv Sena's ire on Tuesday. A group of Shiv Sena workers gheraoed Mr. Azmi on the Vidhan Bhavan premises for his alleged remarks against party leader Bal Thackeray. Commenting on an editorial in the Shiv Sena's mouthpiece, Saamna, Mr. Azmi had allegedly said Mr. Thackeray had become old and was speaking like a child. The editorial condemned Mr. Azmi for taking oath in the Assembly in Hindi. In the evening, some Shiv Sena members broke the window of a shop owned by Mr. Azmi's father at Colaba. The Mumbai police said an unidentified person threw a stone at the shop. The police have registered a case against unknown persons under Section 336 (act endangering the life or personal safety of others) and Section 427 (mischief causing damage to the tune of Rs. 50). Speaking to The Hindu on the phone, Mr. Azmi denied having made any statement against Mr. Thackeray. "I had not used any bad word against Mr. Thackeray. When I came out of the Vidhan Bhavan, they [Shiv Sena members] surrounded me and told me not to speak ill of [Mr. Thackeray]. They just wanted to make an issue." Mr. Azmi has not lodged any complaint with the police. (The Hindu)

Not a single woman Cabinet Minister in Maharashtra

Zero — that is the number of women Cabinet Ministers in Maharashtra. Three crore 60 lakh — that is the number of women electors in Maharashtra. Nil — that is the amount of their participation in the State's decision-making process for the next five years. The newly formed government has an all-male team of 27 Cabinet Ministers from the Congress and the Nationalist Congress Party (NCP). The only representative voice comes from two Ministers of State — Varsha Gaikwad (Congress) and Fauzia Khan (NCP). In fact, women's representation in the Cabinet has dropped in comparison to the earlier government. The previous Ministry had at least one woman as Cabinet Minister Vimaltai Mundada of the NCP. Ms. Mundada and Shamal Bagal of the NCP are the two women MLAs from the NCP. In the Assembly election, they won among seven women candidates the party fielded out of the 114 seats it contested. Neither of the two made the cut, while Ramraje Pratapsinh Naik-Nimbalkar, a royal descendant, who is not a member

of any House, found a place in the corridor of power. He is now the Minister for Water Resources (Krishna Valley Irrigation Corporation). The NCP's choice of Cabinet Ministers, however, displays a great affinity towards those with criminal backgrounds. Six of the 15 Cabinet Ministers of the NCP, or 40 per cent of them, are facing criminal cases as per the data collated by National Election Watch, a non-government body. As far as administrative performance goes, you see the triumphant comeback of the former Home Minister, R.R. Patil. He was forced to resign in the aftermath of 26/11 attacks. Mr. Patil has not only been reinstated in the Cabinet, he has also been honoured with the same prestigious portfolio. The Congress overlooked its five women MLAs (of whom one has a criminal case), even as it made way for several fresh faces. The party had fielded 15 women candidates of the 174 seats it contested. It was a share of just 8.62 per cent. In the NCP's case, women's seat share was six per cent. In contrast, the ruling Congress-NCP combine in Maharashtra, has flouted democratic principles by keeping 50 per cent of the population from having any say in framing policies and taking decisions. (The Hindu)

Raj men 'fight' for Marathi, send own kids to English schools

Maharashtra Navnirman Sena (MNS) MLAs who assaulted a colleague in the House for not speaking in Marathi, don't send their own children to Marathi-medium schools. A day after MNS MLA Ram Kadam slapped SP's Abu Azmi who pleaded he does not know Marathi well enough to take the oath in the language inquiries by 'The Indian Express' revealed that the children of eight of the MNS's 13 MLAs attend English-medium schools. It is well known that MNS chief Raj Thackeray's son Amit passed out of Mumbai's exclusive Bombay Scottish school last year, and that he chose to study a foreign language instead of Marathi while he was there. Raj's daughter Urvashi is currently a student of the same school. Yesterday, Raj wrote to all 288 Maharashtra MLAs reminding them of their "responsibility" towards Marathi. Mayuresh, son of Khadakwasla MLA Ramesh Wanjale who shoved aside the lectern which Azmi wanted to use to take oath, and is one of the four MLAs suspended for four years studies in Class 5 in Springdale High School in Sinhagad. Wanjale's elder daughter Sayali is in Class 11 in Pune's Sinhagad College, studying in English medium, although her schooling was in the Marathi medium. Younger daughter Disha is in Huzurpaga High School and studies in Marathi medium. "English should be learnt but Marathi should be priority. My son is in an English school but he can speak Marathi fluently and his upbringing is equally Maharashtrian," Wanjale said when asked about the contradiction. Aides of Ghatkopar-West MLA Ram Kadam said Kadam's son Om goes to a convent school in Mumbai's Bandra. Kadam refused to discuss his family, saying it was a "personal" issue. Former Shiv Sainik and MNS leader in the Assembly Bala Nandgaonkar's daughter Srushti is a student of Class 3 in the English-medium Arya Vidyamandir in Bandra. "The issue here is the implementation of Marathi as the official language in the government's administrative work," said Nandgaonkar, MLA from Sewree and one of the first senior Sena men to join Raj. "Marathi is the only language recognised for administrative work in Maharashtra. We have no opposition to languages as such." MNS spokesman and MLA from Mahim, Nitin Sardesai's son Yash is a B.Com. student at Mumbai's R A Podar College. He attended King George's High School in Dadar and studied in English medium. "It is an English medium school but Marathi was taught as a subject and the

atmosphere there is also Marathi,” Sardesai said, referring to the school. Nashik-West MLA Nitin Bhosale’s son Pruthvish is in Class 2 in the English-medium Fravashi International Academy, an elite school which was inaugurated by Raj Thackeray in 2002. “We are not against English language but are emphasising the use of Marathi since it is the mother tongue. Although my son is studying in English medium, he studies Marathi as a subject,” Bhosale said. Kalyan-Rural MLA Ramesh Patil’s older son Vicky is doing an MBA in Dubai, while his younger son Vaibhav is in Class 6 at St Teresa’s in Dombivili. Vikhroli MLA Mangesh Sangle’s three-and-a-half year-old son Himanshu goes to an English playschool in Airoli in Mumbai. Kannad (Aurangabad) MLA Harshwardhan Jadhav’s son Adityawardhan goes to Toddlers English School in Aurangabad. Of the remaining five MLAs, children of Pravin Darekar and Vasant Gite study in Marathi-medium schools. Shishir Shinde’s and Uttamrao Dhikale’s grown-up children went to Marathi-medium schools. Prakash Bhoir’s children are too young for school. MNS workers said there was no contradiction between the party fighting for Marathi and its leaders’ children attending English-medium schools. “English has become a priority now and one cannot expect to do well in higher or technical education or in the engineering or medical fields after being schooled in the Marathi medium,” said Yeshwant Killedar, a party activist in Mumbai. “We want Marathi people to progress and if English is the medium then it’s all right. Our upbringing and behaviour will always be Marathi and we always insist on talking the language as much as we can,” Killedar added. (The Indian Express)

In slap spotlight, Azmi has never turned the other cheek

From being briefly charged in 1993 blasts, Azmi has come a long way, reinventing himself as the voice of Muslims, North Indian migrants. The Assembly scrap comes after a long conflict between him and the MNS. It was a face-off that was waiting to happen. When Samajwadi Party (SP) MLA Abu Asim Azmi was roughed up and slapped by his Maharashtra Navnirman Sena (MNS) counterparts inside the state Assembly on Monday, the ugly incident was in a sense a denouement to a nearly two-year conflict building up between the two sides. The seeds of the flashpoint were sown in early 2008 when 54-year-old Azmi promised to distribute lathis or sticks to migrants in Mumbai to protect themselves. MNS chief Raj Thackeray retaliated to this by threatening to distribute swords among his supporters. That war of words saw MNS supporters attacking migrants from Uttar Pradesh and Bihar and Thackeray upping the ante on his sons-of-the-soil campaign. Azmi has since remained in the headlines, building his constituency among North Indian migrants in the financial capital. It did not help him in the Lok Sabha polls though and he was defeated in the Mumbai North-West constituency, his second successive defeat after losing from Bhiwandi in 2004. Azmi, however, came up trumps in the recent Assembly polls, and contested and won from two seats Mankhurd-Shivajinagar in Mumbai’s eastern suburbs and Bhiwandi East. While Azmi was among of the richest candidates in the country, contesting the Lok Sabha polls with declared assets of Rs 122 crore, his aides and supporters say he belongs to a “middle-class family” and is a “self-made man”, a rags-to-riches story. Born in Manjeer Patti in Uttar Pradesh’s Azamgarh, Azmi, who is the Mumbai and Maharashtra chief of the SP, came to Mumbai in 1973 to help his ailing father, Haji Niyaz Ahmad Azmi. Azmi Sr had come to the metropolis three years earlier to pursue his business of embroidering garments for export. Azmi’s aides recall how their leader, who is a BA degree holder and the father of six, came to

Mumbai “with a few hundred rupees in his pocket”, cut his teeth in the city doing small jobs, and gradually built a business empire consisting of hotels, construction firm, travel agency, shoe stores and an export firm. Azmi, whose son Farhan is married to Bollywood actor Ayesha Takia, is also described by associates as one of the largest manpower exporters to the Middle East. But his life has not been without its fair share of drama. Azmi was arrested for allegedly booking tickets for people involved in the 1993 Mumbai bomb blasts but was discharged by the apex court after a year in jail. That, Azmi says, was the “turning point” in his life. “I was framed 101 per cent,” says a bristling Azmi, alleging that it was his work for the riot-affected that put him in the crosshairs of the government. “It taught me how the minorities can be framed in the country,” said Azmi, adding that he opted for Mulayam Singh Yadav’s SP as it had played a role in empowering minorities in his native Uttar Pradesh. A Deobandi Muslim and Rajya Sabha MP from 2002 to 2006, Azmi says he has no “personal enmity” with Raj Thackeray, and that he was only speaking out against the anti-migrant campaign launched by his MNS and seeking “strict action against those opposing Hindi”. His aides claim that Azmi saheb has dedicated his life to “the cause of the Muslim community” and point out that he had spoken out against the government in the Malegaon bomb blasts and the Ishrat Jahan encounter case even in the face of opposition. Azmi’s associates refuted charges that he is a radical and said he spoke out against “victimisation” of Muslims and was “a Muslim opposition to a secular government”, unlike Muslim leaders from the Congress-NCP who were “part of the establishment” and never stood up against it. However, despite Azmi’s fire-and-brimstone image, his detractors accuse him of associating the SP with a section of the minority community and blame this for the decline in the party’s fortunes in the state. In 1995, the SP won three seats in the Assembly, and two in 1999. But, in 2004, two party MLAs switched over to the NCP. In 2004, the SP drew a blank in the polls, with 91 of its 95 candidates forfeiting their deposits and the party’s vote share slipped from 14.31 per cent to 3.28 per cent. However, Azmi blamed it on the Congress wanting to weaken the SP to avoid vote banks from being divided. (The Indian Express)

Abu Azmi targeted again, Shiv Sena stalls House

For the third day in a row, Samajwadi Party (SP) legislator Abu Asim Azmi was targeted, this time by the Shiv Sena. Incensed at his remarks against their leader Bal Thackeray, Sena members disrupted and stalled the proceedings in the Maharashtra Assembly on Wednesday, demanding the arrest and suspension of Mr. Azmi. The House was adjourned thrice for a total of 45 minutes. On Wednesday, Mr. Azmi was not present in the House. However, as the session began, Sena leaders charged into the well and raised slogans: “Down with Abu Azmi the traitor, suspend Abu Azmi.” They stuck banners on the podium and the desk on the dais. Calling the SP member’s remark a publicity stunt, Leader of the Opposition Eknath Khadse said: “Mr. Azmi has uttered inappropriate words against Mr. Thackeray. He has hurt the sentiments of those who love Mr. Thackeray. The consequences of this can be unpredictable.” Mr. Khadse drew attention to the atmosphere of unrest in the State since the attack by the Maharashtra Navnirman Sena on the first day of the session. “When one thought the matter has been quelled, Mr. Azmi has fuelled [fresh] disturbance.” Demanding stringent action in both cases for the MNS attack and for Mr. Azmi’s remark Mr. Khadse said those who tried to spread

bitterness among communities should be taken to task. Sena group leader Subhash Desai said Mr. Azmi had misused the space given to the media on the Vidhan Bhavan premises. "We won't be quiet until we prove our mettle with the bow and arrow [Sena's symbol] to Azamgarh's mullah [a reference to Mr. Azmi]." Demanding stringent action against Mr. Azmi, MNS Legislature Party leader Bala Nandgaonkar said: "Mr. Bal Thackeray is a revered figure to many. Is Mr. Azmi never going to be old? Was his father never old?" Chief Minister Ashok Chavan condemned both the incidents that occurred on the first day and Mr. Azmi's remark. Assuring the members that action would be taken, he expressed the hope that none of the legislators would cause provocation and hurt. On Wednesday, Mr. Nandgaonkar expressed regret for the riotous situation witnessed on the first day. He made an appeal for revocation of the suspension of four MNS legislators. (The Hindu)

Social front:

Cyclone Phyan threatens, only to fizzle

Four people were killed and 44 fishermen who had ventured into the sea were missing after Cyclone Phyan hit the Maharashtra coast on Wednesday morning. The cyclone, however, spared Mumbai and the Gujarat coast. Packing windspeeds of up to 75kmp/h, the cyclone hit three districts on the Maharashtra coast Sindhudurg, Ratnagiri and Raigad. Officials said 1,000 houses suffered damages. The Coast Guard and the Navy saved 24 people in rescue operations. Maharashtra's response to Cyclone Phyan, which was named by Myanmar under World Meteorological Organisation's practice of countries naming cyclones (Phyan in Burmese means a cherry fallen off a tree) was swift. The government machinery was on high alert and authorities had been asked to evacuate those staying along the coastline to safety. Temporary shelters were set up in community halls and school buildings. In Mumbai, schools and colleges closed their gates by Wednesday afternoon. CM Ashok Chavan, after a disaster management meeting with senior ministers, the Navy and India Meteorological Department (IMD) officials, appealed to the private sector to shut shop by afternoon. The BMC mapped out an evacuation plan. And the city waited with bated breath for Phyan to hit. But the cyclone had lost much of its bite. It barely scraped by the city's coastline. Phyan crossed the coast between Mumbai and Alibag, to south of the city, between 3.30pm and 4.30pm, IMD said. Wednesday morning saw heavy rains lash the city. "Instead of moving toward Gujarat, it changed its course to Rajasthan in evening. By then it had dissipated," said Mahesh Narvekar, deputy chief officer, disaster management cell of BMC. "But we are keeping our machinery on high alert," he said. By Wednesday afternoon, IMD told state government that the cyclone had disappeared. Earlier, Thane collector evacuated residents from seven villages in Palghar and five villages in Dahanu. Around 15,000 people had been evacuated in anticipation of the cyclone hitting land in Palghar. "But after we received an all clear from the IMD we stopped," said Ramesh Kumar, additional chief secretary (relief and rehabilitation). (The Times of India)

Economic Front:

Business and Politics in Muslim World

India

Sadia Khanum

14th to 20th November 2009

Presentation Date: 25th November 2009

(Outline)

Summary (Page#4)

National Report

Politics:

- Sachin Tendulkar unites all of India yet again (P # 5)
- Left should correct mistakes before Assembly polls: Bardhan (P # 5)
- Liberhan report may be tabled next month (P # 6)
- Farmers to “gherao” Parliament over sugarcane price (P # 6)
- BJP demands all-party meet on sugarcane row (P # 7)

Minorities' issues:

- Shia board seeks Urdu translation of Vande Mataram (P # 7)
- Prominent Muslims oppose Jamiat group's stand on Vande Mataram (P # 8)

Hindu Fundamentalism:

- Thackeray criticises Sachin over 'Mumbai for all' remark (P # 8)
- Bal Thackeray signals he is back at helm, pushing Uddhav to background (P # 9)
- Decision on party chief entirely BJP's, says RSS (P # 9)

Insurgency Movements:

- Anti-naxal operations in 4 Karnataka districts (P # 9)
- Maoists bomb SAIL mines (P# 10)
- 2 killed, 47 injured as train derails after Maoists blast tracks (P# 10)

Economic Front:

- Rice import needed, says Pranab (P# 11)

- Mukesh Ambani tops India's rich list (P# 11)
- Food inflation rises to 14.55 pct (P# 12)

Geo-strategic developments:

- Obama administration seeks 'assurance' on non-proliferation from India (P# 12)

Indian Occupied Kashmir:

- Parties war over Jammu and Kashmir's political future (P# 13)
- 'Our goal: Delhi-Srinagar pact, Pak on board' (P# 14)

Social front:

- India doesn't have any 'national language' (P# 15)
- India ranks 84th in global corruption perception list (P# 16)
- More Americans opting to pursue higher studies in India (P# 17)
- 'In 40 yrs, India will be most populous country' (P# 17)

Foreign Relations:

- Pakistan: India's statements unwarranted (P# 18)
- India: no need for third party role (P# 18)
- Pakistan has nothing to fear from India: Manmohan (P# 19)

Regional Report

Central India (Hindi Heartland)

Politics:

Social front:

Economic Front:

The North

Politics:

Social front:

Economic Front:

The East

Politics:

- Maoists, Trinamool playing nefarious game: Karat (P# 21)
- Trinamool hampering industrialisation of Bengal: Left (P# 22)

Social front:

- Explosion kills 15 in Andhra Pradesh (P# 22)

Economic Front:

The South

Politics:

Social front:

Economic Front:

West India

Politics:

Social front:

Economic Front:

National Summary

Bal Thackeray is under severe criticism from all political parties on his remarks against Sachin Tendulkar. Politicians condemned Thackeray's statement in which he criticized Sachin for his "Mumbai for all" comment. Communist party of India said it has to overview its mistakes before 2011 elections. According to general secretary of CPI people gave their verdict against left parties not in favor of Trinamool Congress. Farmers recoded their protest in front of parliament in New Delhi against the government decision to fix the sugarcane prise.

Muslim community does not give clear stance on jamiat's fatwa against Vande Mataram. Some segments of community consider it against the basic tenets of Islam while other believes there is no problem in singing it as Islam does not oppose patriotism.

RSS denied any kind of interference in BJP's internal politics or nomination of party's next chairperson.

Maoist rebels in fresh activities destroyed mines on Orissa Jharkhand border by bomb blast while two people killed in a rail incident in West Bengal. Government started anti-naxal operation in Karnataka's four districts.

Food inflation is still on rise even after stable economic situation. Rise crops in this season received less rains that why target could not be achieved and government will import rise to overcome shortage. The head of reliance industries Mukesh Ambani is the richest person of India.

Obama administration wants India's assurance on nuclear non proliferation to take civil nuclear agreement forward.

New Delhi's contact with Mir Waiz Umar Farooq alarmed other political groups as they emphasizing different solution of the dispute to win public support.

Indian nation does not have single national language as almost 14 languages are listed in constitution. While Hindi and English language is official language in Hindi speaking states and Hindi, English and a regional language in non Hindi states. According to report more Americans come to India for education purposes this year.

India once again refused to accept third party mediation in resolving disputes between India and Pakistan and PM Manmohan Singh said Pakistan should not be afraid of India and should concentrate on eradication terrorism.

National Report

Politics:

Sachin Tendulkar unites all of India yet again

Ageing Shiv Sena patriarch Bal Thackeray on Monday alienated himself from millions of Indians when he attacked the country's icon and Maharashtra's most loved son, Sachin Tendulkar, for saying that "Mumbai belonged to all Indians". In an editorial in the Sena mouthpiece, Saamna, Thackeray, warned Sachin to "keep off the political pitch" for his own well-being. Or else, he would have "run out" from Marathi minds. While 82-year-old Thackeray's attack appears to have been motivated by competitive politics with his nephew, Raj, to appear as a bigger champion of Marathi interests, it appears to have backfired. Parties cutting across political lines and Marathi intellectuals and civil society leaders expressed their disgust at Thackeray's editorial which, they said, was "worthy of the dustbin". In that sense, the attack on Sachin Tendulkar as Maharashtra chief minister Ashok Chavan said has united India. Thackeray's editorial addressed the legendary cricketer to say: "What was the need to say this? Your remark has cut through every Marathi heart... Mumbai may be India's commercial capital. But don't ever forget that it is Maharashtra's capital." The Sena supremo advised Sachin not to stray into politics: "Keep this in mind -- people praise you when you hit a six or a four. However, don't use your tongue to bat against the just and legitimate rights of the Marathi `manoos'. They will not like it." Thackeray signed off the letter with an "affectionate warning": "Don't lose on the pitch of politics whatever you have earned on the cricketing pitch". Thackeray also reminded Tendulkar of the Samyukta Maharashtra agitation for the inclusion of Mumbai in the linguistic Marathi state. The stir in the 1950s claimed 105 lives of Marathis who fell to the bullets of the then Morarji Desai state government. Alarmed by the Sena leader's warning, BCCI vice president Rajiv Shukla said Thackeray should be brought to book while a furious Lalu Prasad said, "Sachin is a national hero. Who is Bal Thackeray to comment on him?" Congress spokesman Manish Tiwari said, "The real place for Bal Thackeray's statement is the dustbin." The BJP was relatively muted its leader Arun Jaitley said there was nothing in Sachin's statement to warrant the charge of betrayal. "The greatest cricketer said he is a proud Maharashtrian and Indian...we see no problem in it." BJP's ally in Bihar, Nitish Kumar, said Sachin's remark had lifted the image of India. (The Times of India)

Left should correct mistakes before Assembly polls: Bardhan

Describing the reverses suffered by the Left Front in the recent Assembly by-elections in West Bengal as "grim warning," the Communist Party of India said the Communist Party of India (Marxist) should take the lead in correcting mistakes in the run-up to the 2011 Assembly polls. Characterising the poll verdict as an "anti-Left Front" vote rather than an endorsement of the Trinamool Congress, party general secretary A.B. Bardhan said the people voted against the Left, particularly the CPI(M), which leads the Front. "We feel these results contain a message. We therefore think that within the time available [till the 2011 Assembly polls], efforts should be made by the Left Front and each party within it. The CPI(M), being the largest partner, has the biggest responsibility and should correct whatever mistakes it has committed," Mr. Bardhan told journalists after the party's two-

day national executive meeting that ended on Sunday. The Left Front government had done things it should not have and did not do the things it should have, he said, without elaborating on the grounds that the CPI(M)-led government was aware of the shortcomings. After persistent questions, Mr. Bardhan said that for instance, West Bengal should have emulated the public distribution system implemented by the Left Democratic Front government in Kerala. He added that in his opinion, there was no case for advancing the Assembly polls in West Bengal, stating that the government had the mandate to govern for five years. "We think there is every reason to stick to the timetable and those who are in a hurry, we will advise them to be patient." Mr. Bardhan said he was not indicting any person. The people had high expectations from the Left Front, and when it could not deliver, the results were evident. On the national scale, the CPI promised to oppose the decision to disinvest shares in profit-making public sector undertakings. (The Hindu)

Liberhan report may be tabled next month

The report of the Liberhan Commission, which probed the 1992 Babri Masjid demolition, is expected to be tabled in Parliament on December 22, the last day of the winter session. (The Hindu)

Farmers to "gherao" Parliament over sugarcane price

In a formidable show of strength, farmers belonging to various organisations have begun to pour into the Capital to lodge their protest on the opening day of the winter session of Parliament here on Thursday against Centre's Fair and Remunerative Pricing (FRP) system for sugarcane that discourages States from fixing a higher cane price. Led by the Rashtriya Janata Dal, the farmers have decided to 'gherao' Parliament House and court arrest if they are stopped in the high security zone. RLD leader Ajit Singh announced on Thursday that Parliament would not be allowed to function unless the issue was resolved. The Bhartiya Janata Party will move an adjournment motion on day one to protest the Sugar Control Amendment Order 2009 that introduced the FRP system through an ordinance. Meanwhile, the All-India Bhartiya Kisan Union farmers led by Mahendra Singh Tikait continued with their dharna on Parliament Street here even as more farmers from Madhya Pradesh and Utrakhand joined them. "No other government has brought such a black law against farmers as the United Progressive Alliance," Mr Ajit Singh told journalists after a meeting of the National Alliance of Farmers' Associations. All major Opposition parties he was in touch with had conveyed their solidarity on the issue. Lok Janshakti Party chief Ram Vilas Paswan and Biju Janata Dal President Naveen Patnaik expressed their opposition to the ordinance, Mr Singh told. Swabhiman Party MP from Kohlapur, Raju Shetti, said the problem with FRP was not so much this year, when there was a cane shortage. But it was in surplus years that the farmers would suffer. In Maharashtra, farmers were getting between Rs.190 and Rs. 230 per quintal for a 12 per cent recovery in the first instalment, whereas the Centre's FRP price was Rs. 129.84 per quintal for 9.5 per cent recovery. B.H. Thambake, president of the Karnataka Ryat Sangha, said Karnataka farmers were getting Rs 210 a quintal this season. A memorandum was presented to President Pratibha Patil requesting her to withdraw the

ordinance and restore the right of State governments to fix State Advised rice (SAP) for sugarcane based on local conditions. At a separate press conference, secretary-general of Confederation of Indian Farmers Association's National Sugarcane Commodity Council P. Chengal Reddy expressed his solidarity with the farmers. He demanded that the support price for sugarcane for this season be set at Rs. 295 per quintal for farm gate delivery. This was in conformity with the system suggested by the National Commission on Farmers and with the recent increase in labour and input prices. Mr Reddy demanded that the report of the National Commission on Farmers be implemented immediately. The farmers will march in a procession from the Ramlila grounds on Thursday and hold a rally at Jantar Mantar. The protest is against Centre's FRP for cane which is lower than the SAP that the farmers received last year. Now, if the States want to give cane to farmers a higher price, they will have to bear the burden. Not the millers as in the past. (The Hindu)

BJP demands all-party meet on sugarcane row

The BJP will bring an adjournment motion in LS and demand suspension of question hour in Rajya Sabha on Friday on the contentious sugarcane price issue, which rocked Parliament on the first day of the winter session. The main Opposition party has demanded an all-party meeting to discuss the Sugarcane (Control) Order, 2009. Deputy leader of Opposition in LS Sushma Swaraj said the Opposition wanted a discussion on sugarcane price issue and had requested the Speaker in the morning to allow it, but the government did not agree. "The House was disrupted as our demand for a debate was not met," she said, adding that BJP will again move an adjournment motion in LS on Friday morning and demand suspension of question hour in RS. BJP criticised the removal of State Advisory Price mechanism by the new ordinance despite a SC order supporting it. Swaraj said state governments, under the SAP mechanism, fixed prices keeping local conditions and issues faced by farmers in mind. She said this move would further aggravate the issue as it had come at a time when harassed farmers were committing suicide.

Minorities' issues:

Shia board seeks Urdu translation of Vande Mataram

The All India Shia Personal Law Board (AISPLB) wants an "authenticated and officially approved Urdu translation of Vande Matram" to end the raging mystery. On Saturday, AISPLB president and chairman Maulana Mirza Mohammed Athar faxed a request to the President Prathiba Patil and Prime Minister Manmohan Singh to translate the national song "to help the confused community arrive at a decision". "The conflict over singing of Vande Matram triggered recently is posing a grave certain threat to the nation's unity," said Athar. He said this had given an opportunity to certain forces "to indulge in the politics of hatred and tarnish the image of Muslims by labelling them unpatriotic. He said the needless controversy needs to be put to rest. "We request that government should circulate the song's translated version to minority institutes to enable them to form

a consensus on the issue.” “Vested interests are misinterpreting religious constraints of Muslims. Although Islam forbids its followers to bow to any entity other than Allah, paying respect to the motherland is altogether a different matter,” he said. (The Times of India)

Prominent Muslims oppose Jamiat group’s stand on Vande Mataram

A group of concerned Muslim public personalities, leaders and intellectuals has come out strongly against the recent move of the Jamiat Ulema-e-Hind (M group) to revive the controversy over the singing of Vande Mataram. They also condemned the attempts of the ‘Hindu right wing forces’ to impose its recitation as a test of one’s sense of patriotism. Pointing out that the debate on the issue had been settled way back in 1930s — with the consent of the then leadership of the Jamiat — that controversial portions of the song would not be sung, the group said the attempt to revive the controversy was unnecessary. “We neither believe that Vande Mataram is a test case of someone’s patriotism, nor do we agree with the Jamiat interpretation that reciting the song would endanger one’s faith,” the group said in a statement. Among the hundreds of signatories to the statement are lyricist Javed Akhtar, film actor and director Naseeruddin Shah, film director Saeed Akhtar Mirza, actor Shabana Azmi and social activist Shabnam Hashmi. The Jamiat’s demand that Shariat norms be observed for Muslim girls after they reached the age of 10 “is a retrogressive move not only to isolate girls from the mainstream of national education, but also to keep them confined in a secluded sectarian atmosphere. It is shocking to demand Shariat norms in education for girls or for any segment of society in a secular State.” They objected to Jamiat’s advice to Muslim students not to join government or non-government schools as they would get isolated. This was an indirect attempt to keep Muslim students away from mainstream education, the leaders said. “[this] is exactly what Hindutva forces want. It will not only keep the community backward, but would also discourage Muslims from taking to education for the fear of unnecessarily losing ‘Islamic values’. We condemn it in the strongest manner and appeal to Muslims not to heed to such ill-advised moves.” (The Hindu)

Hindu Fundamentalism:

Thackeray criticises Sachin over 'Mumbai for all' remark

Shiv Sena chief Bal Thackeray on Monday criticised Sachin Tendulkar for his "Mumbai for all" remark, saying there was no need for the cricket icon to take a "cheeky single" and hurting the Marathi psyche by moving to the pitch of politics. "There was no need for him to take a cheeky single by making such remarks," Sena mouthpiece 'Sammana' quoted Thackeray as saying. "By making these remarks, you have got run-out on the pitch of Marathi psyche. You were not even born when the 'Marathi Manoos' got Mumbai and 105 Marathi people sacrificed their lives to get Mumbai," he said. Thackeray expressed displeasure that Sachin "left the crease" and moved to the pitch of politics by making these remarks which have hurt Marathi sentiment. In a rebuff to the "Marathi Manoos" plank of Shiv Sena and Raj Thackeray's MNS, Tendulkar had said on Friday that Mumbai is for all Indians. "Mumbai belongs to India. That is how I look at it. And I

am a Maharashtrian and I am extremely proud of that but I am an Indian first," said Tendulkar Shiv Sena and MNS have often played the "Marathi Manoos" card in a bid to attract votes. Raj Thackeray's fledgling party had even unleashed an anti-north Indian campaign inviting criticism. (The Indian Express)

Bal Thackeray signals he is back at helm, pushing Uddhav to background

Bal Thackeray is set for a new innings. His diatribe against cricketer Sachin Tendulkar is a signal that he's back in the saddle as Shiv Sena pramukh, relegating son Uddhav to the background, say Sena watchers. The Sena's dismal performance in the recently assembly elections has forced Thackeray to leave his famous reclining chair at his residence Matoshree and take over the party's reins, according to Sena sources. Thackeray took Tendulkar to task in an open letter published in the Sena mouthpiece Saamna on Monday, for saying Mumbai belonged to every Indian. The letter has been slammed by politicians of all hues, but Matoshree sources said Thackeray's statements had "brought back some cheer in the Sena." "There have been innumerable calls to Matoshree, complimenting Balasaheb for taking on Tendulkar for his views which are patently anti-Mumbai," said a senior Sena leader and a close aide of Thackeray. (The Times of India)

Decision on party chief entirely BJP's, says RSS

The Rashtriya Swayamsevak Sangh has denied that it either suggested or opposed any name for the office of president of the Bharatiya Janata Party. In a statement, Manmohan Vaidya, Akhil Bharatiya Prachar Pramukh of the RSS, said the RSS leaders merely expressed their opinion if it was sought by the BJP. "Incorrect reports have persistently appeared in a section of the media attributing to the RSS a role in the election of the new BJP president. The decision on the next president is entirely BJP's own. If their opinion is sought by the BJP, the RSS leaders merely express their opinion; they do not interfere in their [the BJP's] matters." The statement continued: "The RSS has neither suggested nor opposed any name for the office of president. The interpretation in the section of the media that the RSS is opposed to the four senior BJP leaders becoming party president is entirely wrong. Sri. Venkaiah Naidu, Sri. Arun Jaitley, Smt. Sushma Swaraj and Sri. Ananth Kumar are senior leaders of BJP who have been associated with the RSS for a long time," Mr. Vaidya said. (The Hindu)

Insurgency Movements:

Anti-naxal operations in 4 Karnataka districts

The Anti-Naxal Force (ANF) of the Karnataka police conducted a three-day combing operation in the thick forests of the Western Ghats encompassing four districts of the State. The operations were carried out under the overall charge of Additional Director-General of Police (Law and Order) A.R. Infant and Inspector General of Police (Western

Range) Gopal B. Hosur. The proposal to conduct the operation was mooted by Ajai Kumar Singh, Director-General and Inspector-General of Police, at a meeting held in Karkala in Udupi district recently. It has also been stated that similar operations will be conducted frequently to ensure an element of surprise. This is expected to eventually help in nabbing the naxals operating in the region. Sources said 16 groups of policemen combed the forests in Chikmagalur district, 10 groups in Udupi, four in Dakshina Kannada and six in Shimoga. Each group consisted of about 25 members and everyone was provided with sufficient quantities of bread, dry fruits and milk powder to enable them to stay in the forest for three days. The policemen conducted house-to-house searches and searched vehicles at all check points. They were equipped with Global Positioning Systems to prevent one group from firing upon another. The Superintendents of Police of the four districts were in charge of the operation in their jurisdiction. The police personnel took up the combing operations braving heavy rain in the dense forests of Malnad region. Leeches aggravated the hostile conditions. Each house in the naxal-prone area of the Tirthahalli taluk of Shimoga district, bordering the districts of Chikmagalur and Udupi, was searched, the sources said. Mr. Infant on Friday maintained that the socio-economic condition of the people could not be attributed to the growth of naxalism in the State. He said the “combing operation” which concluded on Thursday had revealed that naxals had not been able to widen their base in the State. He also denied that the police and the ANF were harassing the tribals during the operation. “It [the allegation] is a campaign being made by certain intellectuals.” He said the operation was a total success. The objectives were to understand the terrain where the naxalites are active, to instil confidence among the people and to establish strong police-people contact in the areas. Mr. Infant said in the last eight years, 15 naxalites were killed in encounters, while the extremists had killed two policemen and four civilians. Recently, there were instances of naxalites distributing pamphlets in a few places in Udupi district. In Sringeri, two naxal sympathisers have been arrested. (The Hindu)

Maoists bomb SAIL mines

Maoists on Friday exploded a bomb in Meghatpur mine and planted another at Kiribur, both run by public sector SAIL along the Orissa-Jharkhand border. The attack comes hours after the Maoists blasted rail tracks in Jharkhand's West Singhbhum district that derailed the Tata-Bilaspur passenger train leaving two passengers dead. Senior officials in Kirbur told that a group of armed Maoists stormed into the loading point in Meghatpur mines on the Orissa side and exploded a bomb damaging the conveyor belt. Loading and unloading of iron ore was severely affected at Meghatpur mines under the Steel Authority of India (SAIL) as a result. In the second incident, the ultras planted a bomb in the conveyor belt in Kiribur mines, about 15 km from Meghatpur and 120 km from Rourkela on the Jharkhand side, but it did not explode, the sources said. Police and CRPF personnel defused the bomb. There was no report of any casualty. The mining operation in other units, however, were not affected and elaborate security arrangements were made in the entire mining areas in view of the Maoists' call for bandh in Jharkhand. Orissa police also sealed all entry and exit points bordering Jharkhand and round-the-clock patrolling was being done in the Maoist-prone areas in Sundargarh district. (The Times of India)

2 killed, 47 injured as train derails after Maoists blast tracks

Two passengers were killed and over 47 others injured when eight bogies of the Tata-Bilaspur passenger train derailed after Maoists blew up railway tracks on Thursday night in Jharkhand's West Singhbhum district. Railway minister Mamata Banerjee said that the train comprised 10 coaches of which five derailed and three toppled over as also the engine. She said two bodies were found in a overturned bogie, while 47 passengers were injured. Six passengers were trapped in another capsized bogie. Three passengers have been rescued so far as rescuers were using gas cutters to gain entry to the coaches, three of which were badly damaged, Banerjee said. The blast occurred between Manohar and Posoita railway stations just in front of the engine of the train, some 20 minutes after a pilot engine had passed. Banerjee said, "Maoists blew up a portion of a railway track which caused the derailment. There were also three to four blasts nearby to deter rescuers." Superintendent of police (rail) A B Homker said in Ranchi, "Railway staff and rescue teams have reached the spot, and are cutting open the bogies to rescue the injured passengers." (The Times of India)

Economic Front:

Rice import needed, says Pranab

Union Finance Minister Pranab Mukherjee has said the country would have to import rice this year to meet the shortfall in kharif crops. (The Hindu)

Mukesh Ambani tops India's rich list

The head of Reliance Industries, Mukesh Ambani, is once again the wealthiest person in India. His net worth is put at 32 billion dollars, an increase of 54 per cent from nearly 21 billion dollars last year, according to the latest Forbes' India Rich List. Trailing behind him are Lakshmi Mittal with a net worth of 30 billion dollars, up 46 per cent from 20.5 billion dollars, and Mukesh's estranged brother, Anil, whose net worth of 17.5 billion dollars, 40 per cent, higher than before, put him in the third place. A rebounding stock market that gained two-thirds in the past year and an economy growing at 6% have boosted the net worth of India's richest people, according to the Forbes' India. The combined net worth of India's 100 richest people is 276 billion dollars, almost a quarter of the country's GDP. Last year, there were only 27 billionaires on the India Rich List. This year, the number has almost doubled to 52 two short of what India had at the peak of the stock market boom in 2007. Naazneen Karmali, India Editor of Forbes Asia and Mumbai bureau manager for Forbes magazine, said: "Happy days are definitely back again for India's richest. This year's list shows yet again that when conditions in the financial markets and the economy are right, India has the scale and resources to produce billionaires faster than most of the countries on earth." Indrajit Gupta, Editor of Forbes India, said: "The substantial jump in net worth is clear evidence that entrepreneurial capitalism is alive and kicking in India. What's more, the growth in wealth creation has been broad-based. Entrepreneurs from a wide variety of sectors comprise the list." Sunil Mittal has moved down from Number 4 to Number 8 and Azim Premji has moved up to

Number 4 position. The Ruia brothers with a net worth of 13.6 billion dollars have made it to number 5 this year. The richest newcomers are two brothers from Torrent Power -- Sudhir and Samir Mehta, ranked 23 at 2.02 billion dollars. The Forbes India cover story highlights how 2009 has been a turnaround year for the rich in India. The list is an indicator of how India's billionaires have done better than their counterparts in other parts of the world. The three richest Indians are worth 79.5 billion dollars. It takes 24 Chinese billionaires to be worth 80 billion dollars. The top 10 richest in India are:

1. Mukesh Ambani 32 billion dollars
2. Lakshmi Mittal 30 billion dollars
3. Anil Ambani 17.5 billion dollars
4. Azim Premji 14.9 billion dollars
5. Shashi & Ravi Ruia 13.6 billion dollars
6. KP Singh 13.5 billion dollars
7. Savitri Jindal 12 billion dollars
8. Sunil Mittal 8.2 billion dollars
9. Kumar Birla 7.8 billion dollars
10. Gautam Adani 6.4 billion dollars

(The Indian Express)

Food inflation rises to 14.55 pct

Food inflation rose to 14.55 per cent in the first week of November fuelled by higher prices of staple items like potatoes, onions and pulses. On a weekly basis, inflation rose 0.87 percentage points from 13.68 per cent. On yearly basis, prices of potatoes shot up by 102.47 per cent, onions by 38.24 per cent and that of pulses by 27.03 per cent. Analysts expect prices to remain at elevated level, unless Rabi crops are abundant. "Food inflation is likely to remain high, unless prospects of rabi are known. It is a matter of concern," CRISIL principal economist D K Joshi said. However, he said high onion and potato prices may be seasonal. There is no item on the list mentioned in the data that has shown a declining trend on yearly basis. On weekly basis, though, prices of fruits fell by 1.3 per cent, while that of jowar and poultry chicken by one per cent each. Urad, mutton, moong, condiments and spices, barley, wheat and bajra rose three per cent each and milk, gram, river fish and eggs by one per cent each. Non-food articles inflation also rose to 0.59 per cent from (-) 0.17 per cent a week ago and rate of price rise in fuel, power, light and lubricants was higher at (-) 1.51 per cent compared to (-)1.71 per cent. On yearly basis, cereal prices rose by 13.16 per cent. Rice became dearer by 11.65 per cent, wheat by 12.60 per cent and milk by 11.29 per cent. Yesterday, Finance Minister Pranab Mukherjee had said the country has to import rice during the 2009-10 marketing season (October-September) to meet any shortfall. "We started rice season that is from October 2009 with almost six million tonnes of surplus... Still there is a projection that there is some shortfall of Kharif crops. So to make it up, we have to make some imports," he had said. Among non-food articles, raw jute turned costlier by 7 per cent, fodder by 5 per cent

and raw cotton by 3 per cent. However, prices of soyabean and raw rubber declined by one per cent each. In the fuel category, aviation turbine rose by 11 per cent while furnace oil was up one per cent. (The Indian Express)

Geo-strategic developments:

Obama administration seeks 'assurance' on non-proliferation from India

The Obama administration has sought an "assurance" from India on nuclear non-proliferation to take forward the Indo-US civilian nuclear trade between them. The Indian "assurance" is now being considered as a "proximate obstacle" to Indo-US civilian nuclear trade as Americans in knowledge of the talks on this critical issue have metaphorically termed New Delhi's response as "India is not picking up the phone". In the absence of such an "assurance" letter from India, the PTI has been informed that the US department of energy would not be able to issue the mandatory license - called Part 810 (pronounced Part eight ten) - to American companies for doing any kind of civilian nuclear trade with the country. Part 810 - refers to the process set forth in 10 Code of Federal Regulations Part 810. Under the section 57.b of the US Atomic Energy Act of 1954, as amended, and in accordance with established procedures, only the Secretary of Energy is authorised to give permission, directly or indirectly, to persons or companies in the production of special nuclear material outside the US. This provision applies to technology transfers and technical assistance to all activities of the nuclear fuel-cycle, including non-power reactors. (The Times of India)

Indian Occupied Kashmir:

Parties war over Jammu and Kashmir's political future

Even as New Delhi has accelerated its covert engagement with the Mirwaiz Umar Farooq-led All Parties Hurriyat Conference, major political parties in Jammu and Kashmir have intensified efforts to give legitimacy to their own, competing visions of the State's future. Leaders of the National Conference have made the recommendations of a State Autonomy Commission Report, which was endorsed by the Assembly in 1998, the centrepiece of their political position. The controversial report calls for the revocation of all Central legislation made applicable to the State since 1953. Among other things, the implementation of the SAC recommendations would mean Jammu and Kashmir residents would no longer enjoy the fundamental rights guaranteed by the Indian Constitution, the right of appeal to the Supreme Court, and the protections of the Election Commission of India and the Comptroller and Auditor-General. National Conference leaders say all these institutions should be replaced with similar bodies and legislative instruments created by the State. Chief Minister Omar Abdullah also demanded that the government push the retired Supreme Court judge Saghir Ahmad who heads a working group set up by Prime Minister Manmohan Singh to make recommendations on the State's constitutional future to finish his work. The Prime Minister had set up five working groups during a March 2006 all-party Round-Table Conference on Jammu and Kashmir called in Srinagar. Four of those groups submitted their reports in April 2007, when the RTC was last convened.

Justice Ahmad's group, though, has not even met after a two-day session held in New Delhi on September 2 and 3, 2007. But it is the People's Democratic Party which draws much of its support from voters sympathetic to the Hurriyat and Islamist groups like the Jamaat-e-Islami that has the greatest concern about the course of the dialogue. A New Delhi-Hurriyat deal could lead to some secessionist factions contesting elections, and thus dividing the social alliance which has driven the PDP's dramatic rise as a critical actor in Jammu and Kashmir politics. PDP leaders have responded by launching an energetic campaign to build mass support for their self-rule proposals. During rallies and meetings across the State, PDP leader and former Deputy Chief Minister Muzaffar Beig has been explaining threadbare the party's complex Self-Rule Document released last year. The document calls for the State to be demilitarised, the Line of Control to be opened for free movement of peoples and goods, and the creation of cross-border elected bodies. But PDP president Mehbooba Mufti also says her party wants a public dialogue on Jammu and Kashmir, not a deal hammered out behind closed doors with key secessionists. "Whatever you are discussing, you need to discuss it out in the open," she says. "People in Jammu and Kashmir are suspicious about New Delhi's intentions, and any deal agreed without a popular consensus will lack legitimacy. It will appear as if the interests of Kashmiris have been bought and sold." Some Hurriyat leaders, notably Abdul Gani Bhat, believe that the way forward lies in building consensus within Jammu and Kashmir, cutting across regional and party lines. During a recent conference organised by the Centre for the Study of Developing Societies in New Delhi, Mr. Bhat, for the first time, shared a platform with representatives of the National Conference, the PDP and the Bharatiya Janata Party and even invited them to join in a cross-party dialogue. But Mr. Bhat's position does not have the support of most of his coalition partners, most of which see the PDP and the National Conference as competitors — rather than partners — in the process of resolving the dispute over Jammu and Kashmir. Mirwaiz Farooq, for example, says he sees no role for the PDP and the National Conference in negotiations until "they decide to stay away from power politics and focus solely on the resolution of the conflict. Questions of administration must precede, not follow, resolution." Put simply, the Mirwaiz appears to see no reason to sit at a table with parties that enjoy access to power — and could profit further if they market themselves as brokers of a final deal. One key obstacle to building consensus is the coalition of rejectionists flat-out opposed to talks with New Delhi — a coalition led by Kashmir's Islamist patriarch, Syed Ali Shah Geelani, but one which includes some figures from within the Mirwaiz-led Hurriyat, notably Democratic Freedom Party's Shabbir Shah. Fearful that New Delhi could do a deal with the Hurriyat, the PDP has given not-so-tacit backing to the rejectionists. PDP leaders have been demanding that Mr. Geelani be included in the dialogue process — no small ask, given the Islamist leader's flat rejection of talks with New Delhi. "I understand the difficulties," says Ms. Mufti, "but the fact is that whether we like it or not, the people have a lot of faith in Mr. Geelani. We need to ensure any agreement we arrive at has his endorsement, otherwise it will not stand scrutiny." (The Hindu)

'Our goal: Delhi-Srinagar pact, Pak on board'

A New Delhi-Srinagar agreement with Pakistan on board is one of the key objectives of the ongoing Track II initiatives between India and Pakistan and the "quiet" dialogue

between the Centre and Hurriyat, says Hurriyat chairman Mirwaiz Umar Farooq. Speaking to The Indian Express at his residence Mirwaiz, who held talks with Pakistan High Commissioner Shahid Malik on Sunday, said there was forward movement on many fronts which could, hopefully, lead to a “substantive” outcome. “A lot is happening. Work is going on...on many possible solutions, one of which is an agreement between New Delhi and Srinagar with Pakistan’s blessings,” Mirwaiz said. India and Pakistan have had two rounds of meetings in Bangkok in the past three weeks — the dialogue was held between former Pakistan High Commissioner Aziz Ahmed Khan and former RAW chief A S Dullat. However, Mirwaiz said the basic paradigm of the engagement is inspired by former Pakistan President Pervez Musharraf’s four-point proposal for an acceptable solution to Kashmir. “India is not ready for the joint-management part of the proposals which talk about joint control of foreign affairs, currency and communications in Kashmir,” Mirwaiz said. “There’s a broader agreement on the other aspects of this settlement model”. Mirwaiz said that on Kashmir the new dispensation in Islamabad hasn’t departed markedly from the approach adopted by Musharraf’s government. He said the thrust was on finding an interim political solution that can then be revisited and built upon after a period of five to 10 years. As for a Delhi-Srinagar agreement, Mirwaiz refused to draw an analogy with the 1975 accord between the former Prime Minister Indira Gandhi and National Conference leader Sheikh Abdullah. That agreement didn’t have Pakistan’s approval. “We need something that has every party on board. Pakistan is part of the external dimension of the issue and, therefore, has to be in the loop,” Mirwaiz said. He said the Hurriyat will travel to Pakistan after Eid to consult the government there. “We are being invited by the Pakistan government for our input in the process,” he said. When asked if Hurriyat will talk to New Delhi, Mirwaiz said that he would wait for back channels to throw up something substantive before entering into a public dialogue with the Centre. Former Hurriyat chairman Abdul Gani Bhat has been camping in Delhi for the past 10 days. He, Mirwaiz said, has maintained “communication” with “people from the government.” Bhat also held two meetings with Pak High Commissioner Malik. On forging a broad political alliance between mainstream and separatist parties in the Valley, Mirwaiz said there was no immediate need for it. “If there is a movement on a Kashmir resolution, the PDP and NC will come on board,” Mirwaiz said. The Hurriyat chairman said the new momentum in back-channel engagements is also because the US is pushing for movement in Kashmir to address Pakistan concerns. “There are several geo-political factors that are in play and persuading New Delhi to act,” Mirwaiz said. Meanwhile, the hardline Hurriyat faction led by Syed Ali Shah Geelani has unleashed a blistering tirade against what it calls Mirwaiz’s “accommodating approach”. In recent days, several seminars were organised by hardliners in Srinagar warning against any “compromise” on Kashmir. (The Indian Express)

Social front:

India doesn't have any 'national language'

What does the Constitution say on languages?

Article 343 of the Constitution and the Official Languages Act say that the official language of the Union will be Hindi. However, the attempt to adopt Hindi as the official language was strongly opposed by several non-Hindi speaking states, especially Tamil Nadu, which erupted in violent protests leading to a compromise in allowing the use of English also for official purposes. Thus, the Constitution and the act allowed English to be used for transaction of business in Parliament, by Centre and states and for certain purposes in high courts for 15 years. Later, the act was amended in 1967 to allow continuation of English for official purposes. It is argued that while Hindi is the official language it was never given the status of national language, as India, being a multilingual country, has no single national language. Article 351, a directive, says it is the duty of the Union to promote the spread of Hindi language, so that it may serve as a medium of expression for all the elements of the composite culture of India, never using the term national language to refer to Hindi.

How many languages does the Constitution list?

The Constitution listed fourteen languages — Assamese, Bengali, Gujarati, Hindi, Kannada, Kashmiri, Malayalam, Marathi, Oriya, Punjabi, Sanskrit, Tamil, Telugu, and Urdu — in Eighth Schedule, in 1950. Since then, the list has been expanded thrice, once to include Sindhi, second time to include Konkani, Manipuri and Nepali and yet again to add four more languages — Bodo, Santhali, Maithili and Dogri — bringing total to 22 scheduled languages. The claims of many more languages for inclusion are under consideration.

What's the three-language policy that was recommended for education in the country?

The three-language formula recommends the study of a modern Indian language, preferably a south Indian language, apart from Hindi and English in Hindi-speaking states and the study of the regional language along with Hindi and English in non-Hindi speaking states. The All India Council for Education in 1956 recommended the adoption of the three-language formula and it was endorsed widely and adopted by the chief ministers conference. This three-language policy was reiterated by the National Policy on Education in 1968, yet again in 1986 and was adopted as a Programme of Action by Parliament in 1992. Yet, an official review of the three-language formula in the National Curriculum Framework for School Education in January 2000 found that in many states, apart from Hindi and English, Sanskrit, Arabic or even European languages like French and German were being allowed in place of a modern Indian language.

Why has the attempt to increase use of Hindi led to controversy?

Large states with non-Hindi speaking populations have always resented what they see as an imposition of Hindi and huge budgetary allocation each year for promotion of Hindi as official language and incidents due to acrimony over this issue have increased in recent years. For instance, Tamil Nadu assembly passed a resolution in December 2006 to make Tamil the official language of Madras HC. Earlier, West Bengal too had sought to introduce Bengali in Calcutta HC. Article 348 (2) of the Constitution and Section 7 of the Official Languages Act, 1963, together entitle Hindi-speaking states like Bihar, UP, Madhya Pradesh and Rajasthan to use their official language, Hindi, in their respective

high courts. Tamil Nadu CM M Karunanidhi wants an extension of this constitutional provision to Tamil as well. SC rejected request of both Tamil Nadu and West Bengal claiming it would impact transfer and posting of high court judges all over India as it would be possible to post only Tamil-knowing judges to the Madras high court and would involve voluminous work of translating thousands of orders and laws in Tamil. But, of course, the same problem could be faced by judges from the south or other non-Hindi speaking states posted to Bihar, UP, MP and Rajasthan high courts. Again, in September this year, a Union minister from Tamil Nadu, M K Alagiri, asked to be allowed to answer questions and speak in Tamil in the Parliament. The Lok Sabha secretariat turned down the request saying that only MPs asked for interpreters in the past, not ministers, as the business of the house had to be transacted in Hindi or English. (The Indian Express)

India ranks 84th in global corruption perception list

India is still perceived to be among the most corrupt countries by the transparency international in its annual corruption perceptions. India has been ranked 84th in the list of 180 countries in terms of public-sector corruption, which is perceived to be highly corrupt. While releasing the list of naming and shaming the world's most corrupt countries, the international watchdog has for the first time recommended that tax havens like Switzerland and Liechtenstein should do away with the secrecy in banking laws. "Corrupt money must not find safe haven. It is time to put an end to secrecy in banking laws," said the Berlin-based group's head Huguette Labelle. The bottom five nations were Somalia, Afghanistan, Myanmar, Sudan and Iraq, while the cleanest countries with ranking close to perfect 10 were New Zealand, Denmark and Singapore. According to the Index prepared by the voluntary group, India scored 3.4 which was much lower than Bhutan which scored 5 and claimed 49th spot in the list. India's corruption index is same as last year. But during the last five years, the country has been showing significant improvement. In 2004, India had scored 2.8 claiming 90th spot in the list of 146 countries.(The Indian Express)

More Americans opting to pursue higher studies in India

It's not a one-way traffic any more, though Indian students constitute the largest group of foreign scholars in US, more and more Americans are also heading to India to pursue higher studies. According to figures released Monday, as many as 3,150 Americans went to India to study in the year 2007-08, which is a jump of nearly 20 per cent from the previous year and coincides with the growth of Indian economy and its emergence as a regional and global player. Overall, India is ranked 17th in the list of the Open Doors 2009 topped by Britain with 33,333 students, Italy (30,670); Spain (25,212); France (17,336) and China (13,165). American nationals heading towards India is in tune with the general trend witnessed in the US in the last few years; wherein the number of such students has been on the increase. The study showed that the number of American studying abroad has increased by 8.5 per cent to 262,416 in the 2007-08 academic year. While the four countries that are perennial leaders in hosting US students - United Kingdom, Italy, Spain and France - are in Western Europe, Open Doors reported that fifteen of the top 25 destinations are outside of Western Europe and nineteen are

countries where English is not the primary language. In 2007-08, students electing to study in Africa increased by 18 per cent, those going to Asia increased by 17 per cent, and those going to Latin America increased by 11 per cent. This latest increase builds on decades of steady growth, with four times as many US students participating in study abroad in 2007-08 than in 1987-88. Notable increases among leading destinations were in the numbers students going to China, Ireland, Austria and India (up about 20 per cent) as well as Costa Rica, Japan, Argentina and South Africa (up nearly 15 per cent each). Allan E Goodman, president and CEO of the Institute of International Education, said, "More students are eager to study in newly popular study destinations abroad such as China, India, and the Middle East." The language and cultural skills they acquire along with their academic experience will have a profound effect on their lives and careers. This growth is fuelled in part by new program opportunities, strategic partnerships between higher education institutions in the United States and abroad, and a range of fields and program durations that have expanded to accommodate the needs of an increasingly diverse study abroad population, a media statement said. Open Doors is published annually by the Institute of International Education with funding from the US Department of State's Bureau of Educational and Cultural Affairs. (The Indian Express)

'In 40 yrs, India will be most populous country'

India is going to be the world's most populous country in the next 40 years, says a report released by the United Nations Population Fund (UNFPA) on Thursday. China will become the second-most populous nation with 1,417 million people by 2050. Currently, China is the most populated country in the world with 1,345.8 million people. India comes a close second at 1,198 million people. But China's strict family planning measures such as 'one family, one child' has yielded results and the rate of projected population growth between 2005 and 2010 is just 0.6%, while India grew at 1.4% in the same period. "India's population will grow for, say, another 25 years and then stabilise. We can see a decline in population after that while China had taken population control measures much ahead of us," said Dr D K Mangal, state coordinator of UNFPA. Infant mortality deaths in India in the past five years were more than twice as many as those in China and Brazil. While 85 males and 95 girls below five years of age died per a 1,000 births in India, in China 25 boys and 36 girls died, and in Brazil, 33 male children and 25 female children died in the same period, the report said. India's fertility rate was 2.44% while China had a lower fertility rate of 1.77%. "The fertility rate also includes parameters like increase in awareness about family planning and reproductive health and literacy," Mangal said. (The Times of India)

Foreign Relations:

Pakistan: India's statements unwarranted

Pakistan angrily rejected India's statements against the Gilgit-Baltistan elections on Friday as "unwarranted" and said a U.N. Security Council-mandated plebiscite was the "just solution" to the Kashmir issue. "These remarks are unwarranted. The government of India has no locus standi in the matter," the Foreign Ministry said, responding to remarks

by the External Affairs spokesman that the Gilgit-Baltistan elections were a “cosmetic exercise” by Pakistan to “camouflage [its] illegal occupation” of parts of Jammu & Kashmir State. “As for the Jammu and Kashmir dispute, it stems from India’s refusal to implement the relevant Security Council Resolutions, which provide for a just solution of the dispute through the democratic method of a free and fair plebiscite,” the Foreign Ministry said in a statement. (The Hindu)

India: no need for third party role

A day after China and the United States issued a joint statement, which briefly mentioned India and Pakistan, the Ministry of External Affairs on Wednesday said India did not envisage a role by a third party in what was essentially a bilateral dispute. The joint statement followed a meeting between U.S. President Barack Obama and his Chinese counterpart Hu Jintao in Beijing. “The Government of India is committed to resolving all outstanding issues with Pakistan through a peaceful bilateral dialogue in accordance with the Simla Agreement. A third country role cannot be envisaged. Nor is it necessary. We also believe that a meaningful dialogue with Pakistan can take place only in an environment free from terror or the threat of terror,” the Ministry spokesperson Vishnu Prakash said. The relevant portion of the joint statement stated that “the two sides [U.S. and China] welcomed all efforts conducive to peace, stability and development in South Asia. They support the efforts of Afghanistan and Pakistan to fight terrorism, maintain domestic stability and achieve sustainable economic and social development, and support the improvement and growth of relations between India and Pakistan. The two sides are ready to strengthen communication, dialogue and cooperation on issues related to South Asia and work together to promote peace, stability and development in that region.” U.S. Ambassador Timothy Roemer, however, saobserved that the intention was to promote more stable ties among South Asian countries. His perception was that the U.S. and China had expressed their desire for a more stable and peaceful relationship between the countries in South Asia. “I think that is a very positive statement to make.” The U.S. was trying to “make sure there is a prosperous and peaceful rise of China” and “at the same time, have historic close relations between the U.S. and India.” (The Hindu)

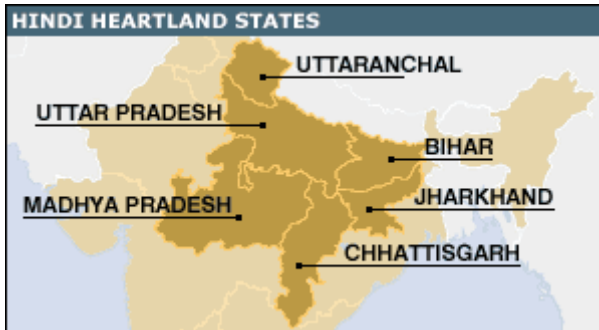
Pakistan has nothing to fear from India: Manmohan

Terming as "tragic" Pakistan's use of terror as state policy, Prime Minister Manmohan Singh has said India is ready to resolve all outstanding issues with the country on the condition that it will not allow its territory to be used against its neighbour. In an interview to the Washington Post ahead of his state visit to the US, Singh said India has been a victim of Pakistan-aided terrorism, and intelligence reports still suggest that terrorists based in that country are planning attacks in India similar to last year's Mumbai carnage. "Every day I receive intelligence reports saying that terrorists based in Pakistan are planning other similar acts," Singh said in the interview that would be carried in the daily's print edition on Sunday - the day of his arrival here. He, however, asserted that Pakistan has "nothing to fear" from India, and it was a "tragedy" that Pakistan has come to the point of using terror "as an instrument of state policy". "We are committed to resolve all the outstanding issues with Pakistan through bilateral negotiations. Our only

condition is that Pakistan should not allow its territory to be used for acts of terrorism against India. "If Pakistan really honours that commitment, we can go back to negotiation to resolve all outstanding issues between us," he said. Noting that India has been a victim of "Pakistan-aided -abetted and -inspired terrorism for nearly 25 years," Singh said India wanted the US to use all its influence with Pakistan to ask it desist from that path. Asked about actions being taken by Pakistan to bring to book those involved in the Mumbai terror attack, the Prime Minister said they have not done enough. "As far as perpetrators of the Mumbai massacre are concerned, (Pakistan) has taken some steps but not enough," he said. Singh also expressed concern about the rise of terrorism in Pakistan and said terrorists' increasing grip over several parts of the country was a threat to India's security as well. "Now if the Taliban and al-Qaeda type of terror, which in the past was located in Pakistan's FATA, gets transferred to the mainland of Pakistan, I think it has very serious consequences for our own security," he said. "We would not like terrorism to lead to a situation where civilian government is only a nominal government," he said. Singh said there appears to be a mismatch between the US' and Pakistan's objectives in Afghanistan and observed that he does not see Islamabad fully committed to the war against terrorism. "As far as Afghanistan is concerned, I am not sure whether the US and Pakistan have the same objectives," he said. While Pakistan, he said, would like the US to get out of Afghanistan soon, the US objectives are to get Pakistan to deal with the Taliban. "Pakistan would like Afghanistan to be under its control... I don't see Pakistan wholeheartedly in support of action against the Taliban in Afghanistan," Singh told The Post in the interview posted on the daily's website. "They are of course taking action against Taliban, but only when it threatens the supremacy of the army," he said. Hoping that the US and the global community will stay involved in Afghanistan, Singh said a victory for the Taliban would have "catastrophic consequences" for the world, particularly for South Asia, Central Asia and the Middle East. "We (in India) of course have more immediate concerns. We are victims of terrorism and the extremist ideologies of the type that the Taliban represent. If this is not checked, this could destabilise our country," the Prime Minister said. Responding to a question, Singh said al Qaeda and Taliban are chips off the same block. Though he agreed that the regime of Afghan President Hamid Karzai is not perfect, he asked the international community to rally behind him now that he has been re-elected. "President Karzai's regime is not perfect... But you cannot transform Afghanistan overnight. It is going to be a long-term affair. Democracy, as the West understands it, may not be introduced in a short period of time in Afghanistan," he said. "But the very fact that millions of Afghan children, including millions of girls, are now in school, when none was in school when the Taliban was in power, shows some human freedom. One has to take a balanced view," he said. (The Times of India)

Regional Report

Central India (Hindi Heartland)

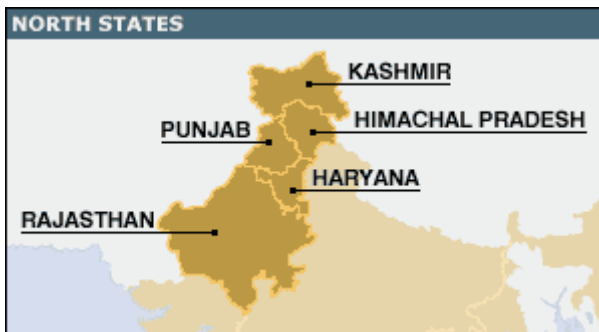


Politics:

Social front:

Economic Front:

The North

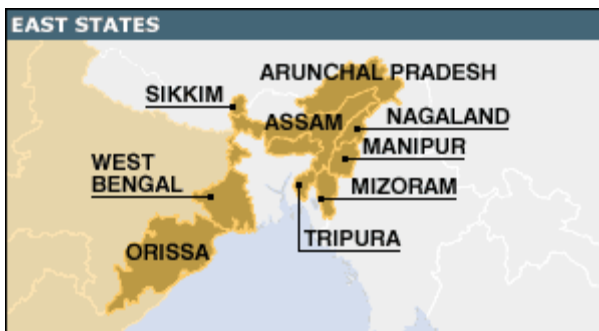


Politics:

Social front:

Economic Front:

The East



Politics:

Maoists, Trinamool playing nefarious game: Karat

CPI(M) general secretary Prakash Karat on Tuesday charged the Maoists with playing a nefarious game in collusion with the Trinamool Congress to oust the government in West Bengal and undo land and Panchayati Raj reforms there. Mr. Karat told journalists that the evidence of their collusion was clear from the way Maoist leader Koteswara Rao declared on TV that the organisation would like to see Trinamool Congress leader Mamata Banerjee as the Chief Minister of West Bengal. Their complicity stood exposed, though Trinamool was denying it. He said both Maoists and Trinamool had “vested interests” and want to “undo” land reforms. They “did not want empowerment of peasants” that became possible through decentralisation and more powers to panchayat bodies. But the CPI(M) would not allow it to happen, though “it was being targeted,” with 70 of its cadre killed so far. It had been opposing Maoists, their “outmoded ideology” and would fight against them by mobilising people. On the Centre’s proposal to use force against Maoists, he said that alone would not help. They should be fought ideologically and politically and not by treating them as if they represented a terrorist outfit. The Maoists drew their sustenance from the suffering of tribals and unless such problems were addressed, it would not help. Expressing concern at the “growing nexus” between business and politics, Mr. Karat referred to how three Ministers in Karnataka belonged directly to the mining syndicate in Bellary in the BJP-ruled Karnataka. This “big business lobby encouraged by the BJP” was dictating terms and this type of politics was spreading to other States like Andhra Pradesh. It was a serious matter, a perversion of democracy and it had to be checked. The CPI(M) would conduct a campaign to “raise the consciousness” of the people on the issue, he said. Admitting that the party had lost ground among certain sections in the recent by-elections, he said it would win them back. The political and organisational failures were analysed and a rectification plan was in place. But the recent loss should be seen in perspective in that seven of the 10 Assembly seats in West Bengal that went to the by-elections were held by the Opposition. The CPI(M) lost one and won two with its ally the All India Forward Bloc. Mr. Karat criticised the UPA government for failing to check price rise and for going for a “backdoor privatisation” spree through disinvestment even in ‘navratna’ public sector undertakings. What was surprising was the way it was planning to use the funds raised from disinvestment of PSUs for covering fiscal deficit. (The Hindu)

Trinamool hampering industrialisation of Bengal: Left

West Bengal Industries and Commerce Minister Nirupam Sen has accused the Trinamool Congress of creating problems in the state government's land acquisition plans, thus delaying industrialisation in the state. Addressing reporters after inaugurating the first IT Park in Kolkata, Sen said: "Work on various projects in the state is being delayed because of an anti-land acquisition movement. "The opposition is unfortunately creating problems in matters of land acquisition that is required for industrialisation. We are trying to sort out these problems," he added. "We are continuing with the process of acquisitions in different parts of our state--in Durgapur, in Asansol, in Purulia, in Panagarh. All these places, we are already on the process of acquisition, and there is a consensus on this, and,

the people are supporting us. Therefore, I think that this process is going on, and we are also providing land for industry also," Sen said. The Trinamool Congress had last year launched a massive protest against the acquisition of farmers' land for Tata Motors' Nano small car plant in Singur village. Following unending farmers' protests, Tata Motors shifted the Nano project to Gujarat. (The Indian Express)

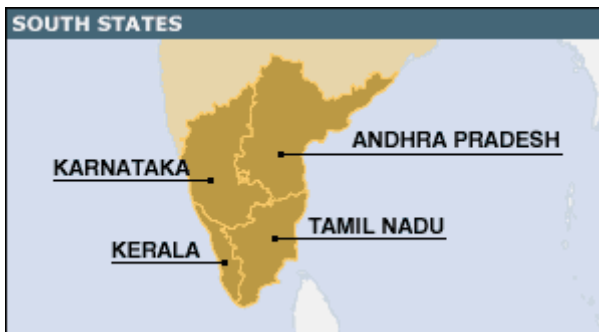
Social front:

Explosion kills 15 in Andhra Pradesh

At least 15 people were killed and 20 others injured when gelatin sticks stocked in a house blew up due to a fire triggered by a cylinder blast in a village in Guntur district on Monday. The explosion occurred at Narayanapuram village in Dacheppally block when a cooking gas cylinder exploded. Soon the gelatin sticks stocked inside the house caught fire. The explosion was so powerful that nearly 15 neighbouring houses were razed, police said. So far, eight bodies have been recovered and more persons are feared trapped in the debris, police said, adding rescue operations are on and the injured are being admitted to the general hospital here. The house belonged to one B Koteswara Rao, who undertakes quarrying work and the gelatin sticks were stored for the purpose, they added. (The Indian Express)

Economic Front:

The South



Politics:

Social front:

Economic Front:

West India



Politics:

Social front:

Economic Front:

Business and Politics in Muslim World

India

Sadia Khanum

17th to 31st October 2009

Presentation Date: 28th October 2009

(Outline)

National Report

Politics:

- Buddha admits: Party has moved away from masses (Page # 5)
- "He is trying to change India's two decades-old position" (Page # 5)
- Mamata's party in waiting game in Arunachal, eyes Jharkhand (Page # 6)
- Something is wrong somewhere in BJP: Maneka (Page # 6)

Minorities' issues:

- How the clergy wanted Sir Syed beheaded (Page # 6)
- Two more boarding points for Haj pilgrims (Page # 8)
- 'Love jihad' figment of imagination: PUCL (P # 8)
- Indira Gandhi regretted Operation Blue Star, Emergency' (P # 9)

Hindu Fundamentalism:

- VHP leader files FIR against church priest, says converting Hindus to Christianity forcibly (P # 10)
- BJP may need surgery: Bhagwat (P # 10)
- No question of adverse remarks against RSS chief: Rajnath (P # 11)
- Uphold RSS values, Bhagwat tells Parivar (P # 11)

Insurgency Movements:

- Maoists blow up Bihar school with dynamites (P # 11)
- Shun violence, come for talks: Govt to Naxals (P # 12)
- What Muslims were to BJP, Maoists are to Cong: Arundhati (P # 12)

Economic Front:

- India may grow by 6.75% this fiscal: PMEAC (P # 13)
- Too early to exit economic stimulus: FM (P # 13)
- India to top Asia salary growth in 2010: Survey (P # 13)
- "India should address its fiscal deficit" (P # 14)
- Food industry to touch \$258 bn by 2015: Study (P # 15)
- Economy unlikely to return to high growth: CEA (P # 15)
- India Inc upbeat on economic growth: Survey (P # 16)
- India looks East to build Asian economic community (P # 16)
- India, U.S. to conclude three trade pacts (P # 17)

Geo-strategic developments:

- India surprised by Chinese fuss over Agni-V (P # 17)
- China rolls out water diversion project, Indian experts worried (P # 18)
- Indians joining British army to fight Taliban (P # 18)
- Situation in Pakistan is very serious: Antony (P # 19)
- U.S. deploys Stryker for joint exercise with India (P # 19)
- "Help curb illegal activity in Indian Ocean Rim" (P # 20)
- In Google China map, Arunachal is in China (P # 21)
- No Asia without us, India reminds Asean, Japan (P # 21)
- 'By 2015 India will be ready for manned moon mission' (P # 22)
- India will not send troops to Afghanistan: Antony (P # 22)
- India hopes to become non-permanent member of the Security Council (P # 23)

Indian Occupied Kashmir:

- Karnataka police should apologise: J&K cricket association (P # 23)
- Omar lauds role of local police in dealing with militancy (P # 23)
- Normal life paralysed across Kashmir valley due to strike (P # 24)
- Manmohan: willing for talks for J&K peace (P # 25)

- In J&K, pre-paid mobile connections banned (P # 26)

Social front:

- Five more succumb to swine flu, countrywide toll rises to 413 (P # 26)
- UN body works on system to monitor delivery of basic services in states(P # 26)
- 'Dinosaur-killer meteorite crashed off India's west coast' (P # 27)
- India epicenter of diabetes, over 50 million affected (P # 28)

Foreign Relations:

- 'Concrete' threat in India, warns Israel (P # 28)
- India, China sign MoA on climate change (P # 29)
- World big enough for India and China, says Wen Jiabao (P # 29)
- Pakistan tells India: stop propaganda (P # 30)
- India rejects Pak charge of funding Taliban(P # 30)
- Reaches out to Pakistan (P # 30)
- Queen Elizabeth lauds India's courage in facing terror (P # 31)

Regional Report

Central India (Hindi Heartland)

Politics:

- Maya plans to recruitment of 2 lakh cops to man UP (P # 32)
- President's assent for House dissolution (P # 32)

Social front:

Economic Front:

The North

Politics:

- BJP stuck in RAJE-STHAN (P # 33)
- Fractured verdict in Haryana (P # 34)
- Hooda wins vote of confidence (P # 35)

Social front:

Economic Front:

The East

Politics:

- CPI (M) accuses Trinamool of understanding with Maoists (P # 36)
- Congress sweeps Arunachal (P # 37)
- BJP to form 'third front' in Bengal (P # 37)

Social front:

- Orissa all set to become 'Odisha' (P # 38)

Economic Front:

The South

Politics:

Social front:

- No stay of dam survey for now (P # 38)

Economic Front:

West India

Politics:

- Goa blast heat on Hindu outfit (P # 39)
- Congress, NCP retain power in Maharashtra (P # 40)
- BJP blames it on MNS (P # 41)
- Marathi people betrayed party, says Shiv Sena (P # 41)
- Challenge and opportunity for Congress-NCP (P # 42)
- MNS recognised as a State party in Maharashtra (P # 43)
- Modi has swine flu (P # 44)

Social front:

Economic Front:

National Report

Politics:

Buddha admits: Party has moved away from masses

West Bengal Chief Minister Buddhadeb Bhattacharjee has admitted that the party has suffered a loss of faith among the people and moved away from the masses, particularly the poor. Speaking at a closed-door meeting, he added: "The image of the party has to be improved, and it will not happen overnight." The media was kept out of the party meeting held to celebrate 60 years of the Chinese revolution. However, Bhattacharjee's observations were reported by the West Bengal CPM's official mouthpiece, Ganashakti, on Friday. CPM state secretary Biman Bose also addressed the meeting, along with other senior leaders. Talking about the debacle in the recent Lok Sabha polls and elections in some civic bodies, Bhattacharjee said people's perception about the party and trust in it had suffered. Incidentally, the party meeting was held in Barasat in North 24 Parganas, one of the districts where the CPM is ridden by infighting and where it has seen a huge erosion in its support base. The Chief Minister regretted that while earlier people saw the party cadres as members of their family, this was no longer the case. "Most of our cadres have confined themselves to party offices," he said. Bhattacharjee also talked of the pro-poor schemes the state government was planning to regain people's trust. Foremost among these being corrections in the BPL list to make it as error free as possible, continuation of the Rs 2 a kg rice for the poor and housing for the poor. Bose talked about the "rectification initiative" launched by the party to rejuvenate cadres. Bhattacharjee may be addressing many such meetings in south Bengal, where the Trinamool has gained ground against the CPM, as part of the exercise. (The Indian Express)

"He is trying to change India's two decades-old position"

The Bharatiya Janata Party has condemned Environment Minister Jairam Ramesh's reported efforts to completely change India's two decades-old position on environmental issues to bring

it closer to that of the United States and other developed nations. Leader of the Opposition in the Rajya Sabha Arun Jaitley on Monday questioned the basis of the letter written by Mr. Ramesh to Prime Minister Manmohan Singh suggesting that India de-link its position from that of G-77 nations the grouping includes China and Brazil and take on the commitments to reduce greenhouse gas emissions. "This completely negates the accepted principle that the polluter must pay. India's per capita greenhouse gas emission is 1.5 tonnes, whereas in the United States it is 20 tonnes. India and China have been practically leading the developing countries in the international negotiations. By destroying the unity of this block of developing countries, Mr. Ramesh would be also adversely affecting the alliance of developing countries successfully forged to tackle negotiations at the World Trade Organisation," Mr. Jaitley said. He said the BJP was opposed to India withdrawing from the G-77 position and from the Kyoto Protocol, or making international commitments on reducing greenhouse gas emissions. If this were to be done, it would have a debilitating effect on India's development strategies. Mr. Jaitley wondered whether Mr. Ramesh had only expressed a personal opinion or he was a "stalking horse for a larger lobby." Worse, he was undermining the carefully negotiated stance of India's team on international forums over the decades. Mr. Jaitley and his party colleague Ravi Shankar Prasad charged Mr. Ramesh with virtually sabotaging the recent negotiations in Bangkok, where in an interview the Minister expressed views contrary to the position taken by the official negotiating team. The BJP leaders pointed out that the reported content of Mr. Ramesh's letter to the Prime Minister was quite different from that of his letter to MPs, in which he talked about India trying to consolidate the G-77 position. "Is this going to be the United Progressive Alliance government's Diwali gift to the United States? Is this in preparation for the Prime Minister's upcoming visit to America?" Asking these questions, the leaders said their worst fears seemed to be coming true. If the Minister was simply expressing a personal opinion, the party hoped, the Prime Minister would at once clear the air and clarify India's position. This was necessary ahead of the Copenhagen conference. (The Hindu)

Mamata's party in waiting game in Arunachal, eyes Jharkhand

While Trinamool Congress waits for a signal from party chief Mamata Banerjee whether to join the new Congress government in Arunachal where it has won five out of 60 seats, it is gearing up to repeat the good performance in poll-bound Jharkhand. Party sources said Banerjee is in touch with her Arunachal Pradesh MLAs. "The issue of being a part of the Congress-led government there will be finally decided by the five elected MLAs in Arunachal Pradesh Assembly," said Mukul Roy, senior Trinamool leader and Union Minister of State for Shipping. "It is very difficult for the party to sit with the BJP in the Opposition when we are a partner of the UPA at the national level. But the issue of joining the government will be decided only after the Congress invites us to participate," said a senior Trinamool leader, adding his party has not received a formal offer from the Congress. Meanwhile, Banerjee has asked her senior party leaders to visit Jharkhand before finalising nominations. "Once we have a presence in three Assemblies, the Trinamool will be considered as a national party," said a leader. The party also plans to contest elections in Tripura, Kerala and Tamil Nadu, sources said. (The Indian Express)

Something is wrong somewhere in BJP: Maneka

Endorsing RSS chief Mohan Bhagwat's prescription for BJP's revival, senior party leader Maneka Gandhi asked it to go for an "introspection" saying "something is wrong somewhere". "There is a need to look within as there is something wrong somewhere," Maneka told reporters when asked about her reaction to Bhagwat's remark that BJP needs a "surgery" or even a

"chemotherapy" treatment after its poll debacle. "We would have to find out our shortcomings in order to save the party in which we have spent our lives," the BJP MP, who was here to take part in some programmes in her parliamentary constituency Aonla, said. "No body likes defeat...we have to look within to save the party," she said. (The Indian Express)

Minorities' issues:

How the clergy wanted Sir Syed beheaded

Sir Syed Ahmad Khan was the first Muslim voice of reform in India. He emerged on the scene at a time when Indian Muslim society was sunk in obscurantism and inertia and showed no desire to struggle out of its medieval grooves. The unwholesome influence of clergy had made them view modern education as incompatible with and hostile to religion. The abortive uprising of 1857 and the cleric call to jihad made Muslims target of British wrath and reprisals. Sir Syed as a judicial officer served the government during the crisis but the aftermath of disturbances deeply impacted him. He wrote: "I reflected about the decadence of the Muslim community, and came to the conclusion that modern education alone is the remedy of the ills they are suffering from. I decided on a strategy to disabuse their minds of strong communal belief that the study of European literature and science is anti-religion and promotes disbelief." The objectives of Sir Syed, born in early 19th century (October 17, 1817), were educational and social reforms; he had no desire to dabble in religion. But all his initiatives were opposed in the name of religion. Describing his dilemma, Sir Syed said: "We were keen to avoid any discussion of religion, but the problem is that our behaviours, social practices and religious beliefs are so mixed up that no discussion of social reform is possible without provoking a religious controversy." Frustrated with the clergy, he added, "when urged to give up something harmful, they say it has religious merit and when asked to do something positive they assert it is prohibited by religion. So we have no options but discuss the religious context to push our agenda forward." With this objective, he launched the Mohammedan Social Reformer journal in July 1884. To use his own words, the journal "played crucial role in fighting the fanaticism that has pushed the community into abyss of ignorance." The journal focused on modern education and social and religious reforms. The school at Aligarh was launched in 1875. For its success, this project depended wholly on public donations. Sir Syed made notable personal contributions and went overboard in his fund collection drive. He organized lotteries, staged drama and felt no hesitation to visit any place, including red light areas, to collect money. He gratefully acknowledged the help he received and made special mention of Hindus who gave money and material support and did a great favour to the whole (Muslim) community. The college finally emerged as a University in 1920, 22 years after Sir Syed had breathed his last in 1898. It was a living testimony of the success of Aligarh movement. However, the story shall remain incomplete if no mention is made of the hostility and opposition of the Muslim clergy that Sir Syed faced till he died and still persists in certain quarters. The intensity of opposition can be understood from the comments of Maulana Abul Hasan Ali Nadwi in his book 'Islamiyat aur Maghribiat ki Kashmakash' written more than 60 years after Sir Syed's death. Maulana says: "the education mission of Sir Syed and his advocacy of Western civilization became correlatives and caused apprehensions and doubts in the minds of people. A wave of opposition took hold of the religious circles and his movement met with a simultaneous call for its boycott." First Sir Syed was targeted when he shared food with the British and defended his action in a signed article. The opposition became fierce during

his stay in London. Sir Syed responded through a memorandum saying: “The terrifying call of Kanpur, the lyrical satire of Lucknow, the idle tattle of Agra and Allahabad, the fatwas of Rampur and Bareilly and the snide remarks of holy men of Delhi grieve me not. My heart is overflowing with the idea of welfare of my people and there is no room in it for any anger or rancor.” Conscious of cleric hostility Sir Syed offered not to have any role in matters of religious instruction in the college and invited leading clerics to prepare the syllabus. Maulana Qasim Nanotvi and Maulana Yaqoob of Deoband shot down the proposal saying they cannot associate with an institution which will have Shia students on the campus. Maulana Hali in his biography of Sir Syed says that 60 maulvis and alims had signed fatwas accusing Sir Syed of disbelief and apostasy. There was total consensus among the Indian clerics, only divine approval was missing. Maulvi Ali Bakhsh did the needful and travelled to Mecca and Medina on the pretext of pilgrimage and secured a fatwa calling for beheading of Sir Syed if he repented not and persisted with his plan to establish the college. Sir Syed was a visionary who pursued his dream ignoring all opposition and aptly remarked, “I know what they know not and I understand what they understand not.” History has proved that he was right and the clergy, as always, utterly wrong. (*Arif Mohammed Khan is a former Union minister*) (The Times of India)

Two more boarding points for Haj pilgrims

The government on Monday announced two more boarding points for the Haj pilgrims while approving the subsidised pilgrimage quota at over 1.23 lakhs. Mangalore and Ranchi are the additions that would facilitate the travel of pilgrims from Karnataka and Jharkhand, said official sources after a meeting of the Union Cabinet. This takes the number of boarding points to 19. The Haj operations for this year are to start from Tuesday and end on January 1, 2010. Each pilgrim will have to pay Rs. 16,000 as fare and the remaining amount will be borne by the government. The pilgrims will travel by Air India, Saudi Arabian Airlines and National Air Services of Saudi Arabia. (The Hindu)

‘Love jihad’ figment of imagination: PUCL

The People’s Union for Civil Liberties (PUCL) has said it will file a writ petition in the Supreme Court challenging the Karnataka High Court’s order asking a woman who had converted to Islam to marry a Muslim man from Kerala, to return to her parents’ home until the case was investigated. The PUCL will question the decision of the High Court to send the 23-year-old woman back to her family despite her statement in court that she had willingly converted and was waiting to get married under the provisions of the Special Marriages Act. Hearing the case of Siljaraj and Azghar, the court had said the facts had “national ramifications concerning security, besides the question of unlawful trafficking of women,” and ordered the Director-General and Inspector-General of Police to hold a thorough investigation to rule out the theory that this was a case of ‘love jihad’ (a loose coinage implying that women are being lured into conversion through marriage) and file a report by November 13. The girl was asked to stay with her parents until such time. “She is a major and no one has a right to thrust her back into the family. We see it as part of a pattern of continued intimidation on the basis of community and gender, first started in Dakshina Kannada,” said Ramadasa Rao of the PUCL. He feared that the girl might come under pressure of family and community during her stay with them. The whole notion of ‘love jihad’, said Professor Rao, is a “figment of the imagination” and the order will severely impact the rights of young women and men to free association and marriage. Reacting to the order, senior advocate Ravi Varma Kumar said that it violated Article 21 (of life and

personal liberty) and Article 25 (of freedom of religion) of the Indian Constitution. He cited Lata Singh vs. State of Uttar Pradesh, 2006, in which the Supreme Court upheld the right of a person who had reached the age of majority to marry of his or her own choice. Kirti Singh, a Supreme Court advocate and legal convener of the All India Democratic Women's Association (AIDWA), described the case as "absolutely shocking." She said the question of national security was being mixed up with the simple case of a girl exercising a choice guaranteed to her under the law of the land and Constitution. "The court has taken a patriarchal role," she said, stating that it reflected intolerance for the girl's choices. In Bangalore, Home Minister V.S. Acharya told reporters that 'love jihad' appeared to be a "serious issue." The State government would take steps to counter it. The Muslim Central Committee of Dakshina Kannada and Udupi districts will convene a conference of Muslims in Mangalore on November 12 to discuss issues related to 'love jihad'. Addressing reporters in Mangalore on Thursday, committee president K.S. Mohammed Masood alleged that vested interests were attempting to tarnish the image of Islam by framing the phrase 'love jihad'. "There is no such phrase in Islam. It is an absurd usage," he added. (The Hindu)

Indira Gandhi regretted Operation Blue Star, Emergency'

She had given the nod for Operation Blue Star but late Prime Minister Indira Gandhi later regretted the decision which eventually led to her assassination 25 years ago. The country's only woman prime minister, who died on October 31, 1984, equally regretted her another controversial decision -- imposition of Emergency -- that had shaken the country, say her close aides. "Gandhi regretted both the decisions on Operation Blue Star and Emergency. The shape that the two incidents took later was not exactly the same for what Gandhi had taken these decisions," said R K Dhawan, her personal secretary and close aide. Dhawan said that the first six months of Emergency went "very good" but after then things went out of control and then she "off course regretted" the step. "In 1973-74, the Opposition parties had created so much of ruckus...they had created all sorts of problems for Gandhi. Then it was thought of that some corrective measure had to be taken," he said. According to Dhawan, the decision to impose Emergency was taken way back in January 1975 much before it was actually imposed on June 25, 1975 but it was delayed as it was not decided by then what should be the exact mode of action. The decision was later taken after consultation with legal experts, he said. Gandhi fell victim to her own Sikh bodyguards Satwant Singh, Beant Singh and Kehar Singh who pumped 31 bullets into the 66-year-old charismatic leader. While Beant was killed by security men, Kehar and Satwant were later hanged. M L Fotedar, another close aide of Gandhi, termed Emergency as a measure taken in compulsion saying, "her opponents created such a situation in the country that she had to impose Emergency". Regarding Operation Blue Star, Dhawan said she was told that no damage would be done to the structure of Golden Temple and there will be no loss of human lives before she had given the nod for the operation. "She (Gandhi) was told that it (Operation Blue Star) will be a simple operation. No damage will be done to the structure and there would be no loss of human lives. She was also told that terrorists would be flushed out of the temple in no time," he said. Dhawan admitted that the decision to conduct Operation Blue Star was undoubtedly unfortunate, which was regretted by Gandhi also. "Though Gandhi was not informed that tanks would be used during the operation, it is true that once the army operation started, it was difficult to stop it," Dhawan said. According to Fotedar, "Operation Blue Star was her compulsion. There was no alternative left to stop terrorist and other

disruptive activities". On the criticism faced by Gandhi after the operation and the anger of the Sikh community, he said, "Gandhi did not want to hurt any community or religion. This was the only option left to her to protect the country from outside forces". Senior journalist Kuldeep Nayyar feels the entire exercise was a big mistake. "The answer to terrorist activities cannot be given like this," he said. Gandhi's close aides also remember her for her simplicity and her commitment to the cause of the poor, which led to the Congress slogan of "Garibi Hatao" during the 1971 Lok Sabha elections. "Simplicity was the name of Indiraji...the way she dressed, her food habits everything was so simple," recalls Fotedar. "No political leader worked the way Indiraji did for the masses," he said. Dhawan appreciated Gandhi for her habit of taking firm decisions saying, "she took her decisions herself and used to stick to it. Though she faced innumerable problems in her personal life, she always thought of the masses." Nayyar, however, has a different view. "Politics came into everything after Gandhi's reign. While taking the wrong decision of Emergency, she also put a ban on the press and insulted Parliament," he claimed. Dhawan, contended that there is no leader worth her stature in the country today. Fotedar also echoes similar views and refers to her rise in the party from a member of Congress Working Committee in 1955 to party president in 1959 as an example of her popularity. "She used to take quick decisions after deliberations with her others," he said. (The Indian Express)

Hindu Fundamentalism:

VHP leader files FIR against church priest, says converting Hindus to Christianity forcibly

A Vishwa Hindu Parishad (VHP) leader has lodged an FIR against the priest of a local church and another person in Pratapgarh district, accusing them of converting a group of Hindus to Christianity. The case has been registered at Antoo police station under Section 153-A of IPC (promoting enmity between different groups on grounds of religion and doing acts prejudicial to maintenance of harmony). However, Pratapgarh SP Mohit Agarwal said, "The allegation is yet to be corroborated, as the police have not found as yet anybody who has accepted having converted to another religion. The accused are yet to be traced." Pratapgarh city circle officer Shiva Ji said district VHP organising secretary Devraj lodged the FIR alleging the priest at Pratapgarh church, S K Singh, and his follower Shiv Kumar Verma alias 'Eeshu Baba' had converted several Hindus to Christianity during the last few months. The CO said the primary investigation showed Verma has been holding a daily congregation at Bakshu ka Purwa village for the last few months. He used to offer "holy water" to those suffering from various diseases, claiming it was a complete cure for all their problems. He charged Rs 60 from people who asked for the "holy water" and those who attended the gathering had to pay Rs 10 each for registration, he said. According to Upendra Singh Yadav, the station officer at the Antoo police station, the complainant alleged that Verma forced people to accept pendants bearing the cross along with the "holy water". The VHP leader alleged Verma was running a campaign of conversion at the behest of S K Singh, the SO added. (The Indian Express)

BJP may need surgery: Bhagwat

In what could trigger another row in the Sangh Parivar, RSS chief Mohan Bhagwat on Tuesday suggested that the BJP contemplate "surgery" or even "chemotherapy" following the party's dismal performance in the recent Assembly elections in Maharashtra, Arunachal Pradesh and Haryana. Bhagwat, who was in Jaipur to address an RSS gathering, also met former Vice-President and one of the founding members of the BJP, Bhairon Singh Shekhawat. Party president Rajnath Singh, however, didn't share the perception. "Not at all, who says that?"

Rajnath said in the Capital, when asked if the BJP needed surgery or chemotherapy “as demanded by some party leaders”. Referring to the BJP’s defeat in the recent Assembly elections, Bhagwat said, “I do not know what surgery, chemotherapy or medicine the BJP needs, but whatever it is they need to diagnose it themselves and address it at the earliest.” He added that though the RSS was not responsible for the BJP’s performance, “it would always be there to offer aid and assistance to the BJP, but would not get directly involved in mainstream politics”. After the enormity of Bhagwat’s observations dawned on the BJP leadership, few were ready to react, with the BJP leaders’ refrain being that “they were not in the habit of reacting to the sarsanghchalak’s statements”. Senior BJP leader Murli Manohar Joshi was, however, quoted as saying “only a doctor can say what will work; we are the patients”. (The Indian Express)

No question of adverse remarks against RSS chief: Rajnath

BJP president Rajnath Singh denied having made any adverse comments against Mohan Bhagwat while reacting to the RSS chief’s remark yesterday that the saffron party needed “a surgery or chemotherapy”, saying he was a ‘Swayamsewak’ first. “It pained me when I saw (reports attributed to him) on TV last night and in newspapers today which said I have reacted to Bhagwat’s statement,” Singh told reporters. Singh, who was here to felicitate the newly-elected BJP MLAs, said there was no question of his having questioned whatever Bhagwat had said “since I am a Swayamsewak first.” “The so called secular forces are trying to divide the Sangh Parivar, but will never succeed in their evil designs,” he said. He parried a question about RSS boss’ statement made at a press conference at Jaipur yesterday where he suggested that the BJP, plagued by leadership issues, dissension and poll debacles, needed a “surgery or chemotherapy”. The BJP president said whenever needed, the party would consult the RSS leadership. Some media reports had said that while reacting to Bhagwat’s remark, the BJP president had said, “Our morale is high. Whoever has said this (that BJP needs surgery) has gone mad.” (The Indian Express)

Uphold RSS values, Bhagwat tells Parivar

On Day-II of his Delhi visit, RSS chief Mohan Bhagwat again sent out clear signals to the BJP when he reminded a nagrik sammelan (citizens’ meet) here that although various enterprises being run by RSS swayamsevaks “were not RSS”, they were, nevertheless, “expected to uphold RSS sanskaras (value system)”. There was no direct reference to the BJP but he asserted that the RSS would not hide behind those involved in political activities. His message to the party in turmoil was clear and in keeping with his recent speeches that have often been intensely political. He, however, maintained that the RSS had “no direct role in politics”. Bhagwat was greeted with empty chairs when he began his speech in the capital on Thursday. The turnout somewhat improved later. Besides his pet themes of Hindutva, religious conversions and two unanimous Parliament resolutions on “reclaiming the lost Indian territory to China and Pakistan”, Bhagwat spoke on the Vishwa Mangal Gau Gram Yatra, by way of explaining RSS sanskaras. “Those who called the cow a symbol of ancient civilization are probably still living in the age of Newtonian mechanics. When I’m speaking about a civilization based on the cow, I’m using it as a post-modern symbol,” he said. The BJP has often seen two streams of thought on economic liberalisation, and Bhagwat explained why a recent RSS resolution stressed on Swadeshi economics. “I am not against yantrikaran (industrialisation), we should get the latest technology. But for a country like ours, we must also ensure that technology-intensive industries

don't lead to loss of jobs. Above all, yantrikaran leads to alienation, something that we must not lose sight of," he added. (The Indian Express)

Insurgency Movements:

Maoists blow up Bihar school with dynamites

Maoists blew up a state-run primary school at Gerua village in Bihar's Banka district in the wee hours on Wednesday. Over 100 ultras surrounded the building at around 2.30 am and used dynamites to trigger the explosion, police said. The roofs of the three-room school caved in due to the explosion. The school was adjacent to the Sangrampur block office which was blown up by the Maoists last week. The district administration had earlier planned to set up a police post at the school. Senior officials reached the spot and combing operation was on in the area. (The Indian Express)

Shun violence, come for talks: Govt to Naxals

The government on Tuesday offered the final olive branch to the Maoists before it starts armed operations against Left-wing extremists, saying it was willing to listen to their concerns if they abjured violence. In a letter to former Lok Sabha Speaker Rabi Ray and his colleagues at the Citizens' Initiative for Peace, Home Minister P Chidambaram said the "only hurdle to holding talks with the CPI(Maoist) is the violence that stalks the areas in which they operate". The Citizens' Initiative for Peace, which counts Justice Rajinder Sachar (retired), veteran journalists Kuldeep Nayyar and Sumit Chakravarty, activist Medha Patkar and former Foreign Secretary Muchkund Dubey, among its members, had recently urged the government to initiate a dialogue process with the Naxalite groups. "If the CPI(Maoist) will make a statement to that effect (to abjure violence) and call a halt to violence, the government would be willing to start a process through which the state government(s) concerned and the Central government can hold talks with them on any issue that concerns them and the people they claim to represent," Chidambaram said. The Home Minister said the government did not consider the confrontation with the Naxalites as war, but pointed out that their actions did not encourage the government to initiate talks with them. "In 2009 alone, the CPI(Maoist) have caused 183 violent attacks on economic targets, including railway tracks, telephone towers, power plants, mines, school buildings and panchayat bhawans. There were at least 21 acts of violence during the two-day bandh on October 13-14, 2009," he said. K G Kannabiran, a prominent human rights activist and member of the Citizens' Initiative for Peace, welcomed the offer of talks from the Centre. "I am sure that the Maoists will accept this offer. Peace is our collective right and I think this may work out. It will prevent more bloodshed," he said. Kannabiran said the Naxalites were fighting for the rights of the tribals and poor people whose land was being taken away by the Centre and state governments to be given to industrialists and corporates. "The Centre and the states have to stop taking away tribal land to be given to SEZs. This is not just about tribal land, it is also about protecting forests. This trend of corporate appeasement has to stop. Globalisation at the expense of our natural resources will always find opposition in whatever form," he said. Meanwhile, in a separate statement, the Home Ministry said intelligence inputs had indicated that Naxalites were forcing children to join their ranks. "Naxalites are also exhorting villagers to

provide five boys/girls per village for recruitment in their armed squad," it said, quoting intelligence inputs. "The above information reveals the real face of the Naxalites, who not only kill children but also put them in great danger by recruiting them in their armed squads to carry out violent activities," it said. (The Indian Express)

What Muslims were to BJP, Maoists are to Cong: Arundhati

Supporting unconditional talks with the Maoists, Booker prize winner and activist Arundhati Roy has alleged that "economic interests" in mineral-rich states have driven the government and establishment to launch action against them. "My fear is that because of this economic interest the government and establishment actually needs a war. It needs to militarise. For that it needs an enemy. And so in a way what the Muslims were to BJP, the Maoists are to Congress..." Roy said in an interview. When asked about the talks between the Government and left wing extremists, she said, "There should be unconditional talks with the Maoists. "If I was a person who is being dispossessed, whose wife has been raped, who is being pushed off their land and who is being faced with this 'police force', I would say that I am justified in taking up arms. If that is the only way I have to defend myself," she said when asked whether armed struggle was justified. "We should stop thinking about who is justified...You have an army of very poor people being faced down by an army of rich that are corporate-backed. I am sorry but it is like that. So you can't extract morality from the heinous act of violence that each commits against the other," she said. (The Indian Express)

Economic Front:

India may grow by 6.75% this fiscal: PMEAC

Indian economy may grow by 6.75 per cent during the current financial year despite the adverse impact of monsoon on farm sector output, the Prime Minister's Economic Advisory Council (PMEAC) said on Wednesday. "(It is) unlikely that growth will be lower than 6.25 per cent, but may reach 6.75 per cent", PMEAC said in its Economic Outlook for 2009-10 submitted to Prime Minister Manmohan Singh by its chairman C Rangarajan. On an average, PMEAC said economic growth could be around 6.5 per cent. India's economic growth slowed down to 6.7 per cent during 2008-09, from over 9 per cent recorded in the previous three years, on account of global financial meltdown. The PMEAC further said inflation, which is hovering around one per cent, may firm up to 6 per cent by the end of the current fiscal. As regards farm sector, the report said agriculture output will shrink by two per cent on account of adverse impact of monsoon. Farm sector recorded a growth rate of 1.6 per cent in the previous fiscal. (The Indian Express)

Too early to exit economic stimulus: FM

Finance Minister Pranab Mukherjee said it is premature to "exit" the fiscal stimulus as the global economy is not showing robust recovery, but was optimistic about economic growth. Ahead of the monetary policy review on October 27 by Reserve Bank, he plans to hold consultations with the apex bank and would not like to comment on issues like where interest rates are headed. "I would like to watch the situation for some more time," he said when asked whether fiscal concessions given to the industry to overcome the global financial crisis that started last year would be withdrawn on inflationary concerns. He said till now the global economic recovery "is

not as robust as we expected it to be". Unless this recovery takes place, the government would not think of an exit policy for the stimulus, he said. The Prime Minister's Economic Advisory Council has projected better growth, an outlook that beats estimates of the government and RBI. It expects the economy to expand by up to 6.75 per cent this fiscal, while pegging inflation at near six per cent by March 2010. "There has been more or less the broad outline that he (PMEAC Chairman C Rangarajan) has indicated in the economic outlook for 2009 -10. We are also predicting like that," he said. (The Indian Express)

India to top Asia salary growth in 2010: Survey

Companies in Asia are set to offer bigger pay rises next year as the region continues to rebound from global recession, notably in India where base salary levels are poised to jump nearly 10 per cent, a survey showed on Wednesday. Salaries in Indonesia and China will also surge, by 8.7 per cent and 6.7 per cent respectively, whereas workers in Japan can expect a paltry 2.1 per cent pay rise, according to the survey by Hewitt Associates. The survey covered more than 2,000 local and joint-venture companies in the Asia-Pacific region. Salaries or annual guaranteed pay this year in Asia's fast-growing economic powerhouses China and India, at 4.5 per cent and 6.3 per cent respectively, were the lowest since 2005, Hewitt said. Salaries barely grew at all in Hong Kong and Japan, this year as companies cut staff. More than 60 per cent of companies surveyed in Hong Kong, Japan and Singapore froze wage levels, compared with only 26.1 per cent in India and 30.8 per cent in China. Next year, only 6 per cent of companies in India and 8.3 per cent in China expect to freeze pay compared with 12-14 per cent of companies in Japan, Singapore, Hong Kong and Australia.

Overall average Projected

Salary increase {2009 (pct)} - Salary increase {2010 (pct)}

India - 6.3 - 9.2

Indonesia - 6.0 - 8.7

China - 4.5 - 6.7

Philippines - 4.3 - 6.4

Malaysia - 4.1 - 5.2

Thailand - 3.4 - 4.7

Korea - 2.7 - 5.1

Macau - 2.6 - 2.5

Australia - 2.1 - 3.4

New Zealand - 2.1 - 3.1

Taiwan - 1.8 - 3.1

Singapore - 1.8 - 2.6

Hong Kong - 1.4 - 2.9

Japan - 1.2 - 2.1

(The Indian Express)

“India should address its fiscal deficit”

India has got the biggest fiscal deficit problem among all emerging markets, says Ramana Ramaswamy, a former IMF economist and Cambridge University fellow in Economics, who is now a hedge fund manager at Autonomy Capital Research. “Once you include oil subsidies, fertilizer subsidies, local government subsidies, [the fiscal deficit] is probably close to around nine to ten per cent of GDP. That’s unprecedented in the emerging market world. Nobody else has it,” he said, noting that other emerging economies such as Brazil, Indonesia, Turkey, Argentina or China all have lower deficits. Similarly, India had a debt to GDP ratio of 90 per cent, while most other emerging economies, including all competitors in Asia, managed to keep it well below the 50 per cent mark. “Most people in India don’t understand that India really stands out in terms of having a fiscal problem,” he said. “Presumably now is not the time to tighten because things are still fragile, but if the global economy picks up in a two to three year perspective, India’s really got to deal with the fiscal issue... It would be the height of irresponsibility if they can’t bring it back to 3.5 to 4 [per cent of GDP].” The problem is hidden because of several factors. One is the high growth rate. “So as long as you keep growing at this rate, then the fiscal problem doesn’t come bite you. But the minute you stop growing, then the fiscal issue will be a big issue to deal with,” said Dr. Ramaswamy. The second factor is that India does not have much external debt, and is therefore less subject to foreign market pressures over its high deficit. However, this causes its own problems. “The Indian banks – and their depositors, that’s all of us – are the ones financing a lot of the fiscal deficit. This obviously also means that the banks are not lending as much for domestic private purposes, which is why all these guys went and bought these external commercial loans and that brought in more fragility to the system. They’re forced to take more risky strategies to fund themselves,” he pointed out. This also means that Indian banks are often left out of the Indian growth story, since too much of their funds are locked up in financing the fiscal deficit. “Foreigners come to invest for the short term and they are not funding the deficit, so they don’t have to worry about it. It’s an issue for Indians to worry about,” he added. Most Indians are not worrying about it, simply because the way the government presents its statistics masks the seriousness of the issue. Officially, fiscal deficit has a very narrow definition, only focussing on the Central government’s debt and not including many subsidies. “If they started publishing all of this, it would enter people’s consciousness a lot more. The fudging itself may be preventing solutions to this problem,” he felt. Dr. Ramaswamy pointed to Argentina’s history as a cautionary tale. As an IMF economist looking at the Central government deficit in Argentina, “it looked perfectly fine until you looked at the local governments’ deficits really building up. They had a huge fiscal problem, but every time they presented the details, you couldn’t see the fiscal problem because it was elsewhere, and then suddenly the whole thing blew up.” (The Hindu)

Food industry to touch \$258 bn by 2015: Study

India's food industry is poised to grow by a huge 42.5 per cent to USD 258 billion by 2015 from the present USD 181 billion, throwing up opportunities for investments across the entire value chain, says a study. The study by FICCI-Ernst & Young said the per capita disposable income has increased by 8 per cent over the last five years. And "a large part of the increase in income will go towards expenditure on food." "The current per capita expenditure on food is 1/6th that of China and 1/16th that of US with a significant opportunity for growth in the future," it said. The

study said the growth in food sector would help in re-organising the supply chain to enable reduction of post harvest losses, especially in fruits and vegetables which now amounts up to 25 per cent by value. "This would mean an opportunity to set up warehouses, cold stores and logistics infrastructure," it said. The sector would also create a base for exports of value added food products with current shipments of tertiary food products only at 9 per cent of overall food exports, it said, adding that launch of new products and increasing penetration of processed foods has a huge investment potential. (The Indian Express)

Economy unlikely to return to high growth: CEA

Hit by the global financial crisis, the Indian economy is unlikely to fully return to the high growth path till 2011-12, Chief Economic Advisor Arvind Virmani says. But for the impact of global financial meltdown, Indian economy has entered the high growth phase, in which the underlying medium-term rate of GDP growth is about 8.75 per cent (plus or minus 0.25 per cent), says the recently released book, *The Sudoku of India's Growth*, penned by Virmani. However, global crisis is expected to pull down the growth below this trend, says the book, adding that the economy is likely to close the gap with the high growth phase in 2010-11. "Given the unprecedented financial meltdown in the US economy and the depression in the rich/advanced economies, the actual growth rate is expected to be well below this trend...and will partially, but significantly, close the gap in 2010-11," Virmani says. "The Indian economy is unlikely to recover fully from this and return to its high growth journey till 2011-12," says the book. Virmani says India has the potential for high growth, provided it continues with its open door policy and moves up gradually along the path of liberalisation, privatisation and globalisation. (The Indian Express)

India Inc upbeat on economic growth: Survey

India Inc is upbeat on the country's economy as it projects growth in the range of 6-7 per cent this fiscal but slackening global demand remains a major concern for the community, a CII survey said. The industry optimism was also expressed in the Business Confidence Index that rose 7.4 points to 66.1 points for October-March 2009-10, compared to a 2.4 points increase during the first half of the fiscal, according to the survey. "The sharp rise in the index reflects better prospects for the coming six months and indicate the economy has indeed bottomed out," CII Director General Chandrajit Banerjee said. However, an uncertain global economic outlook and slackening consumer demand still remain among the major concerns for the business community, he said. The CII's bi-annual Business Outlook Survey also said the economic recovery is at nascent stages and do not yet suggest any clear trend. Eighty per cent of the 450 respondents felt it is only in the second half of 2009-10 and beyond, that economy would witness a turnaround and begin returning to normal growth. "54 per cent of the respondents expect GDP growth for 2009-10 to range between 6-7 per cent. On inflation, 82 per cent...expect inflation to be below 5 per cent," it said. (The Indian Express)

India looks East to build Asian economic community

Keen to tap the booming services market in Southeast Asia, India has pressed for an early conclusion of talks with the 10-member ASEAN on trade in services and investments to create an Asian economic community. "We attach high importance to the early conclusion of negotiations on the trade in services and investment agreement and we should direct our officials accordingly," Prime Minister Manmohan Singh said at the 7th India-ASEAN summit here

last evening. "Our engagement with the ASEAN countries is a key element of India's vision of an Asian economic community... India wishes to partner ASEAN in realising this vision on the basis of mutual benefit, mutual prosperity and mutual respect," Singh said. After India signed the Free Trade Agreement with the Association of Southeast Asian Nations (ASEAN) in August, the two sides have started negotiations to broaden the pact to include investment and services. The FTA is now limited to trade in goods. With services contributing 55 per cent of its economy, India is quite keen on tapping the growing services market in Southeast Asia. Singh expressed confidence that the two-way trade between India and ASEAN would touch USD 50 billion by 2010. (The Indian Express)

India, U.S. to conclude three trade pacts

India and the U.S. on Monday agreed to fast-track and conclude within a given timeframe agreements on enhancing and deepening trade and investment engagement, and Intellectual Property Rights (IPR) cooperation agreement and an agreement for putting in place traditional knowledge digital library. The two countries also issued a joint statement at the end of the Sixth Ministerial Level meeting of the India-U.S. Trade Policy Forum (TPF) with readiness to continue focus on agriculture, innovation and creativity, investment, services and tariff and non-tariff barriers. The Indian team was headed by the Commerce and Industry Minister, Anand Sharma, and the U.S. delegation was headed by the U.S. Trade Representative, Ron Kirk. Briefing journalists at the end of the meeting, Mr. Sharma said although no firm deadline had been fixed for concluding these agreements they would happen soon. "The U.S. has submitted us a draft on these issues and we will certainly study it. We hope to sign agreement very soon. These are in continuation of the high-level engagement between the two countries and in the run-up to the Prime Minister, Manmohan Singh's, visit to Washington next month," he added. Mr. Sharma said the cooperation agreement on IPR was being put in place to reassure and comfort investors from both the countries. Expressing satisfaction with the result of Monday's meeting, Mr. Sharma said the Indo-U.S. TPF would act as a catalyst for enhancing trade and investment and promoting economic engagement. The joint statement said the two countries agreed to work together on a framework for promoting real and meaningful cooperation in trade and investment. They also agreed to work together to support greater involvement of small and medium enterprises in each others' markets and to pursue initiatives in the further development of India's infrastructure, collaboration on clean energy and environmental services, information and communications technologies and other key sectors. On the issue of H1-B visas for Indian professionals, Mr. Sharma said he had taken up the matter with Mr. Kirk stating that the Indian IT sector and industry in the U.S. had not only made huge investments but also generated thousands of jobs. They are only one per cent of the total IT professionals working in the U.S. They have made a huge contribution to the U.S. economy and U.S. should take steps to sort out all issues faced by them in this area. (The Hindu)

Geo-strategic developments:

India surprised by Chinese fuss over Agni-V

The Indian defence establishment has been left baffled by a brouhaha being generated in China over the yet-to-be-tested Agni-V ballistic missile. "It seems quite contrived," said a top official. For one, Agni-V's first test is likely to take place only in end-2010 or early-2011. From there, it will take at least three years before the missile can be dubbed fully-operational since it will

require four-five more tests, series production and user-trials by armed forces. For another, the 5,000-km strike range of Agni-V pales in comparison to already-operational Chinese missiles like Dong Feng-31A, which can hit targets 11,200 km away, or even the JL-2 submarine-launched ballistic missile with a reach beyond 7,200 km. "China's missile and nuclear arsenal is leagues ahead of India, capable as it is of hitting any city in India. We can never compete. Our entire focus is on building only credible minimum deterrence against China, not active offensive capabilities," said the official. Agni-V, much like the 3,500-km Agni-III, which has been successfully tested a couple of times, has been designed in keeping with this strategy. The already-inducted Prithvi (150-350-km), Agni-I (700-km) and Agni-II (2,000-km) are more Pakistan-specific in nature. The solid-fuelled Agni-V, for which the government has sanctioned around Rs 2,500 crore, will be a canister-launch missile system to ensure it has the requisite operational flexibility to be fired from any part of the country. The ongoing work on Agni-V basically revolves around incorporating a third composite stage in the two-stage 16.7-metre tall Agni-III, along with some advanced technologies like ring laser gyroscope and accelerator for navigation and guidance. Though slightly short of true ICBMs, which have ranges in excess of 5,500 km, Agni-Vs will come in special storage-cum-launch canisters, making it much easier to store them for long periods without maintenance as well as to handle and transport. So, conceivably, Agni-V will be capable of being swiftly moved closer to the border with China to substantially enhance its strike range into the country. What has exercised China is the fact this will bring even its northern-most city, Habin, within the missile's strike envelope. Moreover, DRDO is also developing MIRV (multiple independently targetable re-entry vehicles) warheads for the Agni missiles. An MIRV payload basically is a bunch of several nuclear warheads carried on a single missile, which can be programmed to hit different targets separated from each other. Given this, even ballistic missile defence systems can be overwhelmed by MIRVs. This fits in with India's nuclear doctrine, which holds that even though there will be no first-use, "nuclear retaliation to a first strike will be massive and designed to inflict unacceptable damage". (The Times of India)

China rolls out water diversion project, Indian experts worried

China on Sunday unveiled a giant plan to relocate a vast population to make way for the south-north water diversion project. It is this project, which has caused concern with some experts saying it might affect the flow of Brahmaputra in Assam. The Indian government has said it will try to find out if Chinese authorities are building a dam in Tibet as part of the project, which would cause serious harm to the Brahmaputra. Resettlement authorities in Henan said they have drawn up a massive resettlement project involving 330,000 people living in central China's Hubei and Henan provinces to make way for the water diversion project, which cut across the whole country. The process of resettlement will be completed by 2011, sources said. Areas around the proposed Danjiangkou reservoir will be evacuated to build sluice for diverting water from the Yangtze River to meet water requirement in Beijing, Tianjin, Henan and Hebei. Government sources said people evacuated from their lands will be resettled in areas with the soil quality is good. Xichuan County in Henan, which has 185 villages, will see the resettlement of 162,000 people. Resettlement in Henan is scheduled to be completed in 2011, according to the province's resettlement authorities. The government said it has come up with preferential policies to help compensate for the relocation losses suffered by the evacuated people. Besides compensation for unmovable property like old house, each relocated family will be allotted new arable land plus an annual subsidy of 600 yuan (\$88) a person for 20 years, the official media quote Duan Shiyao, deputy chief of Hubei Provincial Resettlement Bureau, as saying. This is

China's second largest resettlement plan after the Three Gorges Hydro-Power Project, which involves the resettlement of 1.27 million residents. (The Times of India)

Indians joining British army to fight Taliban

An 18-year-old boy from Karnataka is undergoing army cadet training at home and plans to join a British infantry regiment to fight the Taliban militants. Sharat S Mulchandi, plans to join the British army when he flies into the UK. "Pakistan is a breeding ground for terrorists, it's dangerous for India. We will never forget what the fanatics did last year in Mumbai," Mulchandi was quoted by The Sunday Express. Over 170 people were killed in the Mumbai attack in November 2008. In March there were just 80 Indian nationals in the British Army. The total is expected to rise considerably when new figures are compiled. Indians can join as the British Army as they are nationals of the Commonwealth countries. Army sources say there has been "a surge recently because of the threat of a Taliban victory in Afghanistan, which would have serious consequences for India's Muslim neighbour, Pakistan", the paper said. Pakistan is reeling from a wave of attacks by the Taliban militants in the past 10 days, which killed 150. (The Times of India)

Situation in Pakistan is very serious: Antony

Defence Minister A.K. Antony on Monday expressed concern over the spread of terrorism and noted that the situation in Pakistan is "very serious" and that necessitated serious and sincere action to meet the challenge. "The situation in Pakistan is very serious and also terrorism is spreading. To fight terrorism, everybody should act seriously and sincerely. It applies to Pakistan," Mr. Antony said on the sidelines of the Territorial Army's (TA) 60th anniversary parade here. Mr. Antony's observation comes in the backdrop of a series of attacks by the Taliban on the Pakistan Army, including the storming of the Army Headquarters at Rawalpindi, and New Delhi's consistent stand that Islamabad should act against the perpetrators of the November last Mumbai terror attacks. On the Taliban's threat to attack India, he said the nation was prepared to meet any challenge from Taliban militants. The armed forces maintained eternal vigilance and the country was prepared to meet any challenge to its integrity and national security. Asked to comment on the attack in Iran by an organisation said to have links in Pakistan, Mr. Antony said that while he was not willing to say anything offhand, the reality was that terrorism was spreading and becoming a real menace to the world. (The Hindu)

U.S. deploys Stryker for joint exercise with India

Since the launch of the bilateral war exercise between India and the United States, Yudh Abhyas 2009 is the largest troop exchange with nearly 1,000 personnel from both armies taking part. The exercise, begun last week at Babina in Madhya Pradesh and scheduled to end on October 29, is designed to promote cooperation between the two militaries while sharing, training in cultural exchanges and building joint operating skills. Yudh Abhyas is a regularly scheduled bilateral exercise hosted by the Indian Army. This year's exercise features 17 Stryker vehicles the largest deployment outside of Iraq and Afghanistan for the U.S. Pacific Rim forces. The U.S. will also showcase the Javelin Anti-Tank Missile system, employed to defeat the current and future threat armoured combat vehicles. "The size and scope of this combined exercise is unparalleled and will be characterised not only by realistic and challenging training, but also by regular athletic, academic and cultural exchanges," Lt. Col. Jim Isenhower, Commander, 2nd Squadron,

14th Cav. Regt, said in a release by the U.S. Embassy here. "The broadened and unprecedented scope of Yudh Abhyas stands as a testament to the growing people-to-people and military-to-military ties of the United States and India, one of the key pillars of the expanded U.S.-India strategic partnership," said U.S. Ambassador Timothy J. Roemer said. Indian soldiers from the 31st Armoured Division are working with U.S. soldiers from the 2nd Squadron, 14th Cavalry Regiment, 'Strykehorse', 2nd Stryker Brigade Combat Team, and 25th Infantry Division from Schofield Barracks, Hawaii. This year's exercise includes a multiechelon, full-spectrum combined operation focussed on a United Nations peacekeeping operation scenario, while executing a manoeuvre live-fire exercise. (The Hindu)

"Help curb illegal activity in Indian Ocean Rim"

Maldives President Mohamed Nasheed called on New Delhi to take a more active role in the Indian Ocean Rim to curb illegal activity and dispelled the impression of India having leant on Maldives to install radars on its territory. Maldives had seven radars bought and installed with Indian assistance but "others might say India has gone there and installed these radar stations. It is not really that. It is simply a question of our asking, they didn't ask or tell us they wanted to install radars. We took the initiative and we asked the Indian government and they were in a sense fairly hesitant," Mr. Nasheed told in an interview. "We were good in presenting our case. And if we suffer, it will be a burden on India. It is a question of technology transfer and Indians have been good in supplying technology," he clarified following reports, in a section of the global media, of Indian 'expansionism.' Only on Tuesday, Mr. Nasheed pointed out, did the India-Maldives security partnership lead to the capture of two rogue fishing vessels in Maldives' waters. "We don't go into other country's territories and steal their resources. Everyone else is free to buy our fish but please don't steal our fish. Thankfully because of arrangements with the Indian military and establishment, we were very successful and the people of Maldives were very happy because of this." Drawing attention to the dangers of piracy, Mr. Nasheed felt that India should be "very bold" and ensure that the whole of Indian Ocean Rim is secure since this could prove to be its soft underbelly. "Unless the Indian Ocean Rim countries are secure I don't think India should feel its landmass is secure," he said. The Maldivian President said Male was committed to sharing information with India because "the idea is we are friends. If someone is going to come and rob you and if we know about it, we will tell you. In my mind it is very simple." Another red signal for the security of Maldives was coming from Pakistan. Mr. Nasheed wanted the international community including India to help Islamabad "finish" the issue of terrorism. Some people from the Maldives going to Pakistan were getting in touch with Taliban and the Al Qaeda. "As long as that goes on and there is opportunity to recruit people from elsewhere and run a terror network, it is going to be very difficult to put our house in order. So we would like to see the Pakistani military succeed in what they are doing now," he said. "I hope the Pakistan government will push and finish the issue. And I wish the international community would assist Pakistan in doing this. And I also hope India would also assist Pakistan..." (The Hindu)

In Google China map, Arunachal is in China



While China continues to claim Arunachal Pradesh as its own, technology giant Google seems to have decided to take a line to please both Beijing and New Delhi. On the Google Maps site localised for users in China (<http://ditu.google.cn>), Arunachal Pradesh appears as part of China. On the site for users in India (<http://maps.google.co.in>), Arunachal appears in the way India sees it as an integral part of India. And for users in other parts of the world, the site <http://maps.google.com> shows Arunachal Pradesh as a “disputed region”, like Kashmir. Google, which has massive stakes in both India and China, has clarified that it is its “standard practice” to depict any country’s official position on Google’s localized domains for that country. “Products that have been localized to the local domains of a region depict that country’s official position on the region. Therefore, the map of India as available on maps.google.co.in represents the official position of the Government of India, and other country level domains may similarly depict their respective official positions,” a Google India spokesperson clarified. On global properties, the disputed regions are depicted as per the claims of the disputing parties, the spokesperson added. Ahead of the Sino-Indian talks over the border dispute this August, it had emerged that Google maps marked areas of Arunachal Pradesh, including its capital Itanagar and Tawang, in Chinese script rather than in Hindi or English. The maps showed all of Arunachal Pradesh with dotted lines, signifying its disputed status. Google later admitted its mistake and rectified it for Indian users. Earlier, in 2007, Google showed Indian boundaries as coinciding with Assam’s, with Arunachal ‘disputed’. This too was subsequently rectified. (The Indian Express)

No Asia without us, India reminds Asean, Japan

Seeking to up the level of engagement with Asean, Prime Minister Manmohan Singh on Friday proposed the establishment of a joint task force that could ensure a “substantive outcome” for India’s 10th summit with the South-east Asian grouping in 2012 and also offered to play host to the bilateral gathering that year. In a further reminder of the centrality of India to the emerging institutional arrangements in Asia, he also urged Japan’s new Prime Minister, Yukio Hatoyama, whom he met on the sidelines of the Asean summit, to use the existing East Asia Summit platform which includes India as the building block for his proposed East Asian Community. According to a senior Indian official, Dr. Singh and Mr. Hatoyama had “a good discussion on the

future of the East Asia Summit process and on the importance of evolving an open and transparent regional economic arrangement.” The official said the two leaders agreed that this regional architecture needs to be based on the new opportunities that India and Japan, as important economies, present to the region. He added that the Japanese Prime Minister noted India’s importance to the EAS process. Declaring cooperation with Asean to be “an article of faith,” Dr. Singh told the 10 regional leaders gathered here for the 7th bilateral summit with India that he was keen to strengthen links with the region, including by quickly concluding negotiations on the Trade-in-Services and Investment Agreement which could complement the free trade agreement in goods concluded in August this year. In keeping with the theme of this year’s Asean summit — ‘enhancing connectivity, empowering peoples’ — Dr. Singh proposed the establishment of an India-Asean Round Table that could provide policy inputs on future areas of collaboration, and enhanced cooperation in agriculture, food security and the application of space technologies. He also made an off-beat suggestion: that India and Asean jointly consider organising a “commemorative ship expedition” in 2011-12 on the sea routes developed during the 10th to 12th centuries linking India with South-East Asia and East Asia. Though India has been engaging Asean since 1992, the level of its engagement is still much less than that of other powers. Beijing recently announced a \$10-billion China-Asean Fund on Investment Cooperation and \$15 billion worth of commercial credit to support infrastructure development in the Asean region. And in November, the U.S. will hold a long-awaited summit with the grouping, close on the heels of its accession to Asean’s Treaty of Amity and Cooperation. Asean sees ‘connectivity’ as central to cementing its role as the primary driver of regional integration. In a statement issued on Friday, Asean leaders described the group as located at the crossroads of a region bounded by India in the west, China, Japan and Korea in the northeast, and Australia and New Zealand in the south. “Asean thus has the potential to physically anchor itself as the transportation, ICT and tourism hub of this region.” Despite marking the western boundaries of the region, India is still not seen as central to community building in East Asia. The leaders of Asean, China, Japan and South Korea issued a separate statement on Friday reaffirming their commitment to the Asean+3 process as “a main vehicle towards the long-term goal of building an East Asian community with Asean as the driving force.” India’s preference would be for Asean+6 to be designated the “main vehicle” since it has a guaranteed seat on that ride. (The Hindu)

‘By 2015 India will be ready for manned moon mission’

K. Radhakrishnan, who has been appointed Chairman of the Indian Space Research Organisation, said on Saturday that by 2015 India would be ready for a manned moon mission. Work on Chandrayaan-II was progressing. Efforts would be made to take the benefits of space research to the common man, he told journalists here. Mr. Radhakrishnan received his appointment order while he was at the Sree Krishna Temple. The fax message was received at the devaswom board office in the evening. He had darshan and offered ‘thulabharam’ at the temple. (The Hindu)

India will not send troops to Afghanistan: Antony

India on Wednesday ruled out any possibility of sending troops to fight along with the U.S.-led forces in Afghanistan, asserting that it was there for extending humanitarian assistance for reconstruction and rehabilitation of the country. “I am categorically saying that there is no question of Indian military involvement in Afghanistan...not now, not in the future...” Defence

Minister A.K. Antony said at a news conference after inaugurating a three-day Coast Guard Commanders conference. The Minister was responding to a question whether India envisaged any role since the recent Yudh Abhyas (war exercise) between Indian and the U.S armies at Babina using tanks and para-troopers. It was aimed at counter-terrorism in a situation like Afghanistan. To a question whether the U. S. Army would like Indian troops helping it in Afghanistan, a U.S Commander said the American troops would be comfortable to operate jointly with India anywhere, anytime. Mr. Antony also said that the Centre was seriously concerned over the deteriorating situation in both Pakistan and Afghanistan and underscored that the defence forces were ever alert to meet any challenge to the security of the country. (The Hindu)

India hopes to become non-permanent member of the Security Council

India is hopeful of becoming a non-permanent member of the Security Council of the United Nations in 2011 and after that the process for permanent membership can be furthered, Union Minister of State for External Affairs, Shashi Tharoor said here on Friday. "We certainly expect to be a non-permanent member in 2011-12 and after that we can take the next step towards permanent membership of the Security Council," Mr. Tharoor, who was the former United Nations Under-Secretary General for Communication and Public Information, said. "We already have begun the campaigning for the election among the member nations of the General Assembly. Wherever I travel or even the Foreign Minister or the Foreign Secretary go abroad, we seek their support," he said. India is contesting against Kazakhstan for the Asian seat in the Security Council for the term 2011-12. The elections, to be held in 2010, are usually held in the second week of October, Mr. Tharoor said. (The Hindu)

Indian Occupied Kashmir:

Karnataka police should apologise: J&K cricket association

While demanding an apology from the Karnataka police, the Jammu and Kashmir Cricket Association (JKCA) on Saturday lodged a strong protest against the arrest of its two players in Bangalore where they had gone to participate in a national championship. "Our boys were harassed and then released. The Bangalore police should apologise for the harassment of players. The JKCA will decide tomorrow (Sunday) whether or not the team should withdraw from the tournament," general secretary of JKCA Saleem Khan said. Describing the Saturday's incident as 'most unfortunate and shocking' Khan said, "We are in touch with our president and Union Minister Farooq Abdullah to decide the future course of action." He said the team had been accommodated inside a hostel in the stadium complex by the hosts and their baggage had been checked during check-in Friday. The arrest of the two players has shocked the cricket lovers here who say the players were harassed as they belonged to the valley. Senior state government officials were on toes as the news of the arrest of Parvez Rasool and Mehraj-ud-Din who were picked up by the Bangalore police on the suspicion of carrying explosive reached them on Saturday afternoon. Sources said top police officers contacted their counterparts in Bangalore immediately to ensure the players were released without any delay. "Such incidents are unfortunate and only add to the alienation. The development should have been handled carefully without the media hype," said a former cricketer. A senior JKCA member said the bags had been given to the players by the association before their departure and had been purchased in New Delhi recently. (The Times of India)

Omar lauds role of local police in dealing with militancy

Jammu and Kashmir Chief Minister Omar Abdullah on Wednesday lauded the local police for playing a key role in dealing with militancy in the state and helping in the process of restoring peace. "When militancy erupted in the state, Jammu and Kashmir police was not ready to take on militants as they had not imagined that such a situation would come but police have played a key role in changing the situation in the state," Omar said addressing police commemoration day at Zewan, 20 km from here today. Recalling an incident, he said in 1990 when militancy was at its peak, the policemen posted at the residence of a former minister did not responded to the militants firing but took shelter in a room where the family members had taken shelter after a powerful explosion rocked the house. "The then minister asked the policemen guarding him to return the fire, but the policemen handed their guns to him asking him to do so if he can," the chief minister said much to the amusement of the assembled audience. However, the situation has changed as policemen are given rigorous training to handle militants, he said, adding "the police is playing vital role in restoration of peace. I am not belittling the good work done by central forces in the state in restoring peace. However, it is police who play a key role as they and security forces act against militants only when police gather information about presence of militants." He said the sacrifices rendered by the personnel would not be allowed to go waste and every effort is being taken to reach to the families of the martyrs. DGP Kuldeep Khoda said the measures taken for the welfare of the families of the martyrs include immediate special relief of Rs 6 lakh out of police welfare fund, ex-gratia relief of Rs 5 lakhs, Saveria scheme - Rs 7,000 in each case, scholarships and free education to the wards of police martyrs, and free coaching for professional examinations. The DGP said Rs 1.25 crore has been paid to the next of kins of police martyrs as ex-gratia relief and Rs 2.35 lakh has been paid to injured policemen as ex gratia relief during the current year. Since inception of militancy in the state, 478 children of police martyrs have been provided employment in police force, Khoda said. Besides creation of five Indian Reserve Police (IRP) battalions in the state, the government also sanctioned creation of more than 7000 posts in traffic, railways and district police and filling up of these posts have been made on fast track recruitment basis, he said. The DGP said during the current year, 5500 appointments of constables and followers in IRP battalions and executive police (Kashmir province) have been made, Khoda said. He said the government has also accorded approval to various relaxations to the Special Police Officers (SPOs) for their conversion or appointment as constables or followers in the police department, which include 15 per cent reservation and relaxation in age and educational qualification for their appointment. "The government has issued an order by virtue of which next of kins of such SPOs who die as a result of militancy related action, can apply for appointment under J and K compassionate appointment rules 1994," Khoda said.(The Indian Express)

Normal life paralysed across Kashmir valley due to strike

Normal life was crippled across Kashmir valley on Wednesday in response to a strike called by separatists to protest the visit of Prime Minister Manmohan Singh. Singh along with UPA

chairperson Sonia Gandhi and several cabinet colleagues including Railway Minister Mamata Banerjee, Health Minister Ghulam Nabi Azad and New and Renewable Energy Minister Farooq Abdullah arrived here on a two day visit this morning. Shops and business establishments, educational institutions, banks and courts remained closed and traffic was off the roads in Srinagar and other major towns of the valley in response to the strike call given by hardline faction of Hurriyat Conference headed by Syed Ali Shah Geelani and supported by various other separatist organisations. Yesterday, Kashmir valley observed a general strike called by separatists against the 62nd anniversary of the landing of Indian troops in the state. Geelani asked the people to observe a complete strike against the visit of the Prime minister. Supporting the strike call, President of Democratic Freedom Party and senior executive member of Moderate Hurriyat Shabir Ahmad Shah said, "People should observe complete shutdown against Indian Prime Minister's visit to Valley and confine themselves to their homes". In view of the strike and the visit of the Prime Minister, police and paramilitary forces have been deployed in strength to maintain law and order and scuttle any attempt by separatists to stage demonstrations. All sensitive areas particularly those which witnessed clashes like Maisuma, Rajouri Kadal, Nowhatta, Rambagh, Natipora and Batmaloo were virtually sealed by security forces, official sources said. They said over two dozen youth involved in stone-pelting were rounded up by police from these areas as a precautionary measure. The sources said the major thrust of the security was in Srinagar and Anantnag district of South Kashmir where the Prime Minister is due to inaugurate 18-km Anantnag-Qazigund railway line besides addressing a public rally. (The Indian Express)

Manmohan: willing for talks for J&K peace

Prime Minister Manmohan Singh said on Wednesday the government was willing to talk to anyone for peace in Jammu and Kashmir. The public sentiment was for peace and peaceful resolution of all problems and the era of violence and terrorism was coming to an end, he added. "When I came to office in 2004, I said our government is committed to having unconditional dialogue with whoever abjures violence. We had discussions with different groups. We had a number of roundtable conferences. All issues were discussed. We tried to give voice to the demands of all sections of the people. We have implemented a number of initiatives as a result of this process," he said at a public meeting here. "I wish to say again today that we are willing to talk to anyone who has any meaningful ideas for promoting peace and development in Kashmir. We want to carry all sections of the people with us in resolving the political and economic problems of Jammu and Kashmir," he said. Dr. Singh lauded the people of Jammu and Kashmir for taking part in the Assembly and Lok Sabha elections. "I am happy that people turned out to vote in large numbers. I believe that it was a vote for a peaceful path to a better tomorrow. I applaud the wisdom and good faith of the common man of Kashmir." Dr. Singh said: "We have tried to revive the traditional connectivity between the people of the region. We took the bold step of reviving the movement of goods and people across the Line of Control on the Srinagar-Muzaffarabad road and on the Poonch-Rawalakot road. I am happy to announce that the Central government has decided to fund the additional cost of Rs. 385 crore to build the heritage Mughal Road that will connect Shopian with remote areas of Poonch and Rajouri." Unprecedented resources were committed to the State for its comprehensive reconstruction. "But I recognise that the benefits are trickling down slowly. This state of affairs should change. We have to speed up the pace of development. We have to reverse the brain drain that has denuded the State of many of its teachers, doctors, engineers and intellectuals. We have to create the conditions for them to return and to be the instruments of change and

development. We want to strengthen the hands of the State government so that it can implement an ambitious development agenda," Dr. Singh said. (The Hindu)

In J&K, pre-paid mobile connections banned

The Union government has banned pre-paid mobile connections in Jammu and Kashmir, citing security related reasons. Home Minister P. Chidambaram on Friday said besides the ban, the existing pre-paid SIM cards would not be renewed after November 1. The Home Ministry had asked the Department of Telecommunications to take appropriate action in this regard. "Pre-paid connections are prone to misuse. Anyone wanting a mobile connection can always go in for a post-paid connection in Jammu and Kashmir. I think the problem is not so acute in the north-eastern States; we may also have to look at the situation in there," Mr. Chidambaram said at his monthly stock-taking press conference. He said all service providers have been informed and they had promised to implement the decision. The decision follows reports that proper verification was not being done while providing such connections by the service providers and vendors. Fake documents and identity numbers were reportedly being used by the vendors particularly, in the case of pre-paid connections. This had given rise to security concerns, officials said. (The Hindu)

Social front:

Five more succumb to swine flu, countrywide toll rises to 413

Five more persons succumbed to swine flu in the country today, taking the toll to 413, even as 43 fresh cases of the disease were reported during the day. Four deaths were reported from Maharashtra while one death was reported from Kerala. In Maharashtra, three death cases were from Pune and one from Aurangabad. Karnataka reported the maximum 17 fresh cases of swine flu, followed by Delhi (16), Haryana (7) and Uttar Pradesh (3). Of the 43 cases, reported during the day, two cases had foreign travel history and the rest were indigenous. While the total number of deaths due to swine flu in the country rose to 413, the number of infected people touched 12,787. Samples from 67,612 persons have been tested for influenza A H1N1 in government laboratories and a few private laboratories across the country till date. (The Times of India)

UN body works on system to monitor delivery of basic services in states

Despite India's dramatic economic growth, its performance in social indices or achieving millennium development goals (MDGs) continues to lag behind. The United Nations Millennium Campaign (UNMC) is now working on a monitoring mechanism to assess implementation of public service schemes. UNMC has held preliminary consultations with states like Bihar, Orissa, Madhya Pradesh which are at the forefront of battling with issues like poverty, low infant and maternal mortality. UNMC director Salil Shetty said, "This year's mobilisation will place particular emphasis on telling world leaders that their track record on women's rights, maternal mortality and hunger is unacceptable. We are in the process of putting in place a tracking system to monitor delivery of basic services." He said, "Citizens refuse to accept the fact that world over 70% of the people living in poverty are women and children and 500,000 women continue to die annually in the process of giving life, and they are demanding urgent action from

their leaders." For instance, the country is suffering alarming hunger and is ranked 66th out of the 88 developing countries. About 30% of the total population lives below the poverty line and more than 200 million people are malnourished. According to UNMC, India's track record in certain indices is "off-track" and requires a re-assessment of strategy like policies in tackling maternal and infant mortality. Malnutrition contributes to over 50% child deaths while there are an alarming 450 maternal deaths per 1,000 live births. The problem, according to the Shetty, is more in six states and 200 districts, with Dalits, adivasis and women being the worst affected. While low resource allocation is a concern, officials feel that it is the delivery mechanism that must be tightened. The monitoring mechanism is likely to target this loophole through civil society involvement. Referring to UPA's flagship schemes like rural employment guarantee scheme, right to education Act and the proposed food security Bill, Shetty said, "There is political will at the highest level and we can see that in the superstructures that have been created. But implementation is altogether another issue." Nearly all social schemes are dependent upon state governments for their implementation and this Shetty feels leaves much to be desired. UNMC's 'Stand up & Take Action' is an effort to create awareness amongst people about their rights. UNMC along with Wada Na Todo Abhiyan and other civil society organisations has also mobilised citizen's audit allowing ordinary people to report on public services like education or health facilities provided to them.

* 30% of total population lives below poverty line.

* India has lowest child immunisation rate in South Asia.

* There are 927 girls under 6 years for every 1,000 boys, down from last decade's 945.

* Pupil dropout ratio has increased to 50% in the last 5 years. (The Times of India)

'Dinosaur-killer meteorite crashed off India's west coast'

A meteorite more than 40 km wide and hurtling towards Earth at 58,000 miles an hour that killed dinosaurs 65 million years ago, had actually crashed off India's west coast, an Indian-origin professor has claimed. Sankar Chatterjee of Texas Tech University, who presented his research this month at a meet in the Geological Society of America in Portland, Oregon, on Sunday, said, "If we are right, massive Shiva basin, a submerged depression west of India is the largest crater known on our planet." Mr. Chatterjee, who along with a team of researchers took a close look at the Shiva basin that is intensely mined for its oil and gas resources, said: "It is probably the largest, multi-ringed impact crater the world has ever seen and a bolide of this size, perhaps 40 km in diameter, creates its own tectonics." "Work done by a research team of Indians and Americans, working with information released by the companies operating in the area, has provided the strongest evidence to date that this was the spot where the dinosaur-killer hit," he said. He rejected earlier arguments that dinosaurs were killed after a giant asteroid slammed into the planet near Mexico's Yucatan Peninsula. According to the Geological Society of America, the geological evidence is dramatic. Shiva's outer rim forms a rough, faulted ring some 500 km in diameter, encircling the central peak, known as Bombay High. Most of the crater lies submerged on India's continental shelf, but where it does come ashore it is marked by tall cliffs, active faults and hot springs. (The Hindu)

India epicenter of diabetes, over 50 million affected

Diabetes is out of control, says the International Diabetes Federation (IDF) which released new data on Tuesday that a staggering 285 million people worldwide have diabetes. India is the new epicenter of diabetes and has the largest diabetes population of 50.8 million. In such a scenario, Pune based Dr C S Yajnik will be awarded the prestigious UN/ UNESCO Hellmut Mehnert award for the prevention of diabetes and his research study on maternal nutrition. Speaking with The Indian Express from Montreal, Canada, Yajnik, head of the KEM hospital's diabetes unit said that new data has been released which puts India as the country with the most people with diabetes – with a current figure of 50.8 million, followed by China with 43.2 million. Behind them USA (26.8 million) Russian Federation (9.6 million), Brazil (7.6 million), Germany (7.5 million), Pakistan (7.1 million) Japan (7.1 million) and Mexico (6.8 million) The latest figures from the IDF Diabetes Atlas indicate that people in low and middle-income countries (LMCs) are bearing the brunt of the epidemic, and that the disease is affecting far more people of working age than previously believed. Says Yajnik, “Either you can diet and exercise, improve nutrition for the mother in her pregnancy and also introduce interventions among children to reduce the risk of obesity.” Professor Jean Claude Mbanya, president of the International Diabetes Federation, in a statement, voiced concern, The data from the latest edition of the IDF Diabetes Atlas show that the epidemic is out of control. We are losing ground in the struggle to contain diabetes. No country is immune and no country is fully equipped to repel this common enemy.” The majority of all diabetes is type 2 diabetes (85%-95%), which in many cases can be prevented. People with type 2 diabetes cannot use the insulin they produce effectively, but can often manage their condition through exercise and diet, although many go on to require medication, including insulin, to properly control blood glucose levels. It is estimated 60 per cent or more of type 2 diabetes could be prevented, says Yajnik. Diabetes claims four million lives every year and is a leading cause of blindness, kidney failure, heart attack, stroke and amputation. (The Indian Express)

Foreign Relations:

‘Concrete’ threat in India, warns Israel

Israel has warned its nationals against travelling to India saying there was a “concrete” threat of terror attacks on Chabad centres and synagogues in the country, including in Goa. Its Counter-Terrorism Bureau (CTB) said the threat against Israeli nationals had become “significantly more severe” since a travel advisory was issued last month. Israel’s Channel 10 reported that the new warning was based on fresh intelligence received by Israeli officials indicating that a ‘global Jihad’ group had teamed up with the Pakistani terror cell responsible for the 2008 Mumbai massacre to plan an attack. A Chabad house was one of the targets of the 2008 Mumbai attacks. The CTB strongly advised Israelis in India to avoid places that are not visibly secured with armed guards. The bureau also issued a separate advisory against visiting J&K. A similar warning issued in September said a Pakistani terror group affiliated with al Qaeda, and responsible for 26/11, planned to carry out attacks throughout the subcontinent. India, meanwhile, sought to downplay the advisory. “The advisory is routine in nature. There is no specific threat to anyone,” Home Secretary G K Pillai told reporters when asked about Israel asking its nationals not to travel to India. Home Ministry sources said adequate security is being provided to sensitive

religious centres, including Chabad centres and synagogues.
(The Indian Express)

(The Indian Express)

India, China sign MoA on climate change

Reiterating that the United Nations Framework Convention on Climate Change and the Kyoto Protocol are the most appropriate framework for addressing climate change, India and China on Wednesday signed a Memorandum of Agreement (MoA) to establish a partnership in the area for strengthening dialogue and practical cooperation. They agreed to set up an India-China Working Group on Climate Change that will hold annual meetings alternately in China and India to exchange views on important issues concerning international negotiations and domestic policies and measures. The MoA was signed by Xie Xenhua, vice-chairman, National Development and Reform Commission of China, and the Minister of State (Independent charge) for Environment and Forests, Jairam Ramesh, at a workshop on National Action Plans on Climate Change of the two countries here. Mr. Ramesh said there was no difference between the Indian and Chinese negotiating positions and both were working closely for a fair and equitable outcome at Copenhagen in keeping with the UNFCCC, the Kyoto Protocol and the Bali Action Plan. "The implementation of the MoA will usher in a new scenario and take cooperation on climate change between the two countries to a new high," Mr. Xie said through an interpreter. (The Hindu)

World big enough for India and China, says Wen Jiabao

India and China on Friday confounded the dire predictions being made of renewed rivalry and distrust by reaffirming their intention to work closely together on a wide range of issues and to not let differences over the border become an impediment to future cooperation. In his opening remarks at delegation-level talks with Prime Minister Manmohan Singh on the sidelines of the 15th Asean summit Chinese Premier Wen Jiabao said strengthened bilateral relations served the interests of the two countries, the region and world. He later recalled Dr. Singh's oft-quoted remark about there being enough space for both India and China to develop, adding that there was "still more space in the world" for the two countries to grow together. If the "Asian Century" is to become a reality, he added, it was important for India and China to live in harmony and friendship and enjoy prosperity, a senior Indian official who was present in the meeting told reporters later. Dr. Singh warmed to this theme, reiterating India's willingness to cooperate with China on global issues like climate change, world trade and the financial crisis. Providing an account of the talks, N. Ravi, Secretary (East) in the Ministry of External Affairs, said the Prime Minister described economic and trade relations between the two sides as "a vital pillar" of the relationship despite the payments imbalance, a point Premier Wen responded to by promising to work with India to handle the growing trade deficit. He also said China encouraged its companies to invest in India and welcomed Indian investments in China. The two leaders then agreed to take steps to ensure bilateral trade reached the \$ 60 billion annual target by 2010. According to Mr. Ravi, Dr. Singh said both sides needed to build better understanding and trust at the political level so that bilateral relations remained strong despite existing differences. He spoke of growing exchanges in the defence field and proposed that India and China observe the 60th anniversary of the establishment of diplomatic relations "in a fitting manner." Among the options proposed was a cultural festival. Premier Wen responded to the suggestion by saying both sides should seize the opportunities provided by the 60th anniversary "to heighten our bilateral relationship." On December 30, 1949, Jawaharlal Nehru sent a

telegram to Zhou Enlai, who was China's Foreign Minister at the time, informing him of India's decision to recognise the People's Republic of China. Following talks in Beijing, formal diplomatic relations were established on April 1, 1950. (The Hindu)

Pakistan tells India: stop propaganda

Pakistan on Saturday hit out at India for expressing what it called "self-serving" concern about the safety of its nuclear weapons. Responding to comments made by Indian Foreign Secretary Nirupama Rao about the safety of Pakistan's nuclear weapons after a suicide attack at the Kamra aeronautical complex on Friday, the Foreign Ministry here asked New Delhi to "stop its opportunistic propaganda against Pakistan." "Such remarks are evidently self-serving and integral to India's efforts to seek unilateral advantage at the cost of regional strategic stability by its feverish militarisation and working on dangerous military doctrines," it said in a statement. The statement also obliquely raised questions saying it did not want to — about India's own nuclear safety, and alleged New Delhi was engaged in clandestine efforts to make "weapons of mass destruction." "Pakistan has refrained from commenting on India's own record on nuclear safety and security and its overt and covert endeavours to build its WMD programmes," it said. Instead of "finger-pointing," the Foreign Ministry said, "India should accept [Pakistan's] proposal for promoting regional strategic restraint regime and work with Pakistan to promote strategic stability in South Asia." (The Hindu)

India rejects Pak charge of funding Taliban

Even as India refuted charges that it is funding Taliban fighters, another senior leader from Pakistan has said there is a 'feeling' that New Delhi is supporting terrorists to destabilise the nation. Rejecting charges by Pakistan that India is funding Taliban, Defence Minister A K Antony called statements by Pakistani Interior Minister Rehman Malik as "absurd and totally baseless" and said Taliban were a threat to world peace. Antony was speaking at the sidelines of a defence function in the Capital. The statement came even as the chairman of the Pakistan Senate's Foreign Relations Committee, Mushahid Hussain, who is on a visit to India, said there was a 'feeling' that the Indian establishment was funding Taliban to destabilise Pakistan. "There is a viewpoint not only in the establishment and the government but also in media circles and among the public that Indian elements in Afghanistan are promoting and supporting terrorism to destabilise our country," Hussain said. (The Indian Express)

Reaches out to Pakistan

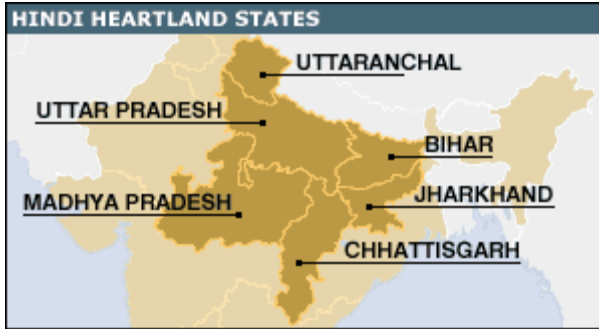
Prime Minister Manmohan Singh on Wednesday sought to reach out to Pakistan by asking it to reciprocate the friendship offered by India. This, he said, was in the interest of the people of both nations. He impressed upon Islamabad to dismantle the terror infrastructure on its soil. New Delhi was always for peace and he strongly believed that the majority of people in Pakistan sought good neighbourly and cooperative relations with India. "They seek a permanent peace. This is our view as well. As I have said many times before, we will not be found wanting in our response." (The Hindu)

Queen Elizabeth lauds India's courage in facing terror

Queen Elizabeth II unexpectedly brought up the subject of the November last Mumbai terror attacks at the banquet she hosted for President Pratibha Patil on Tuesday. The Queen described the attacks as “appalling” and commended India for showing courage in the face of this great tragedy. “I would like to pay tribute to the courage and steadfastness shown by the Indian security forces and people in the face of this great tragedy.” The Queen’s banquets are usually very formal and officious in keeping with her position as a ceremonial head. On Tuesday night, both sides went through the drill. Ms. Patil spoke of “commonalities and shared experiences” that have “helped us understand each other’s vision and concerns.” The Queen, in turn, sung hosannas to the “long shared history between Britain and India” and the “warmth and hospitality of the Indian people.” But alongside, there was also recognition that contemporary India had gone beyond the British Raj and was confronting the political and geo-strategic realities of the new millennium on its own strength. Indeed, competing with the old shibboleths were new ones, now considered mandatory when an Indian dignitary visits abroad. Thus the Queen spoke of the new strategic partnership between the two countries “founded on the sure knowledge that India’s emergence on the world stage would be one of the main forces shaping 21st century.” The Queen’s speech acknowledged the expanding scope liberalising India offered for cooperation especially in education. “The first group of Manmohan Singh scholars has just arrived to begin their studies at Cambridge University. In the future we hope that many more British students will go to study in Indian universities, making this a genuinely two-way exchange of learning.” The Queen’s banquet for the President stretched one hour beyond the allotted time, which palace sources said indicated her special interest in her guest. They also said extraordinary care went into the selection of Indian origin royal items on display for the benefit of Ms. Patil and her husband Devisingh Shekhawat. Among the memorabilia were selections from the Padshahnama constituting the official record of part of the reign of Emperor Shah Jahan (The folio showed a 15-year old Prince Aurangzeb confronting a rogue elephant on the riverbank in Agra in 1633); the Hindustani Diary of Queen Victoria; a shawl spun by the Mahatma and given over as a gift at the wedding of Queen Elizabeth II and Prince Philip; the banquet speech by President Rajendra Prasad during the Queen’s first visit to India in 1961; the invitation on carved wood sent by President Prasad to Queen inviting her to pay the first visit; and the exchange of letters pertaining to the establishment of the Indian Republic. (The Hindu)

Regional Report

Central India (Hindi Heartland)



Politics:

Maya plans to recruitment of 2 lakh cops to man UP

To meet the shortage of manpower in different organs of Uttar Pradesh police about 2.04 lakh police personnel will be recruited soon, state Chief Minister Mayawati said on Wednesday. "The government had already started an exercise to recruit 35,000 personnel through police recruitment boards constituted to make the process transparent," Mayawati said. To address problems of the police personnel, separate budgetary allocations have been made by the government, she said. "For modernisation of state force and to equip it with modern weapons and gadgets, the state government had given financial sanction of Rs 246 crore in its budget," she said. "Similarly to meet residential and non-residential demands of the police a separate budgetary provision of Rs 30.81 crore and 26.76 crore had been made respectively," she added. Mayawati said that the government was committed for the welfare of the police force, which by making supreme sacrifices in discharge of their duty had done pride to the state.

(The Indian Express)

President's assent for House dissolution

President Pratibha Patil on Saturday approved the dissolution of the Jharkhand Assembly with effect from November 1. The Cabinet on Thursday approved the dissolution of the 81-member House, clearing the decks for holding Assembly elections. President's rule was imposed on January 19, after Chief Minister Shibhu Soren lost a key by-election. The State will go to the polls in November-December. (The Hindu)

Social front:

Economic Front:

The North



Politics:

BJP stuck in RAJE-STHAN

Vasundhara Raje hasn't kept just the central BJP leadership in tenterhooks over her 'will-she, won't-she, when-will-she' resignation drama. Since early August when the first moves were made to replace the former Rajasthan CM as the Leader of Opposition, only to be stalled as she dug her heels in, the Rajasthan BJP seems to be slipping in its role as the main opposition party in the state. BJP leaders grudgingly admit that though an 'unofficial' leadership, sans Raje and her coterie, has been steering the party for two months, the uncertainty over her fate has left the BJP unable to put up an effective opposition in Rajasthan. From the BJP's boycott of the special Assembly session late in August, which saw the ruling Congress pass six Bills without debate in a matter of minutes, to the main opposition party's silence in the face of growing public outrage over rising prices, acute electricity and water shortages several snapshots frame the same absence. They speak of the lack of a functioning opposition in Rajasthan ever since the beginning of the Raje resignation crisis. Senior BJP leaders privately admit that the party has only been able to mobilise workers at a local level. "The problems in the state are many and the BJP is strenuously protesting against the failure of the Ashok Gehlot government in several districts, but the efforts are scattered. We have not been able to ignite a state-wide movement," says a leader. Following the appointment of Arun Chaturvedi as the new state unit president, after Om Mathur was shunted out on moral ground following defeats in the Assembly and parliamentary elections, no new appointments have been made in the state unit. Sources in the BJP point out that the executive committee under the president has not been formed yet, there have been no appointments of vice-presidents, general secretaries or other office-bearers. "The party has always prided itself on its organisational abilities. But this Vasundhara Raje issue has put all important decisions on the backburner. How are we to mobilise party workers and the public without any clarity on the upper echelons in the state unit?" asks another senior leader. Significantly, the post of organising general secretary, usually occupied by someone on deputation from the RSS, has been vacant for three months. The inertia following the resignation crisis has spilt over to the Rajasthan bypolls, scheduled to be held on November 7, with the state and central leadership unsure of the candidates. However, Arun Chaturvedi projects confidence. "The bypolls are important. We are yet to select candidates but will do so soon enough," he said. Raje's clout will be put to the test when the final candidates are chosen. Dantaramgarh MLA Amra Ram, who belongs to the CPM, also laments the lack of an effective opposition in the state. "With over 75 MLAs to its credit, Rajasthan should have had the most powerful opposition in the country, but the party has given itself completely over to internal

bickering. There are hundreds of issues to be addressed,” says Ram. Though some MLAs have organised token protests in their own constituencies, he says, it is far from acquiring critical mass. Incidentally, the three-MLA strong CPM seems to be the only opposition force; the party has been actively organising protests on various issues across the state. “The ruling Congress has taken absolute advantage of this condition. Without so much as a whimper from the BJP, the Congress has been forging ahead unhindered, with perhaps five MLAs standing up to protest, if at all,” says Ram. (The Indian Express)

Fractured verdict in Haryana

The electorate in Haryana returned a verdict of not giving clear majority to any party even though the ruling Congress, which had gone in for early polls, remained the single-largest party winning 40 of the 90 seats while the Indian National Lok Dal (INLD) of the Chautala clan garnered 31, the newly-floated Haryana Janhit Congress (HJC) six, the Bharatiya Janata Party (BJP) four, the Bahujan Samaj Party one, the Shiromani Akali Dal one and Independents seven seats. The Congress is technically five seats short of getting a simple majority in the House. The question being asked in political circles is whether the Congress will stake its claim to form the next government with the “support” of other parties and Independents. Senior Congress leaders, who had exuded confidence that the party would repeat its outstanding performance in the recent Lok Sabha elections when it won nine out of 10 seats and even improve upon its tally of 67 seats it had got in the 2005 Assembly elections thanks to a fragmented opposition, were shell-shocked at the verdict. However, they put up a brave face and asserted that the Congress had got the mandate to rule Haryana for a second successive term albeit with a reduced majority. They indicated that the Congress, led by Chief Minister Bhupinder Singh Hooda, would easily secure majority with the support of Independents, many of whom were Congress rebels. While admitting that his party’s performance was not as expected, Mr. Hooda asserted that the Congress was all set to form the next government in the State. It was being said that the Congress leadership could also try to win over the HJC, headed by the former Chief Minister Bhajan Lal and his son Kuldeep Bishnoi, which was in fact an offshoot of the Congress. Mr. Bishnoi won from Adampur while his mother Jasma Devi lost to Congress nominee Sampat Singh in Nalwa. It may be recalled that Mr. Lal and his son had left the Congress in 2007 after they were “sidelined.” Mr. Bishnoi’s alliance with the BSP had proved to be short-lived. But according to reports reaching here, Mr. Bishnoi was not in favour of extending support to any group. The INLD chief and former Chief Minister Om Parkash Chautala, who was in an upbeat mood after winning both the Uchana Kalan (where he defeated senior Congress leader and strong Chief Ministerial aspirant Birender Singh) and Ellenabad seats, told journalists here that the Congress should bow out of the race, gracefully accepting the verdict. He asserted that the INLD would stake its claim to form the government with the support of other parties, including the BJP, the Shiromani Akali Dal, which won the Kalanwali seat, and the HJC, besides Independents. According to a close aide of Mr. Chautala, the BJP, which had broken its alliance with the INLD on the eve of the polls, could extend support to its former alliance partner to cobble up a simple majority in the House to prevent a Congress regime from coming to power. A senior Congress leader said on condition of anonymity that the party would have to introspect as to why it could not muster a comfortable majority as was widely expected. He added that the delay in announcing party candidates, the fielding of some sitting MLAs against whom there was localised anti-incumbency at work, the impact of price rise on the voter, and a general ‘misreading’ about the strength of the Opposition were some of the major factors that needed to be analysed. Leaders maintained that there was no anti-incumbency against the Hooda

government as such and the fact that the Congress had emerged as the single-largest party clearly indicated that the people had appreciated the “development agenda” of the Congress. (The Hindu)

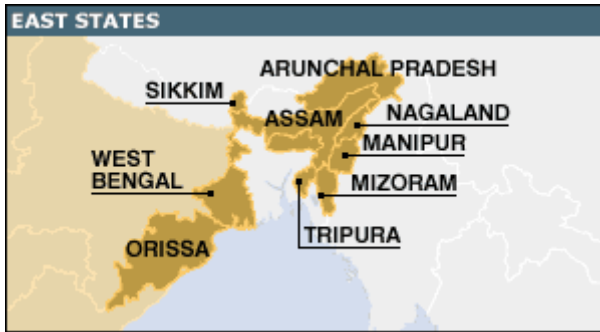
Hooda wins vote of confidence

The new Congress regime in Haryana headed by Chief Minister Bhupinder Singh Hooda on Wednesday won with ease the crucial vote of confidence on the floor of the House without any “discussion” on the motion. The Congress procured 47 votes in its favour. The House was later adjourned sine die. The Congress, which had won 40 out of the 90 Assembly seats in the recent elections, was six short of a simple majority but it had claimed the support of seven newly-elected Independent MLAs and a lone Bahujan Samaj Party MLA, whereupon State Governor Jagannath Pahadia had asked Mr. Hooda this past Sunday to secure a vote of confidence in the House on or before October 31. Interestingly, with former Chief Minister Om Parkash Chautala of the Indian National Lok Dal retaining the Uchana Kalan seat and relinquishing the Ellenabad seat that he had also won in the election, the total strength of the 90-member House stands technically reduced to 89. Also, with the unanimous appointment of the Congress MLA from Pehowa, Harmohinder Singh Chatha, as the Speaker of the new Vidhan Sabha, the effective strength of the House has been further reduced to 88 and that of the Congress to 39 as the Speaker does not vote. The motion “expressing confidence in the Council of Ministers” was moved by Mr. Hooda after Mr. Pahadia delivered the customary Governor’s Address. Mr. Chautala was given an opportunity by the Speaker to open the discussion but there were heated exchanges between him and the Treasury Benches as he questioned the “basic status” of the Hooda regime and repeatedly charged that the Congress did not have the mandate of the people. The Speaker expunged the remarks made by Mr. Chautala about the status of the Government and asserted that the agenda was simple: to decide whether the new Government enjoyed confidence or not. Anil Vij of the BJP also demanded that the session be extended so that a full discussion could take place on the motion of confidence. However, Mr. Hooda made it clear that the Congress had emerged as the single largest party with 40 seats while the INLD and its ally Akali Dal had won only 32 (31 if one took into account the Ellenabad seat). He said Mr. Chautala was raising extraneous issues and the matter could be decided in a minute through voting. Interestingly, the six MLAs of Haryana Janhit Congress of the Bhajan Lal clan including their leader Kuldeep Bishnoi were not present in the House during the election of the Speaker, the Governor’s Address and the voting on the motion of confidence. The talk in political circles here was that the HJC “abstained” as a matter of “favour” to the Congress. The Speaker opted for a voice vote and on the basis of the “ayes” declared the motion carried. In the first half of the session earlier in the day, pro-tem Speaker Ajay Singh Yadav administered the oath to the 89 new members one by one. This was followed by Mr. Chatha’s unanimous election as the Speaker. (The Hindu)

Social front:

Economic Front:

The East

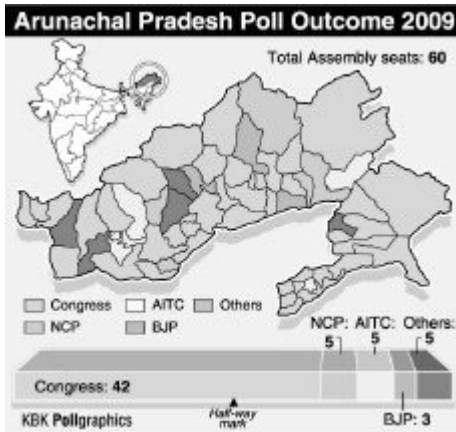


Politics:

CPI (M) accuses Trinamool of understanding with Maoists

Even as the State leadership of the Communist Party of India (Marxist) alleged an understanding between the Trinamool Congress and the Maoists to incite terror and create anarchy in parts of West Bengal, Trinamool Congress chief Mamata Banerjee questioned here on Wednesday the efficacy of the joint security operations against the Maoists in the Lalgarh region. Referring to the attack by Maoists on Sankrail thana in the State's Paschim Medinipur district on Tuesday in which two policemen were killed and the officer-in-charge abducted, Ms. Banerjee said the occurrence of such an incident at a time when joint security operations are on, begs the question of what is there to "gain or lose in such operations." "Even though law and order is a State subject, the Centre should investigate into why such incidents are occurring at a time when joint security operations are underway," Ms. Banerjee said. Such killings and violence were a threat to democracy and the democratic structure, Biman Bose, Secretary of the West Bengal State Committee of the CPI(M) said. "It is now clear as daylight that the killing of individuals and the creating of terror in the State is being perpetrated on the basis of an understanding between the Trinamool Congress and the Communist Party of India (Maoist)," Mr. Bose said in a statement. The State government will also have to take the initiative to free the abducted officer-in-charge of the Sankrail thana as well as two other policemen who were kidnapped a few months ago, he said. He appealed to the "peace-loving, democratic-minded people" of the State to join in a campaign "to isolate the forces of anarchy and terror." "When a joint venture [joint security operations] is going on within this part of the State [Lalgarh and its adjoining areas] the police should have taken more care. I am sorry that the people are helpless in this region when in the name of so-called Maoists other arms are abundant there," she said. (The Hindu)

Congress sweeps Arunachal



The ruling Congress swept the Assembly polls in Arunachal Pradesh and retained power for a second consecutive term by securing over two-thirds majority. Of the total 60 seats, the Congress has bagged 42. In the 2004 polls, the ruling party won 34 seats. The Nationalist Congress Party (NCP) improved its tally to five seats from the two seats won by it in 2004. The All India Trinamool Congress (AITC), which made the electoral debut in the border State, also won five seats to finish at the second position jointly with the NCP. The Bharatiya Janata Party, which contested in 18 seats, managed to win three seats. It won nine seats in 2004. The People's Party of Arunachal (PPA), the lone regional party to have contested the polls, won four seats to finish third while one seat was won by an Independent candidate. Chief Minister Dorjee Khandu and nine of his Cabinet colleagues were re-elected. Mr. Khandu has already scripted political history by getting elected unopposed for a record third time from the Mukto Assembly constituency in Tawang district that borders China. He was elected unopposed from the same constituency in 1999 and 2004. Other prominent winners include Pradesh Congress Committee president and Public Works Department Minister Nabam Tuki from the Sagalee constituency and Home Minister Jarbom Gamlin from the Liromba constituency. Among the three PPA winners is Takam Tagar the richest candidate, who declared a total asset of over Rs.209 crore, from the Palin constituency. Prominent losers of the ruling party include the former Chief Minister, Gegong Apang, and his son, the former Union Minister, Omak Apang, and Pomoya Mithi, wife of the former Chief Minister and former Governor, Mukut Mithi. Mr. Mithi is now a Rajya Sabha member. The senior Apang was defeated by his nearest NCP rival Alo Libang by 1,370 votes in the Tuting Yinkiong constituency while the junior Apang was defeated by his nearest BJP rival Tangor Tapak by 661 votes in the Pasighat West constituency. The newly elected Congress legislators are likely to meet on Saturday to elect a new leader. Mr. Khandu is tipped to be the unanimous choice for the post of Chief Minister for a second consecutive term, sources in the party said. (The Hindu)

BJP to form 'third front' in Bengal

Pushed to a corner after its former ally Trinamool Congress joined hands with the Congress, the BJP on Friday said that it would form a third front before the 2011 assembly election in West Bengal. "We are trying to open a third front in the state before the next assembly election in 2011. Some constituents of the front led by Trinamool Congress are in touch with us," state BJP president Rahul Sinha told reporters. The Trinamool Congress had deserted the BJP and gone with the Congress "to get Muslim votes", he said. Sinha said that his party was against both the

central and state governments and would make all political efforts to dislodge the Buddhadeb Bhattacharjee government. (The Indian Express)

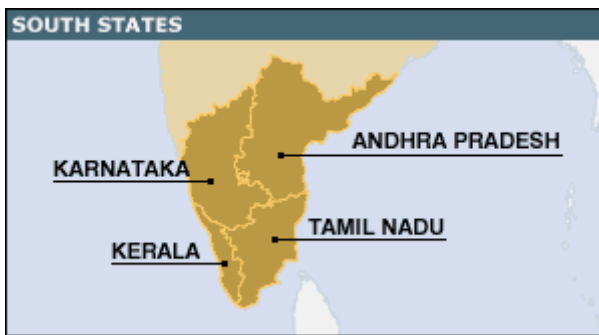
Social front:

Orissa all set to become 'Odisha'

With the Union Cabinet set to grant its stamp of approval on Thursday, Orissa will soon be known as 'Odisha' in deference to the way in which the State's name is pronounced in its own language. The name of the language, too, will be changed from Oriya to Odia. The State Assembly resolved to change both names last August, but this requires an amendment to the Constitution in order to take effect. The Cabinet is expected to approve the proposed amendment for introduction in the next session of Parliament. (The Hindu)

Economic Front:

The South



Politics:

Social front:

No stay of dam survey for now

The Supreme Court on Wednesday declined to entertain an application by Tamil Nadu challenging the permission granted by the Central government to Kerala to conduct a survey and investigation in the Periyar Tiger Reserve area for the possible construction of a new dam in place of the controversial Mullaperiyar dam. A three-Judge Bench comprising Justice D.K. Jain, Justice Mukundakam Sharma and Justice R.M. Lodha in a brief order said: "No orders are called for at this stage in this application." Appearing for Tamil Nadu, senior advocate K. Parasaran pleaded for status quo or a stay on the survey by Kerala. When Mr. Justice Sharma said, "If it's an innocuous survey there's no need for stay," Mr. Parasaran observed: "There's something more than what meets the eye." Mr. Justice Sharma said: "The survey may be fruitful or not, we don't know. It's only at a formative stage to find out whether the new dam is feasible or not." Mr. Justice Jain said: "The new dam cannot be built overnight. They [Kerala] will have to get permission from the Central government for the construction of the dam. It is not a case that the dam will be ready the moment the survey is found viable." Mr. Justice Lodha said: "Your

apprehensions are premature and not well-founded. You [Tamil Nadu] have not received any proposal for the new dam from Kerala for you to react.” When Mr. Parasaran said Ministers in Kerala were making statements that the new dam would be built at any cost, Mr. Justice Jain said: “We can’t go by Ministers’ statements. We can only say it is unfortunate and irresponsible.” Mr. Justice Jain found fault with Tamil Nadu for not filing a copy of Kerala’s proposal submitted to the Centre seeking permission for the survey. He said: “You have given us only a brief summary of the proposal. How can we pass an order without the actual proposal and without hearing the other side [the Centre and Kerala]? You file a comprehensive application with the actual proposal and details.” When Mr. Parasaran said, “We don’t want to face a fait accompli situation,” Mr. Justice Jain responded: “As and when that situation arises we will deal with it.” (The Hindu)

Economic Front:

West India



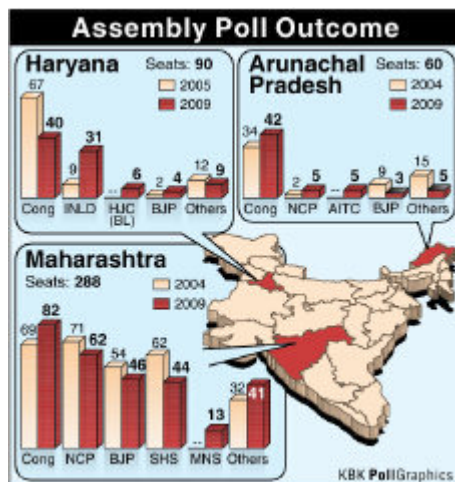
Politics:

Goa blast heat on Hindu outfit

The probe into Friday night’s blast at Margao has revealed that Sanatan Sanstha, the right-wing Hindu group allegedly involved in the blast, may have shifted its base from Maharashtra to Goa. The state government said it was investigating if any local politician was involved. According to police, one of the four bombs planted by the group exploded seriously injuring two Sanatan Sanstha members. One of them, Malgonda Patil, died later in hospital. The other, Yogesh Naik, is battling for life at the Goa medical college and hospital. Two bombs were also defused in Margao and another near Shantadurga temple at Sancoale on Friday night. “We are inquiring if any politician has played a part in the circumstances that led to the blast and if they did play any role, to what extent they are involved,” state home minister Ravi Naik told TOI on Sunday. “No organization can destroy Goa’s peace and harmony without local political support,” he added. At the moment though the probe is about the role of the Sanatan Sanstha in the blast. Police claim there are strong signs of its complicity. “Investigations have revealed that Sanatan Sanstha is shifting its base to Goa from Maharashtra. They want to make Goa their headquarters,” said DIG Ravindra Yadav. The Sanatan Sanstha has denied their involvement. Cops have interrogated the Sanatan’s Ponda unit trustees and searched their printing press at Margao. There was no register giving details of its employees at the press, which was “quite suspicious”, police said. Seventeen employees were working at the time of the raid. Police said most of them were from

Maharashtra and stayed at the press itself. On Sunday, Goa police constituted a special investigation team (SIT) headed by SP Omprakash Kudtarcar for the probe. “We have formed an SIT to conduct thorough investigations and ensure that the culprits are brought to book,” said DGP Bhimsen Bassi. DIG Yadav said the gelatin sticks used in the IEDs (improvised explosive devices) found at Margao and Sancoale showed they were procured from Nagpur. “The similarity in the make and design of the circuit of the IEDs found at both the places reveal a singular and wider conspiracy,” he said. There are several mining quarries in Goa, which regularly buy gelatin sticks for industrial use. “We are trying to verify how the accused got the gelatin sticks,” said a senior police officer involved in the probe. Asked if the role of Sanatan Sanstha has been clearly established in the case, Yadav evaded a direct reply. “One Sanatan member has been arrested and we are investigating.” Home minister Naik said the case would be cracked soon. He said, “The police will ensure that Goa remains a peaceful state and its communal harmony is not disturbed by such activities.”(The Times of India)

Congress, NCP retain power in Maharashtra



It was advantage Congress all the way as results came in on Thursday of the Assembly elections in Maharashtra, Haryana and Arunachal Pradesh. Standing at midpoint in a House of 288, the party, securing 82 seats, was set to form a government with decade-old ally Nationalist Congress Party (NCP) in Maharashtra. The NCP bagged 62 seats. In Arunachal Pradesh, the Congress won 42 of the 60 seats. In the case of Haryana, which was seen as the best bet for the Congress ahead of the polls, it is stuck five short of the bare majority mark, creating some uncertainty as to who would be able to put the required numbers together. A surprisingly strong performance by the Indian National Lok Dal (INLD) it scored 31 against the Congress’ 40 in a House of 90 – has dealt a body blow to Chief Minister Bhupinder Singh Hooda, who advanced the polls in the State by six months on the claim that he would lead his party to a thumping victory. Mr. Hooda’s less-than-expected performance has activated critics in the party who have begun questioning the wisdom of allowing him a second tenure as Chief Minister. However, party leaders were quick to point out that it was no mean achievement that the party was set to return to power in a State they are hoping to get the backing of some “others” – that has denied this to any party in three decades. Likewise in Maharashtra, where the ruling combine has not only improved on its 2004 tally but also set a record of sorts by posting a hat-trick – the Congress-NCP alliance is the only other coalition now after the six-term Left Front in West Bengal to return to power for the

third time running. For the Bharatiya Janata Party, the results have come as a second big jolt after the defeat in the Lok Sabha elections. The party had no hope whatsoever in Arunachal Pradesh where about half a dozen of its MLAs in the last Assembly left it and more recently a former MP, Kiran Rijju, crossed over to the Congress. In Haryana, too, the BJP's aim was limited to saving what remains of its base after its humiliating performance in the Lok Sabha polls and preparing for the next round in 2014. But it was with the results from Maharashtra that the party is deeply disappointed. "We expected that the BJP-Shiv Sena alliance would be about 20 seats short of the ruling coalition's score. But the gap is closer to 50," a party leader from the State said, adding that the Maharashtra Navnirman Sena had eaten into the support base of the Shiv Sena. BJP spokesperson Ravi Shankar Prasad, however, conceded victory to the Congress. "We accept the results with all humility," he said. And, M.A. Naqvi's comment, blaming the electronic voting machines, was dismissed by the party as "his personal view." (The Hindu)

BJP blames it on MNS

Stunned by the Assembly election results, the Bharatiya Janata Party has postponed a meeting of its Parliamentary Board to Friday. The party said the results were not up to its expectations, but it was not frustrated or desperate. One leader said the board meeting was postponed because there were no governments to be formed, nor did the long-awaited resignation of Vasundhara Raje as Leader of the Opposition in Rajasthan materialise as she had rushed to Mumbai to attend a funeral. The BJP blamed Raj Thackeray's Maharashtra Navnirman Sena for its poor showing in Maharashtra, pointing out that the splitting of the Shiv Sena vote adversely affected the alliance in 40-45 constituencies. While accepting the results "with all humility," BJP spokesperson Ravi Shankar Prasad said the strong anti-incumbency vote in Maharashtra scattered, benefiting the ruling alliance. Party leaders agreed that the MNS not only hurt the BJP-Shiv Sena alliance in Mumbai-Thane, as expected, but also made a surprisingly strong showing in other regions as well, including Marathwada. However, there would be no re-think on its two decades-old alliance with the Shiv Sena. One BJP leader said that in 1995, the BJP-Sena coalition won the Maharashtra Assembly election "on the back of the 1992-93 communal riots" but the votes the coalition got after the "Ram temple campaign" simply vanished, never to come back, as the BJP failed to deliver on its promise of a Ram temple at Ayodhya. It was a case of lack of credibility. Did postponing the board meeting mean that the party would once again shy away from analysing the reasons for its defeat? Mr. Prasad did not agree: "Analysing results is an ongoing process. We will sweep nothing under the carpet. We will have to honestly think of our weaknesses." (The Hindu)

Marathi people betrayed party, says Shiv Sena

Reeling under their worst performance in two decades, the crumbling Shiv Sena is now blaming the Marathi people saying they betrayed the party that has stood by them in hard times and has been taking up their cause on the streets. In the second consecutive editorial in party mouthpiece Saamna after the election results, Shiv Sena chief Balasaheb Thackeray blamed "ungrateful" Marathi people of Mumbai for "betraying" the party. "We never thought that the Maharashtrians for whom the Sena fought for 44 years would turn their back on us and backstab us. Have lost faith in everything...because in this election, it was neither the migrants

nor people speaking other languages (that damaged us), it was the Marathi people who betrayed us," Thackeray writes, adding "We have booth wise analysis of regions with other language pockets, but in Mumbai, Thane, Nashik belts we had always staked our claim over voters. We fail to understand why the Marathi people who approach Sena during their times of distress turned away from the party during elections." Thackeray continues that the only solace was the fact that though the Marathi Mumbaikar had lost his way, many Marathi people in the state in the new assembly constituencies had reposed their faith in Sena and elected its candidates. "Despite Mumbai's Marathi people taking a different stand, people in the rest of the state have stood by us. We have struggled to unite Marathis and formed our base on it, others have just gained from us," Thackeray writes. "It was said that this state would never breed betrayal, with the current outcome, should we assume that it will not be held true anymore?" Outlining the various campaigns by Sena during the years, the editorial asks why Marathi voters had forgotten the party. "It hurts that we have lost because of our own people," Thackeray mentions in the editorial. (The Indian Express)

Challenge and opportunity for Congress-NCP

After its poor showing in the Lok Sabha elections earlier this year, the Nationalist Congress Party (NCP) did some smart regrouping in the Assembly polls. The party, which lost three seats in its bastion of Western Maharashtra in the general elections, bounced back, winning 24 seats in the region. In Marathwada, the NCP bagged five out of the six seats in Beed, a BJP stronghold. Overall, the Congress-NCP combined managed to get 30 seats, eight of them in Nanded district alone. In Western Maharashtra, the Swabhimani Paksh's Raju Shetti, who won the Hatkanangale Lok Sabha seat, fell out with Sadashivrao Mandlik, rebel MP from Kolhapur. This worked to the NCP's advantage. NCP president Sharad Pawar was banking on this discord so that his party could fare better. In Marathwada too, he secured the support of Suresh Dhas, formerly with the BJP and now with the NCP, and won the Ashti seat. While the overall 62-seat tally of the NCP is lower than the 71 it won in 2004, the party has achieved a modicum of success and repaired some of the damage it suffered in the Lok Sabha polls. It contested 114 seats, while the Congress fielded candidates in 174 constituencies to win 82. The Congress, too, improved its performance and took advantage of a weak Opposition, which was plagued by division and which lacked a strong agenda to counter the ruling alliance. As a result, in the farm suicide country of Yavatmal, the Congress-NCP managed to wangle six out of the seven seats. Though 12 Ministers lost this election, it is more a reflection of rebellion and of their lack of performance. The Congress-NCP presented a united front, releasing the manifesto together and conducting joint campaigns, including some high profile meetings with Congress president Sonia Gandhi and general secretary Rahul Gandhi. The rivals in the Congress, Union Minister Vilasrao Deshmukh and Maharashtra Revenue Minister and Konkan strongman Narayan Rane, campaigned together to make a public show of unity, which the party feels went a long way to win the people's confidence. This election was, however, a setback to Mr. Rane. For, while he won from Kudal, two of his men lost the Kankavli and Rajapur seats. Mr. Rane managed to woo and get the Shiv Sena rebel Sada Sarvankar, onboard the Congress at the last minute. But the move came a cropper with Mr. Sarvankar losing to the Maharashtra Navnirman Sena's Nitin Sardesai in Mahim. The Opposition Shiv Sena-Bharatiya Janata Party, with 44 and 46 seats, is down in the dumps. The Sena's Leader of the Opposition Ramdas Kadam lost in Guhagar and it is faced with the prospect of relinquishing the post to the BJP. That is one of the ongoing tussles now in the saffron alliance. Sena chief Bal Thackeray is highly disturbed by the results. In an editorial in the party organ Saamna on Saturday, he castigated the "Marathi Manoos for

betraying” the party. While internal crisis led to a lacklustre BJP campaign, the Sena’s electioneering was led by executive president Uddhav Thackeray, who drew huge crowds. Mr. Bal Thackeray, who did not campaign due to ill health, was to address a victory rally. That was never to be. The ruling alliance, which in a record of sorts has made it to power for the third time, faces a huge challenge — farm suicides, social inequalities, unemployment, power cuts, drought, and rising prices being perennial issues. Prime Minister Manmohan Singh’s loan waiver and the State’s own package are being seen as the reason why the Congress has regained the farmer’s confidence even as suicides continue in a depressing indication of the agrarian crisis. Poor rains and a faltering soyabean crop could make things worse in the coming months. Job losses down the years have mounted, according to the State’s own Economic Survey and the implementation of the National Rural Employment Guarantee Scheme leaves much to be desired. The alliance has done well in extremely poor and backward regions like Marathwada, which is also beset by farm suicides. This is an opportunity for it to work for a change there. (The Hindu)

MNS recognised as a State party in Maharashtra

The Election Commission has recognised Raj Thackeray’s Maharashtra Navnirman Sena as a State party in Maharashtra and will allot a permanent election symbol of the party’s choice. The Commission also recognised the All-India Trinamool Congress (AITC), led by Railway Minister Mamata Banerjee, as a State party in Arunachal Pradesh. It is already a recognised party in West Bengal. It will be allowed to use its symbol of ‘Jora Ghas Phul’ in Arunachal Pradesh too. The recognition comes in the wake of both the parties having complied with the conditions stipulated under the amended Election Symbols (Reservation and Allotment) Order, 1968, after the Assembly elections in Maharashtra and Arunachal Pradesh. A formal communication will be sent to them, sources said. The MNS will be asked to choose from among the existing free symbols or design a new one. Under Section 6B of the Symbols Order, a political party, other than a national party, could get recognition as a State party in a State or States, if, and only if — (A)(i) the candidates put up by it, at the last general election to the House of the People or to the Legislative Assembly, have secured not less than six per cent of the total valid votes polled in that State at that general election; and (ii) in addition, it has returned at least two members to the Assembly at the last general election to that Assembly; or (B) it wins at least three per cent of the total number of seats in the Assembly (any fraction exceeding one-half being counted as one), or at least three seats in the Assembly, whichever is more. In the Assembly elections, the MNS, which Mr. Raj Thackeray formed on March 9, 2006 after breaking with his uncle Bal Thackeray’s Shiv Sena, won 13 out of the 143 seats it contested. In Mumbai city alone, it won six seats. The party contested on a common symbol (rail engine) it obtained after going to the Supreme Court. The Trinamool Congress won five seats in the 60-member Arunachal Pradesh Assembly and emerged as the second largest party, along with the NCP. At present, the AITC is recognised as a State party only in West Bengal, according to its Hooghly MP Ratna De. (The Hindu)

Modi has swine flu

Gujarat Chief Minister Narendra Modi is suffering from swine flu. Mr. Modi, who led a high-level business delegation from the State to Russia, tested positive for the A(H1N1) virus, a medical bulletin issued by the doctors attending on him, said. Mr. Modi had led a business delegation to Moscow to attend the fourth international energy week, corresponding with the ninth Russian

oil and gas week conference. After a three-day stint there, the delegation returned here on Wednesday night. Even though Mr. Modi was suffering from cold, cough and fever, he attended his office in the State secretariat, presided over a Cabinet meeting and completed all his engagements during the day and received visitors in the evening. But as the discomfiture increased, he sought medical assistance and insisted that the doctors carry out a swine flu test. The test results received on Friday were positive for H1N1 and Mr. Modi was immediately quarantined. His official engagements, which were initially cancelled for two days due to his indisposition, were further cancelled for the entire week.

Muslims pray for Modi

As the news about his illness spread, special prayer meetings, yagnas and other religious ceremonies were organised by his supporters across the State, wishing him a speedy recovery. The Muslims prayed for his long life at the Friday prayer meeting in Jumma Masjid in Ahmedabad and in other parts of the State.(The Hindu)

Social front:

Economic Front:

Business and Politics in Muslim World

China

Fareeha Sarwar

22nd to 28th November 2009

Presentation Date: 2nd December 2009

REPORT PATTERN:

Outline

National report

Political front

- Senior leader urges to publicize experiences in tackling global financial crisis (22nd November)
- Top Chinese political advisor starts visit to Peru (23rd November)
- China's State Council appoints senior officials (23rd November)
- Senior Chinese official calls for greater efforts against commercial bribery (23rd November)
- Ruling parties of China, South Africa to further exchanges on governance (23rd November)
- Top Chinese political advisor starts visit to Ecuador (24th November)
- Mainland may pull some missiles: Expert (26th November)
- Participatory democracy crucial (28th November)

Foreign relations

- China, French Polynesia pledge to boost cooperation (22nd November)
- Defense minister arrives in DPRK (23rd November)
- Chinese, Albanian leaders exchange greetings on 60th anniversary of diplomatic ties (23rd November)
- Singapore PM calls for Singapore, China media cooperation (24th November)
- Canadian PM to visit China (26th November)
- Myanmar urged to protect detained Chinese fishermen: FM spokesman (26th November)
- Jia Qinglin meets Brazilian judicial chief on cooperation (27th November)
- Japan, China agree to defense exchanges (28th November)
-

Economic front

- Push for stronger Chinese yuan does no good now: U.S. expert (22nd November)
- Aim for China's second demographic dividend (23rd November)
- Revaluing yuan now would 'jeopardize' recovery: US expert (23rd November)

- Chip makers reach another court settlement (23rd November)
- ChiNext stock index up Monday (23rd November)
- Non-SOEs employ 80% of industrial workforce (23rd November)
- Chinese shares close higher Monday (23rd November)
- China's major commodity imports in October (23rd November)
- A stronger yuan in regional trade (23rd November)
- China's food industry expected to expand 16.7% this year (23rd November)
- Rally in B shares wins new attention (23rd November)
- Auto aftermarket attracts big players (23rd November)
- Economists warn of possible new flood of speculative capital (23rd November)
- China asks banks to avoid big fluctuations in lending (23rd November)
- China, Japan launch dialogue between young business leaders (23rd November)
- Foreign firms may sell bonds (26th November)
- Ship-equipment maker to raise 6.4b yuan through float (26th November)
- Sinopec, TPG considering joint bid for LyondellBasell (26th November)
- Gindalbie may get funding from CDB (26th November)
- Baidu to boost search engine market share with new services (26th November)
- China leads record iron ore spending (26th November)
- Conference delegates address global and local concerns (26th November)
- Steel firms blast US' latest levies (26th November)
- Efforts underway to cool hot money flow (27th November)
- China to maintain macro-economy in 2010 (27th November)
- No change in fiscal, monetary policies (28th November)
- China Pacific gets nod for public float (28th November)
- China trade delegation signs series of deals with French enterprises (28th November)
-

Social front

- Exhibits of mainland intangible cultural heritage to show in Taiwan (22nd November)
- Urgent need for rural doctors (23rd November)
- China launches program to aid jobless disabled persons (23rd November)
- HIV/AIDS stigma still exists, survey says (28th November)
- China upgrades first-aid squad for mine accidents to national emergency rescue system (28th November)
-

Ethnic issues

Environmental front

- Substantial climate deal sought after (26th November)
- Chinese Premier Wen to attend Copenhagen climate summit (26th November)
- Clean coal technology model enterprises announced (26th November)
- Hefty emissions cut signals China's resolve against common threat (27th November)
- Carbon-cut target a 'milestone' (28th November)

Regional report

North

Politics

Social front

- Mascot for Bird's Nest (23rd November)
- Tenants take charge, lower costly property fees (23rd November)
- Residents to pick building managers (23rd November)
- Taiwan to send record delegates to annual Beijing cultural, creative industry expo (23rd November)

Economic front

- BAIC may bid for select Saab assets, analysts say (26th November)

Northwest

Politics

- Targeting terror literature (23rd November)

Social front

- Death toll from NW China colliery explosion rises to 104 (23rd November)

Economic front

Northeast

Politics

Social front

Economic front

Southwest

Politics

Social front

Economic front

South central

Politics

Social front

- Incinerator plans on back burner until assessments OK (23rd November)
- Futuroscope theme park to be built in central China (23rd November)
- Protesters want compensation (28th November)
-

Economic front

- Guangzhou Auto Show opens to media (23rd November)
- Foreign insurers in JVs with local money managers (26th November)
- Guangdong Special: Province land reclamation program hailed as pioneering move in China (26th November)
- Guangdong slashes emissions despite renewed GDP growth (26th November)

East

Politics

- Lawmaker proposes to curb lavish banquets on public funds (23rd November)
- 12th China-EU summit to be held in east China's Jiangsu (23rd November)

Social front

Economic front

- Hi-tech home (26th November)
- Investment Special: German state launches Shanghai charm offensive (26th November)

- Peugeot to launch China car in 2011 (28th November)

HONGKONG AND MACAU

Politics

Social front

- H1N1 flu virus mutation detected in HK (24th November)
- More headed to HK for flu jabs (26th November)

Economic front

- Hong Kong stocks close 1.41% higher Monday (23rd November)

National report

Political front

- Senior leader urges to publicize experiences in tackling global financial crisis (22nd November)

A senior Chinese leader has called on the publicity and ideological sectors to vigorously publicize the success and fresh experiences in tackling global financial crisis and promoting industrial upgrading.

Li Changchun, a member of the Standing Committee of the Communist Party of China (CPC) Central Committee Political Bureau, made the remarks during an inspection tour to southern Guangdong Province between Wednesday and Sunday.

Li urged the sectors to work hard to further boost confidence of the cadres and people, and step up support for achieving the goals of economic and social development this year.

During the inspection, Li called on the province to lay a solid foundation for its sounder and long-term development by unswervingly implementing the CPC Central Committee's policies on promoting economic growth, improving people's livelihoods and safeguarding social stability.

Li also expected the province to be a pioneer in shaping outstanding companies in the cultural sector.

In addition, Li stressed schools should play a vital role in ideological and moral education among the minors. He called for more efforts to crack down on illegal information on the Internet and mobile phones and create a healthy environment for the teenagers.

- Top Chinese political advisor starts visit to Peru (23rd November)

China's top political advisor Jia Qinglin arrived in Lima on Sunday, kicking off his official good-will visit to this South American country.

Jia, chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee, delivered a written speech upon his arrival at the airport of the Peruvian capital.

In the speech, Jia hailed the traditional friendship and sound development of bilateral ties, highlighting the fruitful cooperation in various fields and close coordination on international and regional affairs since the two countries established diplomatic ties in 1971.

The China-Peru relations entered a new phase of development when the two states established a strategic partnership in 2008, Jia said.

China always attaches importance to the relations with Peru and will work together with Peru to promote the partnership in a bid to benefit the two peoples, he noted.

Jia is paying a two-day visit to Lima, which is expected to further friendship, mutual respect and cooperation, at the invitation of the Peruvian government.

- China's State Council appoints senior officials (23rd November)

The State Council, China's Cabinet, on Monday appointed Zhu Min as vice president of the People's Bank of China, the country's central bank.

Huang Shouhong was appointed deputy director of the State Council Research Office, according to a statement released by the State Council.

The cabinet also ended Cai Mingzhao's term as deputy director of the State Council Information Office and Jin Renqing's term as deputy director of the State Council Development Research Center.

- Senior Chinese official calls for greater efforts against commercial bribery (23rd November)

A senior official on Monday called for greater efforts against commercial bribery.

He Yong, deputy secretary of the Central Commission for Discipline Inspection of the Communist Party of China (CPC), made the remarks at a meeting on battling commercial bribery.

He said, though the campaign launched in 2005 to crack down on commercial bribery had been fruitful, the task ahead was still arduous.

He called on governments at all levels to work harder to investigate bribery cases involving public servants and family members of leading officials.

Special attention should also be paid to transnational bribery cases, the act of offering bribes and the supervision of Chinese enterprises running business abroad, He said.

- Ruling parties of China, South Africa to further exchanges on governance (23rd November)

Ruling parties of China and South Africa on Monday pledged to learn more from each other on running their states.

"I hope both parties will make best of this workshop to deepen our exchanges on governance and serve bilateral relationship," Li Yuanchao, head of the Organization Department of the Communist Party of China (CPC) Central Committee, told a visiting South African delegation.

Li made the remarks in a meeting with Cyril Ramaphosa, member of the National Executive Committee of African National Congress (ANC) of South Africa.

Ramaphosa and his delegation arrived in Beijing on Sunday for a workshop of the ANC National Executive Committee that will last two weeks in China.

Top CPC and ANC leaders have agreed on the South African workshop in China, which is of importance for both parties to improve the ability of administration, said Li, also member of both of the Political Bureau and Secretariat of the CPC Central Committee.

Ramaphosa conveyed the greetings of the ANC leaders to the CPC leaders. He said his delegation came to China to learn and to absorb as much information as possible from the CPC.

Ramaphosa said his delegation saw the workshop as a process of deepening and broadening the relationship between the two parties.

The delegation will travel to the western metropolis of Chongqing and the country's financial powerhouse Shanghai at the end of the workshop.

- Top Chinese political advisor starts visit to Ecuador (24th November)
China's top political advisor, Jia Qinglin, on Monday arrived in Quito, kicking off his official goodwill visit to Ecuador.

Jia, chairman of the National Committee of the Chinese People's Political Consultative Conference, delivered a written speech at the airport of the Ecuadorian capital.

In the speech, Jia hailed the steady development of bilateral ties since the two countries established diplomatic relations in 1980, highlighting the enhanced mutual political trust, fruitful cooperation in trade, economy, culture, education and science, and close coordination on international and regional affairs.

China attaches great importance to its relations with Ecuador and will work together with the South American country to further expand the cooperation in various fields to benefit the two peoples, Jia said.

Jia is paying a two-day visit at the invitation of President of the National Congress of Ecuador Fernando Cordero.

Jia will meet with Ecuadorian leaders and attend the opening ceremony of a China-Ecuador business forum on Monday.

Jia has visited the Philippines and Peru. He will also visit Brazil as the last leg of his four-state trip.

- Mainland may pull some missiles: Expert (26th November)
Beijing might consider removing a portion of its missile arsenal in South China, a long-held precondition by Taiwan officials for peaceful cross-Straits ties, a mainland expert said yesterday.

The possibility of the mainland's missile removal should not be excluded, according to Li Jiaquan, a senior researcher with the Institute of Taiwan studies at the Chinese Academy of Social Sciences, ahead of new round of talks next month between the two sides.

"(Removing the missiles) would be a goodwill gesture by the mainland toward Taiwan," Li said.

But he emphasized that the missiles are not targeting Taiwan and are positioned at their current location to safeguard national safety. It is thus impossible for the mainland to remove them all, he added.

According to the island's defense officials, the mainland has nearly 1,500 missiles pointed at Taiwan.

Li's remarks come after two key instances in the past days. Yang Yi, spokesman of the Taiwan Affairs Office of the State Council, gave a positive response to the mainland's reported plan to remove regional missiles at a press conference yesterday.

On Tuesday, Raymond Burghardt, chairman of the Washington-based American Institute in Taiwan, said the United States plans to resume arms sales to Taiwan.

Yang expressed firm opposition to US arms sales to Taiwan.

"We strongly oppose US arms sales to Taiwan and our stance is consistent, clear and resolute," Yang said.

Cross-Straits relations have improved since Taiwan leader Ma Ying-jeou of Kuomintang came into power in May. Both sides have established closer economic and cultural exchanges. But Ma has said the missiles remain a big hurdle to warmer relations.

Yang's overture, however, signaled a departure from Beijing's practice of shunning the issue of removing missiles from South China.

At the press conference, Yang did not attempt to deny the media that the mainland plans to remove "one-third of the missiles targeting Taiwan" before next March or April and said: "We hope both sides can make joint efforts to get prepared for addressing political difficulties in the future."

The mainland has recently expressed a strong desire to open political talks as soon as possible, but Taipei has backed off from discussions and has said "the time is not ripe".

"The mainland could accept the present cross-Straits status quo, but if it remains so in the long term, it will divide China," said Wu Nengyuan, director of the Institute of Taiwan Studies at the Fujian Academy of Social Sciences.

He added that it seems that Ma is delaying political and military talks indefinitely in a compromise with the opposition pro-independence Democratic Progressive Party to stabilize his power on the island.

"So there is a possibility that the mainland is making some concessions, including removing some missiles, to show its sincerity of pushing forward peaceful negotiations," he said.

Li said removing the missiles could also serve as a signal to the US, which is pushing with its plan to resume arms sales to Taiwan.

- Participatory democracy crucial (28th November)

For years, free elections have seemingly been used as the only yardstick to measure a country's democracy. So long as a country has general suffrage, it is considered democratic.

Suffrage, or the right to vote, is certainly an important political and human right, and it is often hard won in any society.

But, two elements are essential to this matter: One, it must be based on the nature of power, which is required to be independent of external coercion and internal inequity as a prerequisite for democracy. Two, it is only one of the many aspects of democracy and attention to electoral democracy should not detract from attention to other aspects of democracy, such as public participation.

Take China's case, for example. This year marks the 60th anniversary of the founding of the People's Republic of China. Before the People's Republic was founded in October 1949, Chinese people suffered either from imperialist aggression or from civil wars.

China was threatened with partition by imperialist powers, and the ruling government then suppressed any attempt to mobilize the masses. So, there was no chance for a suffrage at all.

With the founding of the People's Republic of China, people stood up, and became masters of their own destiny, enjoying unprecedented rights. Ordinary farmers and workers, who had no right at all in old China were elected deputies to the National People's Congress, the top legislature, for the first time in history.

The people's congress is one of the major channels through which the people participate in State affairs and politics. This electoral democracy, however, is not all mighty, nor is it the only form of democracy.

Election is a means to vote someone to represent a group of people to a body with power. Once the person is voted into that body, it is up to him or her to execute the power. His or her decision can be beyond the control of those who have elected the person into that position.

For instance, George W Bush was elected as the US president. But, was the decision to invade Iraq representative of any democracy? I should say not. And, the process of decision-making on that matter was not democratic at all.

On the other hand, the election campaign, in typical Western style, can well be manipulated by people with money and power. Individuals without due resources are unlikely to get anywhere in the power echelon unless they are well established among the political elites with considerable financial backing.

Therefore it is misleading to pin democracy on free elections. More importance, instead, should be attached to a popular form of democracy - participatory democracy featuring public participation. Without full and democratic public participation, free election can be superficial and showy.

Participatory democracy is concerned more about fairness in the process of decision-making. And such processes can be more relevant to people's daily life.

For instance, a planned hydropower project on a river in Southwest China will compensate the to-be-displaced local farmers 200 yuan (\$29) for each mango tree that will be inundated.

Yet, from each mango tree the local farmers could earn 400 to 500 yuan a year. Such compensation would hardly sustain the displaced farmers' currently living standards. That is the reason for the conflict between local farmers and hydropower developers, which could lead to social unrest, or even riots.

Here, public participation in the process of decision-making would be essential to guaranteeing equity for all the stakeholders, and prevent possible social unrest.

In fact, participatory democracy is nothing new to the Communist Party of China (CPC). It managed to grow from just dozens of members in the early 1920s to leading the people in overthrowing the seemingly much more powerful reactionary regime and became the ruling party of China within merely 28 years of its birth because of the democracy it tried to execute within its organization and army.

One of the winning tricks of the CPC over the far better armed enemy were the Three Democracies it had resolved to implement since the Red Army days in the 1920s, namely political democracy featuring equality between officers and men and soldiers' capacity to criticize the officers; military democracy embodied in every soldier being encouraged to make proposals or suggestions on tactics to win a battle; and economic democracy which allowed soldiers to have a say in the economic management of the company.

Before Chairman Mao Zedong declared the founding of the People's Republic on Oct 1, 1949, he was challenged by Huang Yanpei, a well-known non-Communist educator. Huang asked Mao: Throughout Chinese history, no dynasty could survive the historical cycle, in that every dynasty was vigorous in its initial years and became prosperous, but then declined and finally collapsed. Can you Chinese Communists manage to move beyond this cycle?

Mao was confident and told Huang, "Yes". Because, "We have an advanced political regiment, we have democracy which allows the people to supervise the government," Mao said.

There have been zigzags in the exploration to realize this democracy in Mao's mind, and there were even deviations from that goal when efficiency was emphasized. But democracy has become the commonly accepted value of younger generations of CPC leaders.

In 2006, the 6th Plenary Session of the 16th Central Committee of the Communist Party of China summarized the participatory democracy into the following four rights: Right to know, right to participate, right to expression and right to monitor or supervise. These four rights can be regarded as the cornerstone of China's participatory democracy.

Of course, there have been obstacles in the course of people's enjoyment of these rights. There have been cases of abuses of power. But we have been moving to improve our system to honor these rights, and we also see encouraging signs that ordinary people and individuals are acting to practice these rights.

By all means, more and more people in China have come to realize the significance of participatory democracy. Extensive participatory democracy can benefit individuals and society at large better than free elections.

The author is a guest professor of journalism with the Beijing Foreign Studies University.

Foreign relations

- China, French Polynesia pledge to boost cooperation (22nd November)
China's top political advisor, Jia Qinglin, met with President of French Polynesia Oscar Temaru here Saturday and they pledged closer cooperation.

During the meeting, Jia, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), hailed the long friendly exchanges and cooperation between the two sides.

Jia said French Polynesia is known as the "Pearl of the South Pacific" and has a long history of friendly contacts with China.

In as early as the 19th century, there were Chinese settling on Tahiti, the most famous island among the Polynesian islands, who integrated themselves into the local society and actively participated in local economic development. They have served as a bridge linking the friendly and cooperative ties between French Polynesia and China, Jia said.

Both sides have seen more frequent exchanges and enhanced cooperation in the fields of economy, culture and tourism since the Chinese Consulate in French Polynesia opened in 2007 and the Chinese government granted the islands the status of designated tourist destination last year, Jia added.

Jia further thanked his host for supporting the Chinese scientific research vessel "Yuanwang" which has made many stopovers at the island.

The China-France ties now face new opportunities of development, which has created favorable conditions for developing local cooperation and exchanges between the two countries, Jia said.

Jia went on to say that French Polynesia has unique geographical advantage and rich marine and tourism resources. China is willing to work with French Polynesia to boost cooperation in such fields as trade and tourism, in which there is great potential for cooperation.

For his part, Temaru said his government is willing to forge a candid, friendly and close relationship with China in the era of globalization.

The top Chinese political advisor arrived at the South Pacific island Friday for a technical stopover in the midst of his four-state tour.

He has visited the Philippines and will continue his trip to Peru, Ecuador and Brazil.

- Defense minister arrives in DPRK (23rd November)

Defense Minister Liang Guanglie arrived in Pyongyang yesterday for the latest high-level visit between China and the Democratic People's Republic of Korea (DPRK). International pressure mounts on the DPRK to return to Six-Party Talks.

- Chinese, Albanian leaders exchange greetings on 60th anniversary of diplomatic ties (23rd November)

Chinese President Hu Jintao and his Albanian counterpart Bamir Topi exchanged congratulatory messages on Monday to mark the 60th anniversary of the establishment of diplomatic relations between the two countries.

In his message, Hu said the past 60 years have witnessed the continuous development of China-Albania relations in line with the Five Principles of Peaceful Coexistence.

At present, bilateral ties have maintained a sound momentum for further development and shared a broad prospect, he said.

The Chinese government has always attached great importance to China-Albania relations, regarded Albania as a good friend in southeastern Europe and respected Albanian people's choice of their own path for development, Hu said.

China is ready to join hands with Albania, on the occasion of the 60th anniversary of their diplomatic ties, to strengthen political mutual trust, deepen traditional friendship, expand pragmatic cooperation, and create a bright future for the friendly and cooperative relations, he said.

Topi said that the friendly and cooperative relations between the two countries had continuously consolidated and strengthened in the past 60 years.

He said sincere friendship between the two countries served as an important foundation for the development of bilateral ties.

The Albanian side is proud of its friendship with China and confident that their bilateral ties will further deepen and develop.

- Singapore PM calls for Singapore, China media cooperation (24th November)

Singapore Prime Minister Lee Hsien Loong on Monday called on media both from Singapore and China to enhance cooperation and communication to make Asia's voice better heard around the world.

During a meeting here with He Ping, editor-in-chief of China's Xinhua News Agency, Lee said that the recent successful state-visit by Chinese President Hu Jintao to Singapore has boosted bilateral ties between the two Asian countries, and also established a platform for collaboration between their media.

Lee said that media from both countries could learn from each other as to meet the challenges brought by the evolving communication technology. He also urged media to make continuous efforts to promote the political, economic and social development in both countries, as well as the friendship and understanding between their people.

He Ping said that emerging economies in Asia have played increasingly important roles on the world stage, however, there is an "information gap" between the image of a real Asia, progressing and open, and what is described by some western media.

He added that it is a common task by the Asian media, especially those in China and Singapore, to tell our own stories to the world in a truthful, accurate, comprehensive and objective way. He added that Xinhua has been strengthening in both traditional and multi-media coverage to improve its influence and adapt to the trend of media's development.

He Ping also briefed Lee on the result of the World Media Summit co-sponsored in last October by Xinhua and some other world famous news organizations, and Xinhua's latest collaboration with Singapore media. The two sides also exchanged views on issues such as the ongoing world financial crisis.

He Ping, who arrived here on Sunday for a four-day visit, also met later on Monday with senior management of Singapore Press Holding Limited, and its two prestigious daily newspapers, the Chinese language Lianhe Zaobao and the English language Straits Times.

- Canadian PM to visit China (26th November)

Canadian Prime Minister Stephen Harper will pay an official visit to China from Dec. 2 to 6 at the invitation of Chinese Premier Wen Jiabao, Chinese Foreign Ministry spokesman Qin Gang announced here on Thursday.

Harper said in a press release announcing his China visit on Oct. 28 that Canada is "committed to a strong relationship with China that reflects our mutual respect and the need for practical cooperation."

"Our two countries enjoy a growing partnership, sharing significant interests in trade and investment, the environment and regional security," he said.

This will be Harper's first visit to China after he came to power in 2006.

- Myanmar urged to protect detained Chinese fishermen: FM spokesman (26th November)
China has urged authorities in Myanmar to protect the safety and legal rights of the detained Chinese mainland and Taiwan fishermen, said Foreign Ministry spokesman Qin Gang Thursday.

According to Taiwan media reports, two Taiwan fishing boats have been detained by the Myanmar military.

Asked to confirm the reports at a routine press conference, Qin said the Myanmar authorities informed the Chinese Embassy in Myanmar on Tuesday evening, that they had detained 10 foreign fishing vessels and 128 foreign fishermen for alleged illegal fishing activities.

They detained crews included four seamen from Taiwan and one from the Chinese mainland.

He said the embassy was checking the information and had asked the Myanmar authorities to allow them to visit the detained fishing crews.

The Foreign Ministry and the embassy had also requested the Myanmar authorities properly deal this matter according to law, and protect the safety and legal rights of those detained, he said.

He said the Chinese government had always attached high importance to protect the security and legal rights of all Chinese, whether they were from the mainland, Hong Kong, Macao or Taiwan.

- Jia Qinglin meets Brazilian judicial chief on cooperation (27th November)
China's top political adviser Jia Qinglin on Thursday met Brazil's judicial chief, with both sides pledging more efforts to boost cooperation.

During the meeting with Gilmar Mendes, president of the Supreme Federal Tribunal of Brazil, Jia hailed the 35 years of amicable bilateral relations, established in 1974 and enriched in 1993 when China and Brazil established a strategic partnership.

Such friendly cooperation between the two countries has contributed to enhancing contact of the judicial sector and to creating opportunities for legal collaboration, said Jia, chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee.

Jia said China has been making remarkable progress in the construction of democracy and justice, which has energetically promoted the economic and social development of the Asian country.

Brazil has accumulated valuable experience on how to improve its legal system, for which Jia hoped the judiciary departments of both countries could continue to intensify the communication and exchange and learn from each other to provide a vigorous legal guarantee for development, stability and prosperity of each nation.

Mendes said Jia's visit to Brazil will promote the cooperation between the judiciaries of both sides.

China and Brazil devote similar efforts to building a modern legal system of stability, high efficiency and authority, he said.

He suggested that exchange should be reinforced to broaden collaboration in bilateral or multilateral framework, so as to enrich the China-Brazil strategic partnership.

Jia also met with Brazil's Federal Senate President Jose Sarney on Thursday, shortly before he delivered a speech on China-Latin America relations at the Brazilian Congress.

On Wednesday, he held talks with Brazilian Chamber of Deputies Speaker Michel Temer, and is scheduled to meet Brazilian President Luiz Inacio Lula da Silva on Friday.

Jia arrived in Brasilia on Wednesday for an official good-will visit to Brazil, the last leg of his four-nation tour which has taken him to the Philippines, Peru and Ecuador.

- Japan, China agree to defense exchanges (28th November)

Japan and China have agreed to conduct joint exercises and expand their exchanges on defenses issues, the defense ministers from the two countries said on Friday in Tokyo.

China's Defense Minister Liang Guanglie and his Japanese counterpart, Toshimi Kitazawa, met for about two hours on Friday and agreed on a range of exchanges to deepen their ties and improve communication.

They also agreed to conduct joint exercises "at an appropriate time" to prepare for natural disaster relief and at-sea rescues.

Liang said the two ministers discussed regional security issues and said they "have a great deal in common".

"We intend to continue strengthening our ties," he said. "Our relations are very important, as is our mutual growth and prosperity."

Kitazawa said Tokyo sees relations with Beijing as crucial on both the security and economic fronts.

"The status quo of Sino-Japan defense exchanges doesn't meet the requirement of an expanding bilateral relationship," said Meng Xiangqing, a professor at the Beijing-based National Defense University. "China and Japan should work together upon their common concerns."

Japan's relations with China have been improving lately, particularly on the economic front, but the two have been at odds over territory to Japan's south, where rich fishing areas and natural resources are located and the border between the two nations remains in dispute.

Liang also met with Japanese Prime Minister Yukio Hatoyama on Friday.

Hatoyama said he has met with Chinese leaders Hu Jintao and Wen Jiabao in less than two months after his inauguration, and both the Chinese foreign minister and defence minister have paid visits to Japan. All of these show the commitment of the two countries to intensifying their bilateral relations, he said.

Economic front

- Push for stronger Chinese yuan does no good now: U.S. expert (22nd November)
Nobel economics laureate Paul Krugman's recent push for a stronger Chinese currency "was wrong," and such a move currently does no good to the U.S. and Chinese economies, a U.S. expert said recently in an article on Forbes' website.

Shaun Rein, founder and managing director of the China Market Research Group, a strategic market intelligence firm, said that revaluing the Chinese yuan right now would "jeopardize the world's fledgling economic recovery."

Krugman, who is also The New York Times columnist, wrote recently in an article headlined "World Out of Balance" that China severely undervalued renminbi, and he called on the U.S. government to push for a stronger Chinese currency.

Citing Krugman's view that China needed to strengthen the yuan to reduce America's trade deficit and spur worldwide recovery, Rein argued that "it is better for American businesses for China to maintain current yuan rates until the worldwide recovery is on a firmer footing."

He stated that if the renminbi were to appreciate, billions of dollars of purchasing power would be taken from American consumers, which he said satirically would not make the upcoming holiday season "such merry time."

With the U.S. unemployment rate standing at 10.2 percent, the worst in more than 26 years, American consumers are already stretching their shopping dollars farther than they have in a longtime, he wrote.

Regarding the impact of a stronger yuan on China, which is not immune from the ongoing global financial crisis, Rein said that even a small currency appreciation would cause thousands more factories to shut down and leave millions more unemployed.

"That wouldn't be good for China or anybody else," he said, warning that the possible crisis in the Chinese economy would affect American exports to China.

"Even if China's currency were to appreciate, production would just move to cheaper countries like Vietnam, not back to America," he added.

"Unless there are structural reforms to America's economy, a stronger renminbi will not lower the trade surplus in any meaningful way," he stressed.

Rein further pointed out that the biggest currency problem in the world right now "is not a weak yuan but a weak dollar".

A weak dollar is dangerous "because it means countries will be less likely to buy Treasury bills and finance America's recovery," Rein said.

"A weaker dollar won't help create more exports. It will just make things more expensive for Americans," because he said that foreign companies would turn to other low-cost labor markets like Vietnam.

In his article, Rein also urged the administration of President Barack Obama to focus on how to strengthen the dollar by paying down debts, instead of "wasting time" on the renminbi issue.

The U.S. deficit hit a record 1.42 trillion U.S. dollars in the 2009 fiscal year.

Coincidentally across the Atlantic Ocean, a business commentator from British renowned newspaper Daily Telegraph wrote an article on the Chinese currency, expressing a view similar to that of the U.S. expert. The article was headlined "It's time to stop beating China up over its currency" and posted last Wednesday on the website of the Daily Telegraph.

Jeremy Warner argued against the Western press which he said unites against China's approach to currency reform and showed much sympathy for the Chinese point of view.

Regarding the revaluation of the renminbi, Warner said it is perfectly reasonable for China to do it at its own pace. "Beijing dare not go faster to appreciate its currency because the internal demand is sharply growing."

"The West has enjoyed a free ride off the developing world for an awfully long time," he said, calling for rebalancing geo-political and economic power for the sake of the whole world and the next generation.

- Aim for China's second demographic dividend (23rd November)
China should make greater efforts to transform its huge population from a quantitative to a qualitative advantage to cement a foundation for lasting economic prosperity.

The "demographic dividend" has long been thought an important source of China's remarkable economic performance. According to World Bank estimates, China's advantageous population age structure brought about by such a dividend has contributed more than 30 percent to the country's economic growth over the past decades.

However, with the transformation of its population structure, the country's traditional economic development model has come under severe pressure. As its economic growth experiences profound changes, catalyzing the second "demographic dividend" and creating a sustainable development formula is a pressing task for the world's most populous nation.

Over the past decades, China enjoyed a productive population age structure, with working-age people making up a large part of its population while retired and pre-working-age people were a relatively small fraction. As a result, the country enjoyed an endless supply of labor and also carried a comparatively light pension burden. Such a productive population age structure, characterized by abundant labor forces and a high savings ratio, proved to be a dynamic source of economic growth and consequently took the country into a long "golden period" of economic and social development.

International experiences also indicate that most developed countries and regions have more and less benefited from similar demographic dividends in their development. In what Rand, a

non-profit American think tank that provides policy and decision-making consultations on global issues and challenges, describes as an "East Asian miracle", a high proportion of the working-age population contributed to their gross domestic product by a third and even as high as half from 1970 to 1995. This is also the case in parts of North America. In the initial development of the "New Land" of the continent, 90 percent to 100 percent of their development advantage over the "Old Land" was attributed to their more productive population age structure.

Nevertheless, the demographic dividend that bolsters economic growth does not last forever. All countries, developed or developing, eventually face an aging population. An aging society inevitably results in the disappearance of high productivity and high savings of the special population age structure in a particular period of time. According to United Bank of Switzerland studies, the growth of China's population would be on a decline after 2015, which means the benefits the country has long enjoyed from its demographic dividend would be on the wane. Sample survey showed people aged 60 and above took up about 13 percent of the Chinese population by 2007.

The gradual disappearance of the country's "demographic dividend" means that the injection of production elements alone would not maintain much-needed sustainable economic growth. It also means that the country should make some tangible adjustments in all fields related to human resources, in particular in division of labor, industrial and employment structures, as well as in savings, consumption, investment, income distribution and social security policies.

For a long period, China's abundant and inexpensive labor force played a positive role in helping domestic enterprises gain a sharp edge over foreign counterparts in manufacturing inexpensive and labor-intensive products for domestic and overseas markets and enjoy a comparatively long period of growth. That also helped make up for the country's capital insufficiency and contributed much to its economic advancement. However, such a low-end production model has also added to domestic enterprises' dependence on increased injection of labor forces, capital and other factors of production for growth.

Under these circumstances, China should try to transform its quantitative demographic dividend to a qualitative one that is based on accumulation of human capital, full-fledged development of manpower and improved efficiency in all factors of production. To this end, China should cultivate the concept of placing development of human resources in paramount position and develop them into the driving force of the country's economic and social development to avoid the vicious "low income-low educational input-low productivity-low income" cycle.

The country should focus on developing the manufacturing and service sectors that help increase employment quality and improve human resources development in the effort to promote employment expansion in the process of sustainable economic growth.

In addition, concrete efforts should be made to push forward long-overdue reforms on education, employment, residence and pension systems to remove institutional obstacles in the way of human capital development.

The long-anticipated second demographic dividend, which is to be realized by the accelerated formation of human capital, upgrading of industrial structure, technological progress and social security changes will help the country's transformation from an extensive to an intensive economic model.

The author is an economics researcher with the State Information Center.

- Revaluing yuan now would 'jeopardize' recovery: US expert (23rd November)
Nobel economics laureate Paul Krugman's recent push for a stronger Chinese currency "was wrong," and such a move currently does no good to the US and Chinese economies, a US expert said recently in an article on Forbes' website.

Shaun Rein, founder and managing director of the China Market Research Group, a strategic market intelligence firm, said that revaluing the Chinese yuan right now would "jeopardize the world's fledgling economic recovery."

Krugman, who is also The New York Times columnist, wrote recently in an article headlined "World Out of Balance" that China severely undervalued renminbi, and he called on the US government to push for a stronger Chinese currency.

Citing Krugman's view that China needed to strengthen the yuan to reduce America's trade deficit and spur worldwide recovery, Rein argued that "it is better for American businesses, for China to maintain current yuan rates until the worldwide recovery is on a firmer footing."

He stated that if the renminbi were to appreciate, billions of dollars of purchasing power would be taken from American consumers, which he said satirically would not make the upcoming holiday season "such merry time."

With the US unemployment rate standing at 10.2 percent, the worst in more than 26 years, American consumers are already stretching their shopping dollars farther than they have in a long time, he wrote.

Regarding the impact of a stronger yuan on China, which is not immune from the ongoing global financial crisis, Rein said that even a small currency appreciation would cause thousands more factories to shut down and leave millions more unemployed.

"That wouldn't be good for China or anybody else," he said, warning that the possible crisis in the Chinese economy would affect American exports to China.

"Even if China's currency were to appreciate, production would just move to cheaper countries like Vietnam, not back to America," he added.

"Unless there are structural reforms to America's economy, a stronger renminbi will not lower the trade surplus in any meaningful way," he stressed.

Rein further pointed out that the biggest currency problem in the world right now "is not a weak yuan but a weak dollar".

A weak dollar is dangerous "because it means countries will be less likely to buy Treasury bills and finance America's recovery," Rein said.

"A weaker dollar won't help create more exports. It will just make things more expensive for Americans," because he said that foreign companies would turn to other low-cost labor markets like Vietnam.

In his article, Rein also urged the administration of President Barack Obama to focus on how to strengthen the dollar by paying down debts, instead of "wasting time" on the renminbi issue.

The US deficit hit a record \$1.42 trillion in the 2009 fiscal year.

Coincidentally across the Atlantic Ocean, a business commentator from British renowned newspaper Daily Telegraph wrote an article on the Chinese currency, expressing a view similar to that of the US expert. The article was headlined "It's time to stop beating China up over its currency" and posted on the website of the Daily Telegraph.

Jeremy Warner argued against the Western press which he said unites against China's approach to currency reform and showed much sympathy for the Chinese point of view.

Regarding the revaluation of the renminbi, Warner said it is perfectly reasonable for China to do it at its own pace. "Beijing dare not go faster to appreciate its currency because the internal demand is sharply growing."

"The West has enjoyed a free ride off the developing world for an awfully long time," he said, calling for rebalancing geo-political and economic power for the sake of the whole world and the next generation.

- Chip makers reach another court settlement (23rd November)
Taiwan Semiconductor Manufacturing Co Ltd (TSMC) reached an out-of-court settlement valued at \$290.2 million with the Chinese mainland's biggest computer chip maker after a courtroom victory in a case concerning allegations of theft of trade secrets, patent infringement and breach of contract over a prior settlement between the two companies.

As part of the settlement, Semiconductor Manufacturing International (SMIC) will pay TSMC \$200 million in cash, as well as stock and warrants that could allow TSMC to take up to a 10 percent stake in SMIC

The stock and warrants were valued at around \$90.2 million by Steve Chang, a stock trader at Taishin Securities in Taipei.

A jury at the Superior Court of Alameda County, California, earlier this month ruled in favor of TSMC, the world's largest contract chip maker, in the case against SMIC, the biggest contract chip maker in the mainland. The court had already started proceedings to determine damages.

The settlement ends all outstanding court actions between the two companies, including a remaining \$40 million payment that SMIC owes TSMC from a previous case. The deal will also allow SMIC to continue to use TSMC trade secrets and technology disputed in the case.

"SMIC believes this settlement is a win-win for the parties, resolving uncertainty for their employees, mutual customers and other stakeholders," SMIC said in a statement to the Stock Exchange of Hong Kong.

But the settlement could lead to new problems for TSMC with the authorities of Taiwan.

Regulations on the island prohibit certain technology transfers and investments in the mainland.

A TSMC spokesman said that regulatory authorities will have to change rules to permit the ownership of stock offered by SMIC as part of the settlement. "This would be a passive ownership of shares," said J.H. Tzeng, a TSMC spokesman.

TSMC will not be allowed to vote for members of SMIC's board of directors with its shares, SMIC said in the statement. TSMC's voting rights will also be restricted to a vote in favor of actions recommended by the board.

SMIC will issue 1.79 billion new shares, or 8 percent of the company, of its Hong Kong-listed stock to TSMC as part of the settlement, after new shares are issued.

SMIC will also give TSMC warrants to buy an additional 696 million shares for HK\$1.30 (17 cents) a share. Should TSMC opt to exercise the warrants, it would gain another 2 percent of SMIC, for a total ownership of 10 percent of the Chinese chip maker.

The two chip makers first went to court in December 2003 in a patent infringement and trade secrets theft case. That case was ultimately settled in 2005 with a \$175 million payment to TSMC and a cross-licensing deal. But the relationship turned sour soon afterward, and TSMC filed the current case just a year later.

- ChiNext stock index up Monday (23rd November)

The ChiNext Index rose on Monday as 24 out of the 28 shares at China's start-up board for small and medium-sized enterprises were up.

The board, which is based in Shenzhen and started trading on October 30, 2009, is tailored to the needs of enterprises engaged in independent innovation and other enterprises with great growth potential.

- Non-SOEs employ 80% of industrial workforce (23rd November)

Non-State-owned enterprises (non-SOEs) employed 70 million people, or 80 percent of China's total workforce in the industrial sector in 2008, the National Bureau of Statistics (NBS) said in a statement Monday.

Despite the global economic downturn, non-State-owned industrial firms still hired 15 percent more people in 2008 than the previous year, the NBS said on its website.

Profits of these enterprises jumped 31.4 percent from 2007 while the figure for State-owned industrial firms dropped 16 percent.

There were 28 percent more non-State-owned industrial enterprises in 2008 than 2007.

The NBS gave no further details about the figures.

The non-public economy has developed rapidly since the State Council promulgated the first governmental document in 2005 to support and facilitate the growth of non-public enterprises.

According to the document, non-public enterprises enjoyed the same kind of market access with foreign capital and the same kind of treatment in project approval, financing, taxation, land use, foreign trade and economic cooperation as other businesses.

The number of people working in non-State-owned industrial firms had reached 70.4 million in 2008, a rise of 40 percent from 2005, said the statement.

Profits of non-State-owned industrial firms were up 160 percent in the four years to 2008. They represented more than 70 percent of the total profits created by Chinese industrial enterprises, up from 56 percent in 2005.

The number of non-SOEs in the industrial sector was up 65.7 percent from 2005 to 404,800 in 2008, accounting for 95 percent of the country's total industrial enterprises.

The statistics were based on industrial enterprises with annual sales revenue of more than five million yuan (\$732,064), said the statement.

- Chinese shares close higher Monday (23rd November)

Chinese equities closed higher in the first trading day of the week, with the benchmark Shanghai Composite Index up 0.92 percent, or 30.32 points, to close at 3,338.66.

The Shenzhen Component Index rose 1.16 percent, or 159.52 points, to close at 13,854.66.

Combined turnover jumped to 327.91 billion yuan (\$48 billion) from 325.66 billion yuan on the previous trading day.

Twenty four out of the total 28 shares in the ChiNext market for start-up stocks were up.

Gainers outnumbered losers by 726 to 148 in Shanghai and 654 to 141 in Shenzhen.

- China's major commodity imports in October (23rd November)
the General Administration of Customs (GAC) on Monday released data of major commodities imported by China in October and the first ten months.

Coal imports jumped 220 percent year-on-year to 11.1 million tons in October. For the first 10 months, China imported 96.87 million tons, 170 percent higher compared with the same period last year.

China imported 169,374 tons of refined copper in October, up 31 percent from a year ago. The first 10 months saw total imports of refined copper at 2.75 million tons, up 148.97 percent year-on-year.

Crude oil imports climbed 20 percent from a year ago in October to 19.3 million tons. The figure for the first 10 months stood at 165 million tons, up 9.4 percent from a year ago.

The GAC also said European Union continued to be the largest trade partner with China and the country's largest export destination, with bilateral trade totaling \$292.42 billion in the first 10 months, down 18.7 percent from a year earlier.

The United States was the second largest trade partner with bilateral trade down 14.9 percent from January to October to \$239.36 billion.

- A stronger yuan in regional trade (23rd November)
China's yuan is expected to play a bigger role in regional trade with the China-ASEAN Free Trade Area (CAFTA) becoming effective on Jan 1, 2010.

"The upcoming CAFTA, which boasts the largest population among all the world's FTAs (free trade areas) and allows zero tariff on 90 percent of products traded between China and ASEAN (Association of Southeast Asian Nations), will quicken the process of renminbi regionalization," said Xu Ningning, executive secretary general of the China-ASEAN Business Council.

Free trade demands a free flow of currency, making possible the regional use of renminbi, he said.

Alongkorn Ponlaboot, Thailand's deputy minister of commerce, said he believes the renminbi will play a more important role in bilateral trade between China and ASEAN in the future.

The messages of Xu and Ponlaboot came from the annual China-ASEAN Expo in Guangxi Zhuang autonomous region late last month.

Ponlaboot said the yuan was a very stable currency and expanding its use could help reduce risks faced by the ASEAN countries in using the US dollar, which has become highly volatile as a result of the global financial crisis.

Pung Kheav Se, general manager of Canadia Bank Plc of Cambodia, echoed Thailand's deputy minister, saying trade between China and ASEAN was growing and the use of renminbi would benefit both sides.

Data from China's General Administration of Customs showed trade between China and ASEAN totaled \$105.88 billion in 2004, and rose to \$231.07 billion in 2008. China and ASEAN are currently each other's fourth-largest trade partner.

Challenges

However, the use of yuan in ASEAN countries fell far short of the trade growth between China and ASEAN members. Currently, renminbi settlement is mainly adopted in border trade, which accounted for only 10 percent of China-ASEAN bilateral trades, said Teng Chong, board chairman of Guangxi Beibu Gulf Bank.

Pung Kheav Se said renminbi, US dollars, Thai Baht and Vietnamese Dong currently are in circulation in Cambodia, but that the amount of yuan is small, mainly used for tourism and small commodity business. He did not give specific figures.

The main reason was that Cambodia is not a developed economy, and some people have inadequate knowledge about the yuan, he said.

He suggested that China should gradually establish a credit system and settlement mechanism for yuan in ASEAN, and then expand its use globally.

Su Ning, vice governor of China's central bank, said financial cooperation between China and ASEAN members was still at the initial phase, and added that financial markets were not open enough. But the potential for cooperation is huge, as finance in China and ASEAN is seeing fast development, he said.

China has launched pilot renminbi programs over the years, but the pace has obviously quickened since the onset of the global financial crisis as the US dollar has been getting weaker, arousing concerns that an unstable dollar would lead to increased costs and risks for traders.

- China's food industry expected to expand 16.7% this year (23rd November)
Output value of China's food industry is expected to grow 16.7 percent year-on-year, according to China National Food Industry Association (CNFIA).

Liu Zhi, CNFIA executive vice chairman, told the Seventh China Food Safety Annual Meeting held on Saturday, that output value of the country's food industry was expected to top 4.9 trillion yuan (\$717 billion) this year.

In the first five months of this year, output of the country's food industry was 1.82 trillion yuan, an increase of 14.6 percent over the same period last year.

China's food industry grows fast these years, while food safety situation is continually improved, said Xiang Yuzhang, chief inspector of General Administration of Quality Supervision, Inspection and Quarantine.

According to Xiang, the country's food safety watchdogs at all levels launched inspections to one million food producers this year, registered and investigated 70,000 cases.

Rate of qualified food products was 98.5 percent in the first half of this year, according to the country's food safety inspection departments nationwide, said Xiang.

- Rally in B shares wins new attention (23rd November)
The B-share market has enjoyed several robust rallies in its relatively brief history.

The first time was from March 1999 to May 2001, when the main index increased as many as 10 times in 27 months.

The second time was between January 2006 and October 2007, when B shares climbed as much as five times their value during the period.

The third time, beginning last year, B shares almost doubled in the last 12 months, including a newer round of market rallies since the end of 2008.

This round of growth finally evolved into a blowout two weeks ago. Since November 13, all B shares had gained 15 percent percent by Nov 19.

Anticipation

The sharp rally in B shares in the last two weeks came after the People's Bank of China made a rare change of wording on its exchange rate policy, saying it will consider upward pressures on the yuan from surging capital inflows and a weakening US dollar.

The US dollar's depreciation and US President Barack Obama's visit to China last week is adding to investors' anticipation.

The topic of renminbi appreciation gained greater prominence in recent days, based on expectations that Obama might raise the issue during his China visit last week.

In meeting with Chinese government officials, Obama did press complaints that China's yuan is set too low, hurting US business and exports.

Dominique Strauss-Kahn, managing director of the International Monetary Fund, also called for a stronger yuan when speaking at the International Finance Forum at the Diaoyutai State Guesthouse in Beijing last week.

The yuan climbed 21 percent in value over three years after the Chinese government scrapped a fixed exchange rate in July 2005.

"An appreciation in the yuan would make the foreign currency-denominated B shares cheaper for Chinese investors," analyst Zhang Qi from Haitong Securities said.

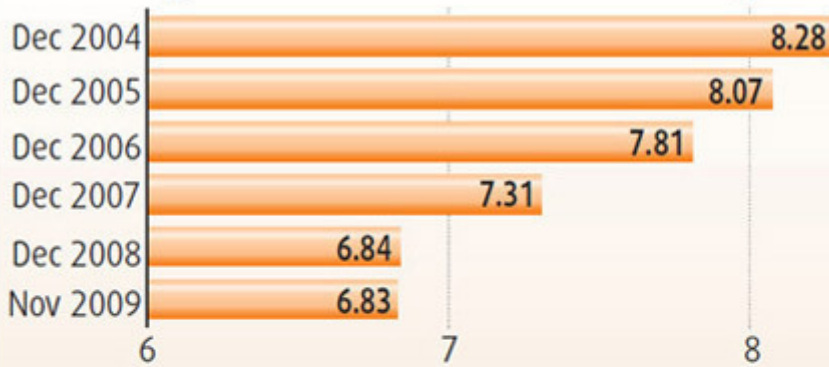
Valuations

Zhang said the average price of a company's B shares accounts for merely half or one-third the price of the same company's A shares due to a long time illiquidity of the market.

"Attractive valuations of some companies with good fundamentals may trigger share-price increases," he added.

B shares, as foreign currency-denominated shares, were first listed in 1992 as a way for companies to raise funds from foreign currencies.

Exchange rate of one US dollar vs yuan



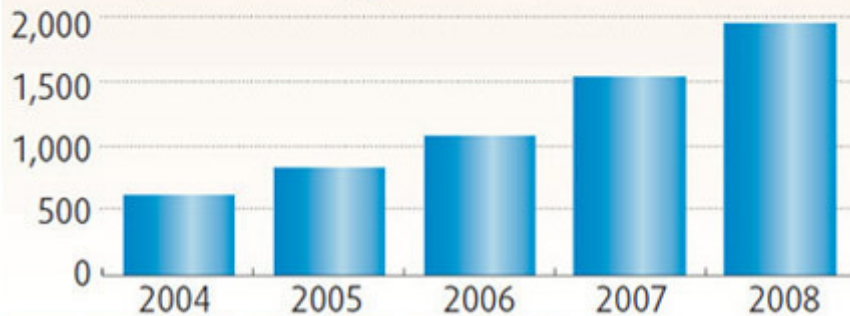
Shanghai Stock Exchange B-share index



China's GDP growth



Foreign exchange reserves



Source: People's Bank of China, National Bureau of Statistics, Reuters Graphic by Shen Wei

- Auto aftermarket attracts big players (23rd November)

Fei Manqing realized early that a partnership with a leading global brand can be a shortcut for Chinese small business owners. Fei also entered a market that is attracting many leading multinational companies - China's booming automotive aftermarket sector.

Fei signed a contract with ExxonMobil Corp, the world's largest publicly traded oil and gas company, in 2004 to become a member of the ExxonMobil Esso Oil Change Center and then joined its Mobil 1 Car Care network in 2006.

She received hundreds of thousands of yuan to redecorate her stores, as well as management and training support from ExxonMobil.

"Now we have unbelievable monthly revenues of more than 500,000 yuan, four times the figure in 2004 before we joined hands with ExxonMobil," said Fei, general manager of Shanghai Chejie Automobile Technical Service Co, which has 60 auto service stores in Shanghai.

Like ExxonMobil, rival Shell Oil Co also is expanding its aftermarket presence in China.

"Although the 3S (sales, service and spare parts) and 4S (sales, service, spare parts and survey) stores are still the major distribution network for Shell lubricants, we see a bright future in China's emerging auto fast-service industry," said Shen Jian, general manager of Shell Lubricant China.

In July, Shell celebrated the opening of its 100th high-end auto service store. Now Shell has 1,200 chain stores in China.

ExxonMobil last month opened a new Mobil 1 Car Care Outlet, bringing to 1,000 the number of the company's professional car maintenance outlets in the country.

"The opening of the 1000th outlet affirms the expansion of the Mobil 1 Car Care Outlet network and brings ExxonMobil a significant step closer to its commitment of enabling trouble-free driving nationwide," said James Hennessy, vice president of ExxonMobil Lubricants & Petroleum Specialties Co.

- Economists warn of possible new flood of speculative capital (23rd November)

China should allow an immediate one-off appreciation in the yuan's value and widen the currency's trading band to stem inflows of speculative capital that might fuel inflation, said UBS AG economist Wang Tao.

"China's economic fundamentals mean that the yuan should strengthen," Beijing-based Wang told Bloomberg. "The central bank will find it harder to manage liquidity and inflation when a flood of speculative funds returns, betting on the yuan's appreciation."

The Chinese economy grew at the fastest pace in a year in the second quarter and export declines slowed in September, fueling speculation that policy makers will let the yuan resume appreciation against the dollar.

China's cabinet, the State Council, said last month that managing liquidity is increasingly difficult and signaled that inflation concerns will play a greater role in setting policy.

Policy makers should do "the unexpected", countering perceptions that the currency is a one-way bet, before expectations for gains strengthen, Wang said. She didn't say how much the currency should immediately appreciate.

Yuan forwards, which rose to a 14-month high late last month, suggest the currency will gain 2.3 percent against the dollar in the coming year. The yuan climbed 21 percent over three years after the government scrapped a fixed exchange rate in July 2005.

Yuan convertibility

Stephen Roach, chairman of Morgan Stanley Asia, recently predicted that China will "ultimately" allow the yuan to be freely convertible to other currencies.

While Chinese officials, including Central Bank Governor Zhou Xiaochuan, have called this year for an alternative to the dollar as the world's main reserve currency, they maintain controls on the yuan that prevent it for now from becoming a competitor.

In an interview with Bloomberg Television in Hong Kong, Roach added that the Hong Kong dollar's peg to the US currency "will relax" after China makes the yuan convertible. The unpegging of the Hong Kong dollar is out of the question for now, he said.

Russian Finance Minister Alexei Kudrin said last month that the yuan could become a global reserve currency in about 10 years should China make it convertible. A change in Chinese policy would make the yuan a "notable and weighty" reserve unit, Kudrin said in an interview on the state-run Vesti television channel.

China will likely seek to slow capital inflows by convincing speculators they don't stand to make large returns, rather than allowing a one-off appreciation, said Mitul Kotecha, head of global foreign exchange strategies at Calyon in Hong Kong.

"China will need to be very careful," he said. "It needs to communicate to the market that yuan appreciation will be limited to about 5 percent to 6 percent a year. The danger in the past was that expectations of appreciation attracted hot money."

China's financial system is already flooded with cash from a record \$1.27 trillion in new lending this year, the trade surplus, foreign direct investment, and inflows of speculative capital, or so-called hot money, adding to the risk of bubbles in stocks and property.

The nation's foreign exchange reserves rose \$141 billion in the third quarter to a record \$2.273 trillion, following an unprecedented \$178 billion increase in the previous three months.

Central bank

"Foreign exchange inflows will force more liquidity into the financial system, making it more difficult for the central bank to manage inflation and control asset bubbles," Wang said.

The yuan is allowed to trade 0.5 percent on either side of a daily reference rate against the dollar set by the central bank, a limit that could be raised to 1 percent or 3 percent to increase uncertainty, the economist said.

China's currency has stayed at about 6.83 per dollar for the past 15 months as the government shields exporters from a slump in world trade. In September, exports fell by the least in nine months, suggesting that demand is starting to revive.

Wang said she doesn't expect policy makers to take her advice. She sees the yuan staying pegged to the US currency for six to nine months as the government continues to protect exporters, then rising to as much as 6.4 per dollar by the end of 2010.

US treasury

A more flexible Chinese currency is needed for "a stronger, more balanced global economy," the US Treasury said in a report to Congress, released Oct 15. That report called the yuan "undervalued".

Asian Development Bank economist Yolanda Fernandez Lommen cautioned last month that excessive gains by the currency could lead to instability in the world's most populous nation.

The Ministry of Commerce said recently that the government would stick to a "gradual" approach to currency reform.

Central Bank Vice-Governor Ma Delun warned on Oct 20 that policy challenges will increase as expectations for a stronger yuan boost inflows of capital.

The State Council said on Oct 21 that the policy focus in coming months will need to "balance" the need to aid growth with "the need to better manage inflationary expectations".

Consumer prices gained for a second month in September from August, rising 0.4 percent. Year-on-year, prices slid for an eighth month.

- China asks banks to avoid big fluctuations in lending (23rd November)
China's banking regulator on Monday asked the country's commercial banks to better manage risks and avoid year-end volatility in lending.

Commercial banks should ensure that lending increase was kept in a stable and sustainable pace, the China Banking Regulatory Commission (CBRC) said.

Financial institutions with low capital adequacy ratio and no practical remedy plans would face restrictions in various sectors such as overseas investment, branch increase and business expansion, it said.

The CBRC called for enhanced inspections in financial system to detect problems after surging loan extends between the fourth quarter last year and the second quarter this year.

In October, new yuan-denominated loans in October were down 51 percent from September, according to statistics from the People's Bank of China, the central bank.

China's yuan-denominated loans in the first 10 months this year totaled 8.92 trillion yuan (1.31 trillion U.S. dollars), far exceeding the government's target of 5 trillion yuan for this entire year.

The CBRC denied media reports which claimed that the banking regulator would impose lending controls on commercial banks and require big lenders to increase the capital adequacy ratio to 13 percent, compared with the current 11 percent on average.

"There is no such requirements from the CBRC," it said in a statement on its website.

- China, Japan launch dialogue between young business leaders (23rd November)

Li Jianguo, vice chairman and secretary-general of the Standing Committee of the National People's Congress (NPC), met here Monday with a delegation of young business leaders of Japan.

The delegation was visiting China to attend the first China-Japan Youth Business Leader's Forum, which was a cooperative mechanism initiated at the second China-Japan high-level economic dialogue in June this year.

Addressing the opening of the forum, Li said that as two major economies in the world, China and Japan should enhance dialogue and cooperation against the backdrop of uncertain prospect of global economic recovery.

He said the forum provided a new platform for the young business elites of the two nations to communicate and cooperate, and it was also a new attempt for the non-governmental forces to participate in and boost bilateral economic and trade cooperation.

Japanese Ambassador to China Yuji Miyamoto called on the two countries to expand domestic demand and develop their national economy, and cooperate effectively in the fields of energy conservation and environment protection.

The forum, gathering about 60 representatives from both major enterprises, was co-hosted by All-China Youth Federation, Japan Junior Chamber and the Mainichi Daily News of Japan.

- Foreign firms may sell bonds (26th November)

Foreign companies may be able to sell bonds in China within a year as the government expands its domestic capital markets, according to China International Capital Corp (CICC), the No 2 underwriter of yuan debt this year.

"The first group of future international issuers is likely to be blue-chip companies," John Cheng, CICC's investment banking managing director, said in an interview on Tuesday.

Overseas "firms will increase their presence in China and they'll need to match their growing yuan assets with instruments in yuan, be it debt or equity," he said.

China is urging domestic companies to tap bond and equity markets for funding and reduce reliance on banks after regulators said record loan growth poses risks. Authorities will consider allowing sales of high-yield corporate bonds to provide new sources of funding, People's Bank of China Deputy Governor Hu Xiaolian said on Nov 18.

Outstanding corporate debt rose almost threefold to 2.1 trillion yuan at the end of October compared with 2006, Hu said at a forum in Beijing.

The government has encouraged a \$1.3 trillion credit boom this year to complement its monetary and fiscal stimulus plans, propelling the economy last quarter to its fastest pace of expansion in a year.

The government may need to rein in loan growth to "prevent the emergence of inflationary pressures and asset bubbles", the Organization for Economic Cooperation and Development said on Nov 20.

The five biggest banks - Industrial & Commercial Bank of China Ltd, China Construction Bank Corp, Bank of China Ltd, Agricultural Bank of China and Bank of Communications Ltd - extended a record 4.7 trillion yuan of loans in the first nine months. They submitted money raising plans to regulators after that record lending eroded their capital, people familiar with the matter said.

Domestic debt sales almost doubled to 1.8 trillion yuan this year, according to data compiled by Bloomberg. Beijing-based CICC underwrote 174 billion yuan of transactions, ranking second after ICBC, the world's biggest bank by market value.

Minor modifications to regulations would be required for foreign companies to be able to tap the market, Cheng said. Some "companies have expressed interest but no formal applications have been made", he said, declining to name any companies.

Coca-Cola Co, the world's largest soft-drink maker, said on Nov 23 it plans to more than double bottling plants in China over the next decade, aiming to triple sales.

Inter IKEA Center Group, a developer of shopping malls that have an IKEA store as an anchor tenant, plans to invest as much as \$1.2 billion in the world's fastest-growing economy over the next five years, it said on Tuesday.

Coca-Cola Hong Kong-based spokesman Geoff Walsh wasn't available for immediate comment. Kastrup, Denmark-based Inter IKEA Center didn't respond to e-mails to its Shanghai office.

The Manila-based Asian Development Bank and the World Bank's International Finance Corp unit are among supra-nationals that have sold so-called panda bonds, or yuan-denominated notes issued by foreign entities in China, Bloomberg data show.

Domestic sales by overseas companies would probably differ from the panda market in that they wouldn't be coordinated by the Ministry of Finance, Cheng said.

HSBC Holdings Plc's China unit joined a group managing a bond sale for Bank of Shanghai Co, becoming the first foreign lender to participate in the underwriting of a yuan-denominated financial bond in China, it said on Nov 17. A unit of the London-based bank sold yuan bonds in Hong Kong in June.

As China's corporate bond market develops, so will its fledgling derivatives market, according to Cheng.

"When you buy bonds in China now you cannot lay off different risk components," he said.

"In order to do this, domestic derivatives instruments are needed. For a full market to develop, you need these auxiliary tools."

- Ship-equipment maker to raise 6.4b yuan through float (26th November)

China Shipbuilding Industry Co, the nation's largest maker of vessel equipment, plans to raise at least 6.4 billion yuan selling shares as China tries to pare its reliance on Japanese and South Korean marine engines.

The company will use the Shanghai IPO funds to build or expand 22 projects, boosting its capacity to make engines and other parts, according to a stock exchange statement yesterday. The price range for the sale, comprising as many as 1.995 billion shares, or a 30 percent stake, will be announced on Dec 3.

Chinese companies have raised 141.5 billion yuan in mainland initial public offerings this year, 37 percent more than in the whole of last year, as a State stimulus helps the nation's economy weather a global recession.

The government wants locally made components to account for 80 percent of Chinese-made vessels by 2015, as part of a wider drive to surpass South Korea as the world's biggest shipbuilding nation.

"In the mid and long-term, China Shipbuilding will benefit from the government's push to develop the local industry," said Zhou Fengwu, an analyst at Orient Securities Co.

"At present though, the ship-equipment industry is in the same boat as the shipbuilders, which are all suffering from falling orders."

The nation's new-ship orders fell 70 percent to 16.9 million deadweight tons in the first nine months, according to the China Association of National Shipbuilding Industry, as the global recession and slumping trade damped demand. The total backlog stood at 192.4 million deadweight tons at the end of September, down 6 percent from the beginning of the year, according to the group.

Calls to China Shipbuilding went unanswered. China International Capital Corp will manage the stock offering. The shares will be sold to institutional investors on Dec 4 and retail investors on Dec 7.

Chinese shipbuilders delivered 23 million tons in the first nine months, compared with 20.7 million tons for the whole of 2008. China's ship-equipment makers reported a 43 percent increase in industrial output to 43.8 billion yuan in the period, according to the association.

China Shipbuilding has benefited from government subsidies, which accounted for 21 percent of profit in the first half. Last year, net income rose 52 percent to 1.22 billion yuan, the statement said. Sales jumped 41 percent to 16.1 billion yuan.

Global shipbuilding contracts fell 85 percent in the first nine months, according to Clarkson Plc, the world's largest shipbroker. South Korea and China won 88 percent of those orders.

The two nations hold 73 percent of the total global ship-order backlog, according to Clarkson.

- Sinopec, TPG considering joint bid for LyondellBasell (26th November)
China Petroleum & Chemical Corp (Sinopec), the nation's biggest oil refiner, and US buyout firm TPG have weighed a bid for bankrupt chemicals company LyondellBasell Industries AF that could challenge Reliance Industries Ltd's offer of about \$12 billion, said two people familiar with the matter.

Sinopec and TPG reviewed LyondellBasell's finances and discussed making a joint bid, said the people, who asked not to be identified because the negotiations are private. It was unclear whether one or both of the parties will proceed with an offer, and the sale process remains fluid, the people said.

A buyer would gain US chemical assets that use natural gas as a raw material, which is cheaper than the oil-based ingredients mainly used in Europe and Asia, said Mark W. Connelly, an analyst at Sterne Agee & Leach Inc in New York. LyondellBasell collapsed less than two years after it was created in a \$12.7 billion buyout led by billionaire Len Blavatnik's Access Industries Holdings.

"It's a good company that had a bad balance sheet at the wrong part of the business cycle," Carl Blake, a Washington-based analyst at Gimme Credit LLC, said in a telephone interview. "It was over-leveraged and got caught in a commodity cycle that went to hell in a hand basket."

Bonds of LyondellBasell's Arco Chemical Co unit climbed to an 18-month high on the news. Arco's \$225 million of 9.8 percent senior secured bonds due in 2020 rose 2.5 cents to 83.5 cents on the dollar as of 4:23 pm yesterday, the highest since May 21, 2008, after gaining 8.875 cents the previous day, according to Trace, the bond-price reporting system of the Financial Industry Regulatory Authority.

Any bids for Rotterdam-based LyondellBasell, which filed for bankruptcy in April, may compete against a reorganization plan including a rights offering backstopped by Access, Apollo Management LP and Los Angeles-based Ares Management LLC, the people said. TPG, the Fort Worth, Texas-based buyout firm founded by David Bonderman, made an earlier bid to backstop the offering that was rejected, the people said.

Representatives at TPG, Access and Apollo declined to comment. Sinopec's Beijing-based spokesman Huang Wensheng also declined to comment. Bill Mendel, an Ares spokesman, confirmed the investment firm is part of a group backstopping the rights offering.

LyondellBasell is being advised by Evercore Partners Inc, according to a person familiar with the matter. An Evercore representative declined to comment.

Reliance, the oil refiner and explorer controlled by Indian billionaire Mukesh Ambani, on Nov 21 said it offered an undisclosed amount of cash for a controlling stake in the company. Perella Weinberg Partners is advising Reliance on its bid and JPMorgan Chase & Co is helping arrange financing, according to people familiar with the matter.

Officials at Perella Weinberg and JPMorgan declined to comment. Reliance spokesman Manoj Warrier declined to comment on its advisors or the value of its bid.

LyondellBasell was formed in December 2007 when Basell AF bought Houston-based Lyondell Chemical Co. About 55 percent of sales last year were in North America and 38 percent in Europe.

The company has \$7.06 billion in bonds and loans maturing next year and an additional \$20 billion due through 2027, data compiled by Bloomberg show. It is asking creditors to forgo about \$18 billion of that under the reorganization plan filed with a US court, Somshankar Sinha and Vikash Jain, analysts at CLSA Asia-Pacific Markets, said in a note.

- Gindalbie may get funding from CDB (26th November)

Western Australian iron ore producer Gindalbie Metals Ltd and Chinese steelmaker Anshan Iron & Steel Group Corp (Angang Group) are planning to invest A\$1.8 billion to develop the Karara iron ore mine in Australia and expect to obtain loans amounting to \$1.2 billion from China Development Bank by early next year.

The Australian miner said it has got a letter of commitment from China Development Bank (CDB) and is discussing the detailed term sheet, according to the company's Chief Executive Officer Garret Dixon.

The accord may be signed by the end of this year, though more likely early next year and the terms of the loan are "very competitive", Bloomberg quoted the company chief as saying.

Work on the Karara project estimated to have a production capacity of 8 million tons of magnetite and 2 million tons of hematite annually started in November this year.

Analysts said Chinese steelmakers have not been successful in buying high-grade iron ore mines, as the Australian government is not keen on selling high quality assets.

But the quality of Australian iron ore is generally better than that in China, said industry analyst Zeng Hai with Guolian Securities.

Angang and Gindalbie hold 50 percent each in the Karara project, located 225 km east of the Geraldton Port in Western Australia. It is expected to start production in 2011 and would supply iron ore concentrates of at least 8 million tons per year to the Chinese steelmaker.

Angang Group imports only 20 percent of its iron ore requirements from abroad and is less reliant on foreign resources compared to other steelmakers. Baoshan Iron & Steel Co, China's largest steelmaker, imports 95 percent of its raw material requirements from other countries, according to a research note by China Chengxin International Credit Rating.

Chinese steelmakers will have stronger bargaining power in price negotiations only if they have access to more iron ore reserves, Zeng said.

Angang Group holds 36.28 percent stake in Gindalbie Metals and is the majority shareholder in the Australian miner after two share placements in June 2007 and early 2009.

- Baidu to boost search engine market share with new services (26th November)

Chinese search engine Baidu Inc yesterday launched two services for mobile users, in an effort to gain an edge and market share in the world's largest mobile market.

Baidu launched its client software that combines search and other functions it offers on the PC Internet. With this software, mobile users can access search services much faster than WAP browsers, Baidu said.

The company has also come out with a new mobile software input method. Baidu had earlier acquired Shanghai-based DayHand Networks Co Ltd, a mobile software company. DayHand is the developer of the input method.

"Input method may not be a profit-generator, but users tend to have high loyalty to software of this kind, and companies are able to segmentalise customers better," said Fang Li, an analyst with research firm Analysys International.

Earlier this month, Baidu's major rival Google launched a Chinese-language voice search service, which can help Chinese users use Google's existing search services via mobile phones. Google said it expects its mobile search business to surpass the PC-based Internet search business.

"Google has two main mobile services, Web search and Google Maps. It is trying to improve its brand recognition among users by perfecting its main services," said Fang.

"Baidu, as a home-grown company, has already made its mark and is now focusing on diversified mobile services," Fang said. "That's why it has come out with its own input method."

Baidu said it was going to continue its cooperation with telecom carriers and other players.

Last month Baidu signed a partnership with China Unicom to provide wireless search for the carrier's 3G mobile subscribers.

According to Analysys International, Google is still lagging market leader Baidu, which had 63.9 percent of the search market share during the third quarter of this year. But in China's mobile search market, Google's share reached 26.6 percent in the second quarter of this year, higher than Baidu's 26 percent.

Mobile Internet users in the country reached 192 million by the end of September this year, an increase of 62.7 percent year on year, and the number of computer-based Internet users grew to 360 million during the same period, according to the Ministry of Industry and Information Technology.

- China leads record iron ore spending (26th November)

CITIC Pacific Ltd, an arm of China's biggest State-owned investment company, is leading record spending on low-grade iron ore mines in Australia to profit from surging demand as well as to diversify supply.

As much as A\$18 billion (\$16.6 billion) is being spent on so-called magnetite iron ore projects, 36 percent more than a year ago, according to data from the Australian Bureau of Agricultural and Resource Economics. CITIC Pacific this month said it signed sales accords for its \$4 billion project.

China is pumping cash into developing the mines as its steel mills are forecast by Rio Tinto Group to consume more iron ore during the next five years than Australia has shipped throughout history.

Bankrolling rival suppliers will help counter the market dominance of Rio and BHP Billiton Ltd who are forming a production joint venture in Australia.

"If this BHP-Rio joint venture goes ahead, the Chinese will feel even more under threat," said Peter Chilton, who holds BHP and Rio shares at Constellation Capital Management Ltd in Sydney.

"There are a lot of small projects on the go. If China takes more direct control of these and promotes them with an Australian partner or on their own, at least it guarantees them extra supply."

CITIC Pacific gained 0.47 percent to HK\$21.5 yesterday in Hong Kong trading. The stock has more than doubled this year.

Rio declined 0.26 percent to A\$71.7 on the Australian bourse. BHP gained 2.4 percent to A\$41.19. London-based Rio is the world's second-largest exporter of iron ore and Melbourne-based BHP is the third-largest.

China mills

Baosteel Group Corp and Anshan Iron and Steel Group are among steelmakers helping develop projects to mine the lower-grade ore, shunned by Rio and BHP, who ship higher-grade hematite from Australia, the world's biggest exporter. Prices have more than tripled this decade as demand for steel used in construction, cars and washing machines surged.

"The Chinese are prepared to invest in longer-term projects that otherwise would never be built," Evy Hambro, who helps manage BlackRock Investment Management Ltd's flagship \$11.6 billion World Mining Fund, said in an interview in Melbourne.

"Projects that would not necessarily get banking finance from Australian or European or US banks might now get project finance from Chinese customers or Chinese banks."

Australia has two operating magnetite projects at Grange Resources Ltd's Savage River in Tasmania and OneSteel Ltd's Whyalla Steelworks in South Australia. They each produce less than 2 million tons a year, compared with CITIC Pacific's 28 million-metric-ton Sino Iron project. That mine at Cape Preston, 100 km southwest of Karratha in Western Australia's Pilbara region, is scheduled to start in the fourth quarter next year.

"It's only the Chinese who can make the magnetite make sense to them at the moment," said Romano Sala Tenna, who helps manage A\$35 million at Perth-based Katana Capital Ltd. "They do see the long-term need."

Magnetite has higher production costs than hematite because it needs more processing. Hematite ore accounts for about 96 percent of Australia's output, according to Gindalbie Metals Ltd.

To drive the processing plant at its project, CITIC is building a 450-mW power station. That capacity is equivalent to the current energy needs of the entire Pilbara region, which hosts 18 iron ore mines operated by Rio and BHP as well as other mines and towns.

The Sino Iron magnetite project "clearly must be seen as a test case for the whole of the industry and Australia," Barry Fitzgerald, chief executive officer of CITIC Pacific's Australian unit, said in an interview. "There's a specific need for our product. China demand will continue."

Ore imports reached a record in September and prices may rise 5 to 10 percent next year as suppliers have more pricing power, Nanjing Iron & Steel United Co said on Nov 19.

- Conference delegates address global and local concerns (26th November)

The third International CEO Roundtable of Chinese and Foreign Multinational Corporations was held in the China World Hotel, Central Business District (CBD), from Nov 14 to Nov 15, 2009.

The conference was co-sponsored by the China International Institute of Multinational Corporations, the UNCTAD, UNDP, UNIDO, UNEP and the Organization of the United Nations Global Compact. It was co-hosted by the Beijing Municipal People's Government of Chaoyang District and the China International Institute of Multinational Corporations.

With regard to strategies for coping with the global financial crisis and promoting economic recovery, the conference adopted "Through Joint Efforts, Bridging Difficulties and Promoting Development" as its theme. It staged a number of high profile forums, including discussions on transformation and transition during the financial crisis, finance and capital, a roundtable of industrial and commercial leaders regarding clean coal development and a session entitled "Bring in" and "Go Global" for development.

Some ministerial level speakers gave memorable addresses during the conference.

They all shared the view that the conference provided a unique platform for Chinese and overseas businesses to enjoy a frank and free exchange of views.

China's steel exports to the US and Europe have been priced three times higher than they have been domestically.

GONG HONGLIANG
Shanghai Steel Pipe Industrial Association

It played a positive role for both Chinese and foreign multinational companies in promoting market development and seeking out business opportunities. Lu Wei and Liao Wei covered the event.

- Steel firms blast US' latest levies (26th November)

China railed against the United States' decision to slap anti-subsidy duties on Chinese-made steel pipes for the oil industry, the latest trade dispute between the two nations.

The taxes imposed range from 10-16 percent and will impact \$2.7 billion worth of Chinese steel pipe exports, making it the largest trade measure the US has ever launched against China.

"The ruling is discriminative. China is strongly against it," said Yao Jian, spokesman for the Ministry of Commerce, in a statement yesterday.

Yao contends that the US incorrectly calculated the market value of the pipes, relying on information from other nations to evaluate the subsidy instead of using price figures from Chinese producers.

Beijing will likely appeal to the World Trade Organization, said Wu Xinchun, deputy secretary-general of China Iron & Steel Association.

The taxes from the US Commerce Department are down from its preliminary evaluation in September, when possible duties were as high as 30.69 percent. US officials said the plan counteracts China's improper loans and tax breaks to Chinese steel pipe companies.

And the ruling comes days after US President Barack Obama wrapped up his four-day China visit, during which he and President Hu Jintao agreed to resist protectionism.

Zhejiang Jianli Enterprise Co Ltd was slapped with the highest duty of 15.78 percent, followed by Wuxi Seamless Pipe Co (duty of 14.61 percent) and Jiangsu Changbao Steel Tube Co (duty of 11.98 percent).

Tianjin Pipe Group Co faces a levy of 10.36 percent. Other producers will have duties of 13.20 percent.

The controversial issue moves next to the US International Trade Commission, which has by Jan 7 to decide whether the exports hurt the US domestic industry.

The decision to impose anti-subsidy tariffs will hold if the commission rules that damage does exist.

"The US move is neither fair nor reasonable," said He Weiwen, a council member of China Society for American Economy Studies.

He said Chinese companies are the victims of trade protectionism. Since the US doesn't recognize China as a market economy, it chose a third country, whose costs could be higher than China, to evaluate the costs of Chinese goods.

"The US only have one thing in mind, and that is, protecting its industry," he said.

Wu agreed in a report by Bloomberg. He said that the US' decision is "pure trade protectionism".

A Chinese steel pipe producer said the US move has no basis and hurts its business.

"We did not dump goods. China's steel exports to the US and Europe have been priced three times higher than they have been domestically although the cost has been reduced by 20 percent in the past few years," said Gong Hongliang, vice-director of Shanghai Steel Pipe Industrial Association.

In April, major US steel makers represented by the US Steel Corp and the United Steelworkers Union filed the complaint to the US Commerce Department on anti-dumping and anti-subsidy duties against Chinese exports. The two bodies said they were hurt by a 358-percent surge in pipe imports from 2006 to 2008.

The anti-subsidy tariffs were only part of the punishment the US has imposed on Chinese steel pipes.

Earlier this month, the US announced its preliminary ruling on imposing anti-dumping tariffs ranging from 36.53-99.14 percent on 37 Chinese exporters of steel oil pipes. The case affects \$3.2 billion worth of Chinese exports, which account for 50 percent of Chinese steel exports to the US last year.

The cases are among a rising number of trade disputes for China with not only the US but with many other nations.

Although leaders from both China and the US have vowed to combat trade protectionism, Washington this year launched 14 probes into Chinese exports.

From January to September, 19 economies launched 88 probes into Chinese products, involving more than \$10 billion in exports. These included 57 cases of anti-dumping, nine of anti-subsidy, 15 of safeguarding measures and seven cases of special protection.

- Efforts underway to cool hot money flow (27th November)

After a string of emerging countries - including India, Indonesia, Thailand and Brazil - began to target the flow of short-term speculative capital, many experts believe China will step up its efforts to control the flow of so-called hot money.

The deputy governor of China's central bank, Yi Gang, said on Wednesday Chinese authorities will increase surveillance on flows of speculative money. And on the same day, the State Administration of Foreign Exchange tightened rules on individuals transferring yuan and foreign exchange between bank accounts.

Many analysts interpreted the rules as a way to control cross-border transfers, an important channel for hot money flowing into China.

Under the rules, individuals and companies from overseas can no longer send foreign currency to five or more Chinese individuals for conversion into yuan on a single day or on consecutive days.

In addition to more scrutiny of cross-border fund flows, China's policymakers are "likely to increase support for outbound investments", said Jing Ulrich, chairman of China Equities and Commodities at JPMorgan.

However, Liu Yuhui, director of the Center for Chinese Economic Evaluation at the Chinese Academy of Social Sciences, warned that the rule may have limited impact on the influx of hot money, because there are other ways speculative capital can enter China - including through current accounts.

Although there is no official data on how much hot money flows into China, Liu and other economists believe it is substantial.

"Since the second quarter of this year, there has been a mysterious infusion of about \$30 billion poured into the nation's already huge foreign exchange reserves each month," said Liu.

Wang Yuanhong, senior economist with the State Information Center, said China is attractive to speculators because equity and property prices are at a relative low level and because there are fewer risks of policy tightening this year than next year.

Hot money has already helped fuel bubbles in the equity and property markets and added inflationary pressures.

Shanghai's dollar-denominated B-share index plunged 7.3 percent on Tuesday, after surging 26 percent earlier this month. Analysts blamed the rise on hopes that China would allow the yuan to appreciate. They suspect Tuesday's fall was down to a cooling off of such talk.

Li Wenjie, general manager of property agency Centaline China (North China region), told China Daily there had been a strong speculative sentiment in China's property market since mid-2009 and confirmed that many foreign investors were buying apartments in China, betting on surging property prices.

Chinese authorities will soon find themselves in a trap. Once the country starts to see inflation in 2010, the obvious response will be to appreciate the currency or raise interest rates, both of which will attract more hot money and fuel inflation.

The dilemma is deepened by recent indications that the US Federal Reserve may hold its rates steady until 2011.

- China to maintain macro-economy in 2010 (27th November)

China will continue the proactive fiscal policy and moderately easy monetary policy next year, the Political Bureau of the Communist Party of China (CPC) Central Committee agreed Friday.

Bureau members at a meeting chaired by President Hu Jintao, also general secretary of the CPC Central Committee, agreed the government would maintain continuity and stability in its macroeconomic policies.

More efforts would be made to improve the quality and efficiency of economic growth, to promote the transformation of the economic development pattern and structural adjustments, according to a statement released after the meeting.

The meeting vows to enhance the focus and flexibility of economic policy in the following year according to new situations. It urges to further carry out and enrich the economic stimulus package to make the economy grow in a more stable, balanced and sustainable way.

China's economy grew 8.9 percent year on year in the third quarter this year, accelerating from 7.9 percent in the second quarter and 6.1 percent in the first quarter.

The statement also said that more efforts would be made to promote reform and opening up and innovation, enhance the vigor and momentum of economic growth, improve people's livelihood and maintain social stability.

During next year's economic work, the government would improve policies to spur consumption and ensure investment grow at a reasonable pace, it said.

The government aims to boost domestic demand, especially the sustainable increase in consumption next year. It also vows to improve policies to stabilize external demand, actively increase imports and encourage companies to invest overseas, said the statement.

The statement called for improvements and implementation of policies to encourage private investment as well as increasing support to sectors including agriculture, science and technology, education, public health, culture, social security, energy saving and environmental protection.

The government pledged to "actively" deal with climate change next year by implementing measures to cut its carbon intensity and improve energy efficiency, according to the statement.

The government would step up construction of major projects related to energy conservation and environmental protection in 2010, it said.

Other issues on the 2010 economic work agenda included enhancing efforts to boost employment, promoting development in rural areas and increasing farmers' earnings, implementing stimulus plans to support key industries, and deepening the reform of medical and health system, according to the statement.

- No change in fiscal, monetary policies (28th November)

China's top decision-making body on Friday pledged to maintain its pro-growth fiscal and monetary policies next year amid growing concerns that rising prices could create an asset bubble.

"We will maintain the continuity and stability of the macro-economic policy," Xinhua News Agency said, quoting the Political Bureau of the Communist Party of China (CPC) Central Committee.

The Political Bureau meeting, chaired by CPC Central Committee General Secretary Hu Jintao, on Friday used the exact wording - "active fiscal policy and relatively loose monetary setting" - which it adopted a year ago for its pro-growth policy.

The decision comes after Dubai's debt crisis, which came to light a few days ago, renewing worries that the global financial meltdown was not yet over.

The announcement is supposed to set the tone for the upcoming central economic work meeting, where next years' economic growth policies will be decided.

Jia Kang, director of the Research Institute for Fiscal Science, affiliated to the Ministry of Finance, said the message from the meeting was that China would not adopt the exit strategy now. Instead, the policies would be "adjusted" according to the demand of different sectors.

The meeting also said there was a need to make the policies more flexible, especially to change the GDP growth's focus from quantity to quality.

Many economists have been criticizing the country's imbalanced and unsustainable nature of growth, which is driven by high investment, heavy industry and exports.

Analysts and investors had been looking closely at the meeting for clues of policy changes because the government's \$586-billion stimulus package had succeeded in boosting growth and helping overcome the impact of the global downturn.

"I think it may be a prelude to exit strategy. The economic policies need to be changed gradually instead of a sudden reverse," said Han Qi, a professor of Chinese economy at the University of International Business and Economics.

Liu Junyu, China Merchants Bank macroeconomics analyst, said that the government might switch to neutral wording on economic policies in mid-2010, and its exact timing would depend on the strength of the recovery against the risks of bad loans, asset bubbles and resurgent inflation.

"We believe the government will maintain the pace of bank lending, although it may not be as massive as this year's," Liu said. The total lending next year could be between 6 and 8 trillion yuan.

Morgan Stanley analyst Wang Qing believes it is too early for the country to adopt tightening measures because the recovery is still in the early stage and there are still a lot of uncertainties.

Wang said he feared a slump in China's stock market after Dubai's attempt to reschedule its debt amid signs of fragile market sentiment.

- China Pacific gets nod for public float (28th November)

China Pacific Insurance Co Ltd on Friday got the green light from Hong Kong Stock Exchange for its \$3.4 billion share float in Hong Kong.

The company has wrapped up the regulatory inspection process and is likely to launch the road show as early as next week in order to get listed before the end of the year, the Shanghai-based Oriental Morning Post reported.

The nation's third largest life insurer received approval from China's top securities regulator on Wednesday and would list no more than 990 million shares in the overseas market, it said in a statement filed to the Shanghai Stock Exchange.

"The Hong Kong listing will help the company step up its business expansion and compete with bigger domestic rivals like China Life and Ping An," Zhao Xinan, a Shanghai-based analyst with Northeast Securities said.

The Shanghai-listed shares of China Pacific closed at 23.84 yuan on Friday, down 4.3 percent from the last trading session, mirroring the recent bearish trend of the Shanghai bourse.

"It is understandable that the insurer's A shares danced with the general downtrend of the stock market, as investors have largely priced in the IPO news," Zhao said.

China Pacific, partly owned by American private equity firm Carlyle Group, said in August that it expected to price its H share at around 23.5 yuan, and plans to raise around 23.5 billion yuan from its Hong Kong listing.

In the first three quarters, the insurer reported a net profit of 4.1 billion yuan, up 4.8 percent from a year earlier, while revenue reached 81.4 billion yuan, down 1.1 percent from a year ago.

The insurer, which had suspended its Hong Kong IPO plans last year due to the depressed stock market, has joined a number of other domestic companies in pursuing fundraising opportunities in Hong Kong stock market this year, which rallied nearly 50 percent since the beginning of 2009.

China Minsheng Banking Co, which saw its shares become tradable on Thursday, raised about HK\$30 billion in Hong Kong's biggest IPO since April 2007. However, its shares fell 4.5 percent after its debut, beating market expectations.

The stock market has shown signs of strain due to the massive fund raising activities this year, analysts said.

- Appliance Special: BSH China commits to build bigger presence on mainland (28th November)

"Our company has done well in China over the years and will continue to build a bigger presence in the Chinese market," said Roland Gerke, CEO and president of BSH China.

Joining Bosch-Siemens Home Appliances Ltd shortly after graduation from Freie Universitaet Berlin in 1985, Gerke has worked his way up - he has been a sales manager, a senior sales manager, a general manager (sales) before taking up his present position in 2002.

As one of the founders of BSH China, he has witnessed the company's rapid development since it first entered the Chinese market in 1994.

He said: "We have four companies in China now and around 6,500 employees. We also have a complete sales and after-sales service network in 30 provinces, covering 600 cities and 1,900 counties."

After years of development, BSH China has become one of the most successful international players in China's highly competitive marketplace.

It has now successfully established the brands "Siemens" and "Bosch" in the premium segment. Its product portfolio ranges from locally manufactured cooling, laundry and cooking products, as well as electric water heaters, small consumer appliances, to imported high-end kitchen appliances, including dishwashers and ovens, to match the changing needs of Chinese consumers.

The company aims to be the industry benchmark in the areas that have become its hallmarks - innovation and quality, environmental protection and social responsibility.

The company has generated healthy profit margins over many years, which it attributes to its continuous efforts in seeking out innovative solutions.

As a result, it has introduced many breakthrough technologies and cutting-edge products, including refrigerators, washing machines and kitchen appliances.

Social responsibilities

Whilst manufacturing quality products, the company has always put environmental protection high on its agenda. It regards it as a key part of its sustainable development program and its commitment to social responsibility.

All its production sites are equipped with environmental management systems to ensure compliance with both statutory and internal regulations. It also strives for continual improvements to the company's environmental performance.

Out of strong sense of social commitment, BSH China has made a considerable number of donations in the field of disaster relief, as well as supporting social and cultural activities, over the years.

It has launched projects making enormous contributions to raising people out of poverty, including staging an exhibition of "arty" refrigerators - many of which were auctioned and all the funds raised donated to improve the medical and nursing conditions of mothers and infants in underdeveloped areas.

When the major earthquake hit Wenchuan county in Sichuan province last year, affecting millions of people, BSH China not only donated money, but also sponsored an educational training program for the teachers from the disaster-stricken area in December 2008, alongside the China Youth Development Foundation.

Quick recovery

When asked about the impact the global financial crisis on the company, Gerke is confident that business did not really suffer as much as a number of others in the sector.

Explaining its success, he said: "The local government has been very supportive and helpful, as they have always been since the day we first came here. It is also partly due to the central government's stimulus policies."

Gerke said: "The period from last October to April this year was rather hard for us, but our business has witnessed a quick recovery since May and yielded an increase of 41 percent in June, compared with that of last year.

"We have every confidence in the Chinese market and have continuously expanded our investment over the years."

In March 2008, its new "side-by-side" factory, representing an investment of 250 million yuan, was opened in Chuzhou in Anhui province. Later that same year, in October, the new BSH electric water heater factory, an investment of some 65 million yuan, began production in Nanjing.

"We have invested another \$90 million in China this year, mainly in the refrigerator factory in Chuzhou and more investment will follow next year," said Gerke.

Turning to discussing day-to-day life in Nanjing, Gerke confesses he is more than comfortable with his living environment. He said: "Nanjing is a nice place to both work and live. The city has a rich culture, a good natural environment and a convenient transport system

"It will surely become more prosperous with further improvements to its infrastructure and the addition of more international company headquarters."

- China trade delegation signs series of deals with French enterprises (28th November)
Visiting Chinese Commerce Minister Chen Deming and French Finance Minister Christine Lagarde oversaw the signing of more than 40 contracts between a Chinese business delegation and French enterprises here on Friday.

The Chinese procurement team, led by Chen, participated the economic and trade cooperation forum and talks with French enterprises at the French Ministry of Economy, Finance and Employment.

The delegation, including representatives from over 140 Chinese enterprises, signed series of agreements with their French counterparts, covering various fields including automobiles, machinery, aviation, nuclear energy, transportation, electricity, telecommunications and service industries.

Largard spoke highly of the Chinese delegation in her address to the opening ceremony of the forum. French Prime Minister Francois Fillon sent a letter in the morning to Chen to expressed his welcome.

France attached high significance to this forum, through which the enterprises of two countries can exploit new cooperation areas and reach fruitful agreements, so that Sino-France relations can also gain energy for further development, Fillon said in the letter.

Chen affirmed the importance of China-France cooperation in his speech on the forum.

The impact of the finance crisis is still being felt and there are still uncertainties and destabilizing factors in the world economy, in this context, to promote exchanges between Sino-France enterprises at all levels has great significance for deepening bilateral cooperation and transferring crisis into opportunity, Chen remarked.

The value of the contracts signed on Friday is not known. French State Secretary for Foreign Trade Marie Idrac said some of the contracts have been prepared for a long time, while some others are still under negotiation, .

Cooperation between middle and small-sized enterprises and in field of service industry will be discussed during this forum, Idrac added.

Trade between China and France has experienced a slump since late last year. According to China's customs data, for the first three quarters of this year, the two countries' trade volume stood at about 24.6 billion U.S. dollars, down 15.6 percent from the same period last year. It was the first year-on-year decline since 1996.

Last month, Lagarde visited China with a delegation of leaders from 25 large business group, and on Friday, Idrac has confirmed Fillon's visit to China before Christmas.

With Serbia, Netherland and Ireland also on agenda, the Chinese delegation to France is the tenth and last procurement team to Europe in 2009. Since this February, hundreds of Chinese entrepreneurs and their European counterparts have talked directly and inked series of deals worth around 15 billion U.S. dollars.

Social front

- Exhibits of mainland intangible cultural heritage to show in Taiwan (22nd November)

More than 230 precious exhibits of Chinese mainland intangible cultural heritage including costumes of late Beijing opera artist Mei Lanfang will be displayed at an exhibition in Taipei on Nov. 27, the program organizer said Sunday.

A spokesman with the organizer, the Chinese National Academy of Arts, said the exhibition would help Taiwan audience to appreciate spiritual treasures owned by the Chinese.

Part of the exhibits include Tibetan Tangka, or scroll painting, works related to acrobatics, traditional Chinese medicine and folk customs. The show will also feature folk literature, music, dancing, opera and sports events.

Performances of puppet troupes from southern Fujian Province will be staged in Taipei and public will have chances to attend workshops by mainland craftsmen, according to the spokesman.

- Urgent need for rural doctors (23rd November)

About 60 percent of new medical clinics in Tongzhou district have closed because of a lack of medical staff, a new report shows.

The report on rural medical construction work was presented to a meeting of the standing committee of the city's people's congress on Thursday.

The report found that 67 of the 111 clinics that opened in 2008 had stopped operating.

Of the 44 that remained open, most employed only one medical worker. The report found that Tongzhou has lost about 40 medical professionals from its community health service stations to other counties and districts in the past two years.

"It is hard to hire and keep medical professionals in rural areas, where life could be pretty hard due to unfriendly living conditions, lower incomes and limited career development possibilities," said Fang Laiying, head of the Beijing municipal health bureau.

"Preferential policies should be made to attract college graduates and retired professionals to work at rural health service stations. Moreover, the government would sponsor professional medical education for high school graduates who are willing to work at village clinics.

Li Xu, who lives close to Huoying, Tongzhou district, said patients were unsatisfied with medical services in rural areas.

"I will go to hospitals instead of health service clinics because I can get better treatment in a hospital. According to my experience, doctors in health service stations are not so professional," Li said.

"Treatment in health service stations is not cheap, especially if you received improper treatment. You will pay more for your illness."

A doctor surnamed Yan in Yunjingli residential area of Tongzhou district said: "It is really hard to run a health service station here. People with medical insurance are more willing to go to hospitals instead of small health service stations."

According to the report, most rural areas in Beijing, including Huairou county and Mentougou district, also lack doctors.

At the First Hospital in Huairou, there are only 538 beds for patients but the hospital needs 145 medical workers to appropriately staff medical services.

The report found seven township health centers in Mentougou district need a total of 72 medical workers and Yongding township health centers need 44 doctors.

The report said many medical professionals had gone to other districts for better career development.

"About 35 percent of doctors in rural areas are taking the job as part-time work. This makes the medical service even worse," Fang said.

The exodus of medical staff also means that existing rural doctors are not being replaced when they retire.

The report found that 132 of the 319 rural doctors in Huairou district are aged over 60, meaning 41.4 percent are soon to retire and just 9 percent are under the age of 35.

Similarly, 62 percent of the 427 registered rural doctors in Haidian district are aged over 50.

- China launches program to aid jobless disabled persons (23rd November)

The China Disabled Persons' Federation (CDPF) and the Ministry of Finance on Sunday jointly launched a plan to finance the service toward the jobless with mental and serious physical disabilities.

According to the "Sunshine Home" plan, starting from this year, the central government will earmark 600 million yuan (\$87.8 million) in three years to boost the building of a system caring the disabled people in the country.

Care homes, built either by local governments or by non-profit organizations or individuals, are eligible for the subsidy if they meet the requirements, including facilities and personnel.

Poor families with members who have mental and severe physical disabilities also can apply for the aid if the disabled person is jobless and needs care.

China currently has more than 83 million disabled persons. About 18 million of them suffer mental and severe physical disabilities, and are jobless, said Cheng Kai, vice chairman of the CDPF. Most of them are taken care of by relatives and their families are usually poor.

The latest statistics show that institutions catering to the disabled persons across the country can only house up to 100,000 people.

The plan is a step to guide the government at all levels in further developing service toward the disabled, and build a caring system based on professional institutions, communities and neighborhood, Cheng said.

- HIV/AIDS stigma still exists, survey says (28th November)

Discrimination and stigma against people living with HIV/AIDS is still rife in China despite constant top-down efforts addressing the issue, according to a survey released on Friday.

More than 40 percent of the total 2,096 respondents, all HIV positive, said they had suffered HIV-related discrimination. Also, 12 percent had been denied medical treatment due to their

HIV status, according to the survey, called the China Stigma Index, conducted by the Chinese Ministry of Health, UNAIDS and Chinese civil societies.

The survey is reportedly the first evidence-based report on discrimination in China.

"Eliminating discrimination and stigma, still serious problems in China today, is crucial for an effective AIDS response," said vice health minister Huang Jiefu.

He also conceded that it would take a long time to thoroughly remove discrimination and stigma among all Chinese due to the country's vast territory, diversified social mores and different levels of awareness.

Laws must secure the rights of HIV victims and their families to privacy, marriage, employment, medical care, education and social welfare, Huang stressed.

The government has made great steps in fighting discrimination, which matters to both the sufferers and the healthy, said Michel Sidibe, executive director of UNAIDS.

China has an anti-AIDS discrimination law, which many countries do not have. Also, State leaders have visited AIDS patients every year since 2003 to show their strong anti-discrimination commitment.

However, HIV-related discrimination still exists, "and the lack of public health education - such as people still believing they can get HIV through shaking hands and dining together - is mainly to blame," Huang said.

HIV-positive Yu Xuan (not his real name) echoed these thoughts and shared the experience of a friend, who also has HIV.

"My friend felt hurt when a woman refused to take the seat offered by him after he happened to mention to me his HIV status on a crowded bus," Yu said.

Worse, sometimes the discrimination even kills, he said.

Last spring, a 23-year-old girl, who was HIV positive, died of a gastric perforation as the hospital denied her the operation after learning of her infection, according to Yu, who was a friend of hers.

"Under such circumstances, it's hard for the sufferers to come out fully in public," said Yu Xuan.

Currently, an estimated 740,000 HIV positive people live in the country, while another 50 million are considered at high risk of the disease, official statistics showed.

- China upgrades first-aid squad for mine accidents to national emergency rescue system (28th November)

China's Ministry of Health and State Administration of Work Safety have agreed to upgrade the country's mine medical rescue center to part of the national emergency rescue system.

After the incorporation, the two authorities will both directly command the rescue center and dispatch first-aid experts when mine accidents and health emergencies happen.

Wang Xiaoming, director of the mine medical rescue center, told Xinhua on Friday that the center would expand its first-aid experts pool to about 1,500 members.

The government would also organize more professional trainings for the experts to deal with medical emergencies in other industries, said Wang.

The rescue center for mine accidents was set up in 2003 and now has 42 sub-centers, which have helped saving more than 2,500 lives in more than 5,400 mine accidents.

Mine accidents have been a major threat to work safety of China. The latest coal mine blast in Hegang City of northeast Heilongjiang Province killed 108 miners.

Ethnic issues

Environmental front

- Substantial climate deal sought after (26th November)

Chinese negotiators have started a new round of campaigning in their battle to secure a meaningful climate change deal at the upcoming Copenhagen summit.

The nation's top climate change negotiators said Beijing will not accept an empty political declaration at the summit next month. Instead, the country will settle for nothing less than a global deal with "substantial content".

Yu Qingtai, China's climate ambassador, said any deal should lock in achievements already made during the two years of negotiations that have already taken place in the run-up to the Copenhagen conference.

Following Yu's lead, China's climate change special envoy, Xie Zhenhua, and Su Wei, climate change department director with the National Development and Reform Commission (NDRC), both plan to hold press conferences this week on the issue.

Yu said the international community has agreed that rich countries should set a significant target for carbon emissions reduction, and he said nations have already decided that an effective mechanism should be formed to transfer capital and technology to poorer countries.

Meanwhile, under agreements reached so far, developing countries should take proper steps to mitigate global warming after receiving aid and technical assistance.

"The consensus can enrich the deal," said Yu, who told China Daily his team had been burning the midnight oil prior to their departure for Copenhagen next week.

However, Yu said China will not set a binding carbon reduction target at the summit, despite pressure from many countries for Beijing to accept such a goal.

It is not yet known who will lead the Chinese delegation at the summit, which will take place Dec 7-18 in the Danish capital. The UN has said more than 40 heads of state have indicated they will attend. The White House has said Barack Obama will also attend.

On Tuesday, Li Gao, a division director with the NDRC's climate change department, said China will "help bring about a meaningful result and try to make the summit successful".

"We hope the Copenhagen summit will become a milestone in mitigating global warming, and China has always been playing an active role in the process," said Li. "China will try everything possible to make the Copenhagen summit a success and will not end the summit with an empty political declaration."

But Li did not elaborate on what China might be able to do to make the meeting a success.

Yang Fuqiang, director of global climate change solutions at WWF, said the comments from the top negotiators show China will be pushing for a legally binding document that includes progress already made.

"For instance, Japan has pledged to lower the country's greenhouse gas emissions by 25 percent by 2020 from 1990 levels. Similarly other countries have also made some proposals," Yang said.

According to unnamed analysts, China may accept the latest proposal from rich countries on emissions targets, even though they fall short of the earlier suggestion that developed countries should cut carbon emissions by at least 40 percent by 2020 from its 1990 baseline.

"China has demanded that the international community does not backtrack from what has been agreed," Yang said.

European countries were blamed for backing away from earlier commitments during the previous round of climate change talks in Bangkok. During those negotiations, Europe sided with the US in calling for a separate mechanism away from the Kyoto Protocol, according to Li Gao.

He added that China will try to coordinate its stance with the EU during the Sino-EU summit at the end of this month.

The document that will be drafted at the Copenhagen summit may also include mitigation plans from developing countries, Yang said.

Yu Qingtai said China's hopes before Copenhagen are uncomplicated.

"Our demand and expectation for the conference in Copenhagen is very simple. We hope everyone will do a good job in meeting the commitments that they have already made," Yu said. "As long as the countries fulfill their respective commitments and take due actions, based on the principle of common but differentiated responsibilities, the Copenhagen summit should be, and must be, successful."

- Chinese Premier Wen to attend Copenhagen climate summit (26th November)
Chinese Premier Wen Jiabao will attend the climate summit in Copenhagen, Denmark, next month, according to the Chinese Foreign Ministry.

"The Chinese government has decided Premier Wen will attend the 15th Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC) from Dec. 7 to 18 in Copenhagen," ministry spokesman Qin Gang told a regular news briefing.

The conference is also the 5th signatories' meeting of the Kyoto Protocol.

"Wen's presence at the meeting fully embodies the Chinese government's great attention to the issue and its political willingness to address the issue with international cooperation," Qin said.

The conference is expected to renew greenhouse gas emissions reduction targets set by the UNFCCC Kyoto Protocol, the first stage of which is to expire in 2012. It is also expected to outline the post-2012 negotiation path.

Qin said China had actively engaged in international cooperation, and regarded the UNFCCC and the Kyoto Protocol as the major channels and basic legal framework for the international community to deal with climate change.

Qin reaffirmed China's adherence to the principle of "common but differentiated responsibilities."

"We hope the Copenhagen conference will make fair and reasonable arrangements following the mandate of the Bali Road Map and strengthen the comprehensive, effective and sustained implementation of the UNFCCC and the Kyoto Protocol," said Qin.

- Clean coal technology model enterprises announced (26th November)
The first Chinese companies to be designated as UN Clean Coal Technology Model Enterprises were announced during the third International CEO Roundtable of Chinese and Foreign Multinational Corporations last weekend.

The companies selected were Shaanxi Yanchang Petroleum Group Co, Shanxi Jinmei Group Co, Inner Mongolia Taixi Coal Group Co Ltd, Shanxi Xishan Coal and Power Group, Shanxi Lu'an

Group, Shaanxi Shanxian Coal Co Ltd, Shanxi Shanchang Mineral Group, Huangling Mineral Group Co Ltd, Yingkou-Tiangang International Chemistry Co Ltd, and Shenmu Jiujiang Trade Co Ltd.

The evaluation process and honors were administered as part of a sub-program of the China-UN climate change partnership framework project, jointly organized by the UNDP, National Development and Reform Commission, the Ministry of Commerce and the China International Institute of Multinational Corporations (CIIMC). The research was undertaken by the CIIMC.

A total of 27 large-sized energy companies in China have now taken part in the program, with the successful businesses being evaluated and examined by five academics and 20 experts in the sector.

The research lasted for nearly two years and has been hailed as a remarkable achievement and one gaining high recognition throughout China. A commemorative guide on the clean coal development in China will also be published as part of the initiative.

The program was aimed at implementing Chinese President Hu Jintao's commitment to promoting the utilization of clean energy in a bid to mitigate climate change.

- Hefty emissions cut signals China's resolve against common threat (27th November)
Days after the United States announced to cut its carbon dioxide emissions by 17 percent from 2005 levels by 2020, China promised to slice carbon intensity in 2020 by 40 to 45 percent compared with 2005 levels.

The respective policy movements of both China and the U.S., the biggest two emitters in the world, won global attention, if not instant applause.

The early signs of the concerted efforts could be sensed after the two countries, the biggest developed and developing economies, released a joint statement on Nov. 17 during U.S. President Barack Obama's first China visit.

The two sides, according to the joint statement, had a "constructive and fruitful dialogue" on the issue of climate change.

It also said that the two sides were determined, in accordance with their respective national conditions, to take important mitigation actions.

The policy announcements from the two countries came just as the international community was worried about a possible stalemate at the United Nations Climate Change Conference in December in Copenhagen, Denmark.

Although not required by the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol for quantitative greenhouse gases (GHGs) emissions cut, China, defined by the United Nations as a developing country, still puts a drastic slash of its GHGs emissions in the coming ten years, even at cost of lowering its own economic development speed.

Economists estimated that China might double its current gross domestic product (GDP) by 2020. A 45-percent reduction of carbon emissions per unit of GDP means China would emit slightly more carbon dioxide than current levels.

At the same time, the Chinese government voluntarily set "the binding goal," which is to be incorporated into China's mid- and long-term national social and economic development plans.

It's much more than a developing nation is expected to offer, out of responsibility of and sincerity to addressing the common challenge faced by the international community.

Held by the UNFCCC accountable for contributing most of the total global carbon dioxide emissions, which were assumed to warm the planet and consequently result in natural disasters, many industrialized countries dodged their responsibilities of cutting emissions to levels that meet requirements of the Kyoto Protocol and the Bali Roadmap.

The United States, in spite of announcing a meaningful emissions cut of 17 percent, still lags far behind what the UNFCCC requires developed countries to behave.

In the Sino-U.S. joint statement, the two sides were committed to reach a legal agreement at the Copenhagen conference, which includes emissions reduction targets of developed countries and appropriate mitigation actions of developing countries on the basis of the principle of common but differentiated responsibilities and respective capabilities.

The U.S. and China also agreed substantial financial assistance to developing countries on technology development, promotion and transfer, which was largely invalid in the past years.

As China takes the lead to exemplify how a developing country, with the world's biggest population, could do to a better future of the world, it is now the developed world's turn to show their sincere care for a greener Earth.

- Carbon-cut target a 'milestone' (28th November)

A high-ranking United Nations official said China's decision to make a 40 to 45 percent cut in carbon intensity by 2020 is "a milestone" leading up to the Copenhagen summit, which opens Dec 7.

On Friday, UN Development Program (UNDP) administrator Helen Clark downplayed the potential of the Copenhagen summit, predicting that leaders will have a tough time reaching a global alliance next month.

She urged closer cooperation in mitigating climate change between China and the UN in a speech she made in Beijing on Friday at the 30th anniversary celebration of her organization's presence in China.

"The Chinese government's decision is more of a milestone announcement on the way to Copenhagen and it is one of the big moves forward," Clark said in her remarks at the ceremony.

But she is cautious about the outcome of the Copenhagen summit.

"It may be difficult to reach a high-quality, new climate agreement in Copenhagen," said Clark. "But such a deal is urgently needed."

Clark did not elaborate on her statement.

Premier Wen Jiabao held talks with Clark on Thursday when China announced its plans to reduce carbon intensity by 2020.

Clark said the UN will strengthen cooperation with China in tackling climate change, together with reducing poverty and increasing the country's global presence.

"Three such areas in particular merit attention but the first is tackling climate change," Clark said. "This is one of the most pressing development challenges our world faces."

She expressed delight that UNDP and China are already working closely together as China takes steps towards becoming a lower-carbon economy.

Experts estimate that by 2030, some 350 million more people will live in Chinese cities as compared to 2005. "Accommodating them presents a unique opportunity to build green, urban communities from the start," Clark said.

UNDP was one of China's first development partners after the 1978 reform and opening up. Khalid Malik, UN resident coordinator and UNDP resident representative in China, described the evolution of UNDP's work in China since 1979, stressing that it has been "complementary to the government's changing development goals and priorities".

Chen Zhili, vice-chairwoman of the 11th Standing Committee of the National People's Congress and President of the All-China Women's Federation, said at the event: "The partnership between China and UNDP has greatly contributed to the progress of China's social and economic development."

Regional report

North

Politics

Social front

- Mascot for Bird's Nest (23rd November)

In the latest bid to boost the popularity of the Bird's Nest, owners of the Beijing Olympic icon rolled out a top prize of 40,000 yuan (\$5,800) for a global campaign to select an official mascot and logo for the 3.6-billion-yuan showpiece.

There are no detailed requirements for the bids, other than the designs "combining regional characteristics and Chinese cultural elements", said owners of the Bird's Nest, or National Stadium.

Participants should submit their work before Jan 19 and a panel composed of at least nine members will pick six designs each for the mascot and logo by next April.

There will be one winner chosen for both the mascot and the logo.

- Tenants take charge, lower costly property fees (23rd November)

The first group of Beijing residents to take control of their building management is calling on other communities to follow their lead.

Shao Liting, general manager of Beijing Sanzi Pinge Community Service Center Corporation, said residents saved money and felt more responsible for their neighbors after deciding to self-manage their 16-floor building in Haidian district in 2006.

"It's our company, so we try every method possible to save on management fees," said Shao.

"We are capable of operating and maintaining the community by ourselves. We should not push the management problem on to local government."

Shao said residents currently pay just 1.6 yuan per sq m in management fees, which is down from 2.74 per sq m in 2007.

Residents also saved money through hiring fewer employees to maintain the property, recycling rainwater for use on gardens and restricting the number of working elevators during off-peak periods.

"We used to pay 200,000 yuan for the electricity of the elevators and now we only pay 45,000 yuan," said Shao.

"More than 90 percent of home owners are paying management fees now, whereas only 41 percent paid them before 2007."

Under the current system in Beijing, the developer hires a management firm to handle security, cleaning and other issues associated with the daily management of a residential building. Residents pay a fee to the management firm, but have no control over the selection of the company.

In some instances, resident committees can try and find a new management company but it is a slow and difficult process.

Since Pinge community took control of its management in 2006, more than 140 community groups including 38 from outside Beijing have traveled to the area to see how it operates.

Wu Gang, a professor of Beijing Administrative College, said small communities of less than 200 households could easily self-manage, but it would be more difficult for communities containing thousands of families.

Shao said the former management company left because of a financial conflict with the developer.

The residents then organized a meeting to discuss a solution and selected Shao, the former general manager of a sugar plant with 60,000 employees, to take control of the building management.

"As we needed receipts and official seals to collect management fees, I decided to register a company that was owned by all the residents," said Shao.

In 2007, he registered Beijing Sanzi Pinge Community Service Center Corporation, the first property management company owned and managed by owners in Beijing.

Guo Rongjie, an elderly resident who has lived in Pinge community since 2005, said: "We pay less but get better service now and residents are more responsible for our community."

Zhang Daling, a property owner of Yiran Jiayuan or Happy Homestead in Fengtai district said his community was not satisfied with its property management firm and hoped to copy the Pinge experiment.

- Residents to pick building managers (23rd November)

Property owners in Beijing might soon receive the legal right to select their preferred management company and take control of their community, local government said recently.

Under a new draft legislation, homeowner committees - an elected group of representatives that liaise with their property management company - would be registered as legal companies.

The draft was jointly created by the legal affairs office of the people's government of Beijing municipality and the Beijing municipal commission of housing and urban-rural development.

"The legal affairs office's website is asking the public for its opinion on the draft between Nov 18 and Dec 7," Zhang Tong, a spokesman for the office, told METRO without commenting on when the draft might become law.

"The idea to create the draft began early this year. Local government undertook surveys with property owners, heads of owner committees, municipal people's congress members and management companies," said Yu Liang, a section chief of management administration of the Beijing municipal commission of housing and urban-rural development, Beijing Youth Daily reported recently.

The draft quickly seized public attention on the Internet as a cure to conflict between homeowners, management companies and developers.

It also proposes that developers of newly developed communities must hire and pay for a management company before property owner committees have had time to register themselves as legal companies.

Previously, homeowners were stopped from collecting the keys to their already purchased homes until they paid one year in management fees in advance.

Experts said the new draft should urge developers to help set-up owner committees in order to release them of the financial burden.

The legal status of the committee as a company will also enable shared properties such as garages, clubhouses and other public areas to be registered. Experts say this is a breakthrough for homeowner rights.

"The billboards in public areas belong to the owner committees. However, because they were not legally recognized in the past, the management companies usually collected the ad revenue instead," Shu Kexin, an expert on social communities, said last week.

"There are more than 5,700 communities in Beijing and only 20 percent of them have owner committees. I hope the new draft can change this," said Zhang Daxian, director of the property owner and management office of the China Association of Social Workers.

Zhang added that individual owners often have difficulties suing the developer and management companies for issues relating to publicly owned areas. He said if the draft becomes an official measure, the committees would have more power.

The draft also stipulated that if the original management company refuses to leave the community when the contract expires, it can be fined 30,000 yuan and blacklisted in the management credit system.

However, some residents believe this is not a big enough deterrent.

"The fine is still too little," said Xu Yan, 31, living in Chaoyang district. He said the management company of his 5,000-household community can earn 15 million yuan per year from fees. The huge profit greatly outweighs a comparatively tiny penalty.

- Taiwan to send record delegates to annual Beijing cultural, creative industry expo (23rd November)

The 4th China Beijing International Cultural and Creative Industry Expo (ICCIE) opening on Wednesday is expected to attract a Taiwan delegation consisting of 73 exhibitors, the most in history.

It will be third time for the Taiwan exhibitors to come to the annual event. The exhibitors from the island harvested orders worth 80 million New Taiwan Dollars (TWD) (about 2.5 million U.S. dollars) in last expo.

The themed pavilion, titled "Fine works of Taipei Cultural and Creative Industry," will cover a total of 4,000 square meters. It will be divided into 12 parts, showcasing creative works of fashion design, derivatives of museums and works designed by students.

The island's National Palace Museum debuted at last expo and will exhibit products inspired by antiques this year. Institutions including Taipei Fine Arts Museum and Taipei's Museum of Contemporary Art will also bring works to the exhibition.

In addition, a trade fair will be held to promote Taiwan products and increase the cooperation between exhibitors on both sides of the Taiwan Strait.

The 5-day event has been organized by the Ministry of Culture, the State Administration of Radio, Film and Television, the General Administration of Press and Publication and the Beijing Municipal government.

Economic front

- BAIC may bid for select Saab assets, analysts say (26th November)
China's BAIC, part of a group that abandoned its bid to buy General Motors' Saab unit, could still bid for some Saab assets on its own but is unlikely to try for the whole company, analysts said.

Beijing Automotive Industry Holding Corp (BAIC) must decide its next move after its consortium, led by tiny Swedish luxury car maker Koenigsegg, pulled out of talks to buy Saab, putting in doubt the future of the loss-making GM unit.

BAIC said yesterday it was reviewing its options and reaffirmed its commitment to become more global.

"Beijing Automotive Industry Holding Corp states that becoming more international... has always been our strategic focus," it said in a statement.

"With regard to Koenigsegg's withdrawal, we will carefully evaluate this project anew and make appropriate arrangements," BAIC said.

Sweden effectively ruled out a state bailout of Saab, saying a private owner was the company's only chance to survive.

BAIC has been in the market for foreign car brands and intellectual property, but is less interested in the more complex proposition of running a loss-making manufacturing operation outside its home market, analysts said. Accordingly, it is unlikely to come back and make a solo bid for all of Saab.

"The pullout of Koenigsegg may not be a chance for BAIC as it seems to be," said Zhang Xin, an analyst at Guotai Junan Securities. "It's true that BAIC does not have its own car brand and it's desperate to get the technology, but it might not get it."

BAIC could still return to the table if it sees a chance to selectively buy some of the Saab assets it wants, in particular some of its older product designs, said Boni Sa, an analyst at CSM Worldwide.

"I think BAIC might give it a try if it has a chance to get the old Saab 9-5 and 9-3 platforms," Sa said. "Even though the technologies are a bit outdated, they're better than nothing."

- Commercial zone set for major 100 billion yuan expansion initiative (26th November)
Unlike the Forbidden City or the Summer Palace, the twin hearts of Beijing's cultural heritage and its imperial past, the city's Central Business District (CBD) is the place to feel the pulse of its contemporary commercial ascendancy.

Back in the 1990s, Beijing CBD was just an idea in the minds of urban planners. Fast forward 20 years and the 3.99 sq km plot of land is now a thriving center of business activity, a window on China's economic emergence and a testament to the country's integration into the wider 21st century world.

The area has the greatest concentration of financial institutions in the city. Deutsche Bank, Citi Bank, Standard Chartered Bank, HSBC, Swiss Reinsurance, Munich Re Group, SCOR all these global names have gathered in the steel and glass high-rises of the CBD. The NASDAQ Stock Exchange, as well as the stock exchanges of New York, Tokyo and Korea, all have offices in the CBD - a clear indication of Beijing's newfound status among the world's financial markets.

The media industry, too, has gravitated toward the CBD and is now one of the fastest growing sectors in the area. In total, the CBD is now home to an astonishing 167 international media organizations - including the Associated Press, AFP, Time Warner, Walt Disney, Time Magazine, the Wall Street Journal, as well as many leading domestic media, notably the People's Daily, China Central TV and Beijing TV.

Professional service providers have proved another major contributor to the CBD's prosperity. More than 200 world-class high-end companies in this sector have come to the CBD. Names

such as PricewaterhouseCoopers, Mckinsey & Company, Paul Weiss Edelman PR, Korn/Ferry International, Ogilvy & Mather and CB Richard Ellis are now ubiquitous on signage throughout the district.

Through the presence of these leading companies, the mass influx of a gifted new business elite and the provision of a world-class commercial infrastructure, the CBD has established itself as one of the most modern and cosmopolitan areas in Beijing. It is now the second home of a raft of transnational companies, as well as an ideal community for commerce and cultural exchange.

Construction

Back in 1993, the Beijing municipal government first committed itself to establishing a multifunctional central business district, with specialties in finance, insurance, information, consultancy, commerce and culture. The chosen location was in the Chaoyang district in the east part of the city, sandwiched between the East 2nd Ring Road and the East 3rd Ring Road, with Jianguomen to the south and Chaoyangmen to the north.

Five years later, planners outlined more precise boundaries for the CBD - a 3.99 sq km area delineated by Dongdaqiao Road on the east, Xidawang Road on the west, Tonghui River on the south, Chaoyang Road and Chaoyang North Road on the north.

In 2000, the municipal government elected to include the CBD construction plan in the city's 10th Five-Year Plan (2001-05). In the same year, local policy makers successfully promoted the "CBD" concept to the public during the international Chaoyang business festival and officially announced plans to accelerate its construction.

This commitment became a reality in 2001, when firm plans were announced for the project's accelerated development. These fast-tracked proposals identified the CBD as key part of the capital's economic layout, together with its counterpart on the west side, Zhongguancun.

In the same year, the Beijing CBD administrative committee was established, the body that was to take charge of the planning and management of the district's development.

Work began immediately on the first CBD construction project - the Beijing Fortune Center. Twelve month later, work also began on Guandongdian South Street, the first road within the CBD to be commissioned.

In 2005, underground construction work was initiated, ensuring the area would have the vital subway link it would need in order to thrive.

Along with its infrastructure development, the CBD's administrative capacity has also been hugely enhanced. In 2008 and 2009, several commercial taskforces were established, including the CBD coordination group and the Beijing high-end industry function area development and coordination lead group, in a bid to provide more professional management and offer improved services.

In May this year, the local government announced a proposal to expand the district to the East 4th Ring Road. The added area spans around 3 sq km and effectively doubles the size of the CBD. The expansion project is expected to be completed within six to eight years at a cost of some 100 billion yuan.

In line with the city's commitment to environmental improvement, the new construction phase has been undertaken in line with the latest "low carbon" guidelines. According to local officials, the Beijing CBD has both the capability and the obligation to be a pioneer in the development of a low carbon economy.

Northwest

Politics

- Targeting terror literature (23rd November)

The government of the Xinjiang Uygur autonomous region launched the "Tianshan Project" on Saturday to stop the distribution of illegal and reactionary publications produced by terrorists, separatists and extremists within the region.

Xinjiang's neighboring provinces of Qinghai, Gansu and Shaanxi, as well as the Ningxia Hui autonomous region, will also join the project.

Social front

- Death toll from NW China colliery explosion rises to 104 (23rd November)

The death toll from the deadly coal mine blast in northeast China's Heilongjiang Province has risen to 104, said local authorities early Monday morning.

Another four are still trapped in the shaft.

The blast happened at around 2:30 a.m. Saturday at the Xinxing Coal Mine under the state-owned Heilongjiang Longmei Mining Holding Group's subsidiary in Hegang City. A total of 528 miners were working underground when the blast happened.

Economic front

Northeast

Politics

Social front

Economic front

Southwest

Politics

Social front

Economic front

South central

Politics

Social front

- Incinerator plans on back burner until assessments OK (23rd November)
Construction of a major garbage incinerator in this southern metropolis will not begin until environmental assessments of the project are approved, officials said yesterday.

The decision followed public feedback on the project.

"We will also organize a series of activities to promote awareness of the incinerator," Ye Zhiwen, deputy director of the Panyu district urban landscape bureau in Guangzhou, capital of Guangdong province, told a press conference yesterday.

The plant is expected to take the place of two small landfills at Huijiang village in the city's Panyu district and handle 2,000 tons of trash a day.

The project will meet the rising demands of garbage treatment in Panyu, Ye said.

Panyu, which has a population of 2.5 million, produced about 600,000 tons of garbage last year, or 1,640 tons a day, he said.

"We expect some 2,200 tons of garbage a day by 2010. We could not find a large landfill to deal with the rising garbage due to limited land resources," Ye said.

"Facing the rising demand of garbage treatment, the incinerator is currently the right option for us."

Following a wide range of opposition from nearby residents, the Panyu urban landscape authority issued a notice at the end of last month to solicit public opinion and organized a team of experts to conduct environmental assessments of the project.

Ye did not reveal when the environmental assessments would be completed.

"If we do not introduce new ways to deal with garbage, Guangzhou will be surrounded by piles of garbage in the years ahead," Ye said.

The Panyu district urban planning authority issued a selection paper about a site for the project in August 2006, but it was only approved by the local land resources bureau in April this year.

Residents only learned in September that the project might be built in their neighborhood.

"Government authorities never asked for our opinion about the project before September," said Chen Qi, a resident in the Star River community, which is about 5 km away from the proposed site. Residents like Chen have opposed the construction of the incinerator.

About 92 percent of respondents believe the project would seriously harm their health and the natural environment and more than 97 percent oppose the construction, a recent survey by the Guangdong provincial social research and study center showed.

"How can operators and government authorities ensure less pollution after this project is put into operation?" asked Chen.

Lu Zhiyi, deputy secretary-general of Guangzhou government, said authorities would introduce state-of-the-art technology from overseas in order to minimize pollution.

- Futuroscope theme park to be built in central China (23rd November)

A French Futuroscope theme park is expected to be built in central China's Hubei province, said local authorities on Sunday.

According to a letter of intent on cooperation, signed in Wuhan on Saturday between the provincial capital Wuhan and the French company, Futuroscope intends to invest 180 million euros (\$ 268.2 million) on the project.

The project is expected to cover 100 to 180 hectares of land.

It is not yet known when the park will be completed.

- Protesters want compensation (28th November)

Ministry of Health officials are open to petitions from the people and are always concerned about the citizens' needs, said vice health minister Huang Jiefu on Friday.

He made the remarks in response to a small-scale protest for better medical treatment in front of the ministry on Wednesday. The people demanded more financial aid and free medical care from the government.

The 38 protesters were reportedly HIV/AIDS sufferers from Henan province, most of whom got infected from tainted blood transfusions.

"The local government would definitely be held accountable for this if we can verify the complaints of the petitioners," Huang said.

An investigation by the ministry is underway, he said.

In the 1990s, many villagers in Henan got HIV through tainted blood transfusions while selling blood or plasma for financial reasons. This caused blood transfusions to become one of the major HIV transmission modes in the nation.

In response, the government introduced policies for the victims including giving them free medications and financial aid, and shutting down illegal stations that were collecting blood and plasma.

The problem is under control now, Huang said.

Economic front

- Guangzhou Auto Show opens to media (23rd November)

The annual China (Guangzhou) International Automobile Exhibition (GIAE) opens to media and professionals today. About 70 manufactures are showing over 700 vehicles, and more than 600 parts and accessory manufacturers are participating.

The theme of GIAE 2009 is "Technology, Trend, Lifestyle". Visitors can find international automakers including Mercedes, BMW, Volkswagen and General Motors, as well as Chinese manufactures MG, Chery, Lifan, Changfeng Motor and Dongfeng Motors.

Shu Qi, a Chinese celebrity, turned up for a Subaru new car release, and Infinity has Mo Wandan, a well-known Chinese model, as its celebrity representative.

GIAE began in 2003 and is now one of the most comprehensive auto shows in China. It is organized by the Guangzhou city council and the China Association of Automobile Manufacturers.

Last year, it attracted 467,000 visitors.

- Foreign insurers in JVs with local money managers (26th November)

Aviva, the world's fifth-largest insurance group, has inked an agreement with Henan-based Central China Securities to set up a joint-venture asset management company, sources told China Daily yesterday.

"Aviva will hold a 49 percent stake in the joint venture, while the remaining 51 percent would be held by Central China Securities," the sources said. "The new company will apply for regulatory approval soon."

Aviva has a 50-50 joint venture life insurance company with China National Cereals, Oils & Foodstuffs Corp (COFCO) Ltd. The insurer started operations in 2003.

Kathleen Jiang, head of the strategic planning sector at Aviva China, told China Daily in an earlier interview that setting up a new firm would make the structure clearer, although it will be more time-consuming compared with acquiring an existing company.

Canada's top life insurer Manulife Financial Corp, however, has chosen the latter path. It said late on Monday that it would buy a 49 percent stake in ABN AMRO TEDA Fund Management Co for \$156 million in cash, from Fortis Bank SA, which is in turn controlled by France's largest bank BNP Paribas.

"This accelerates our expansion in China's huge growth market by several years," Donald Guloien, Manulife's chief executive, said in a statement.

The ABN AMRO TEDA Fund Management Co deal is expected to close in the first quarter of 2010, and the new joint venture will be called Manulife TEDA Fund Management Co Ltd. The company said the acquisition is expected to boost Manulife Financial's earnings in the first year and have a negligible impact on capital levels.

Established in 2002, ABN AMRO TEDA Fund Management Co currently has \$3.8 billion assets under management.

According to Manulife's estimate, the asset management industry in China is poised for rapid growth over the next decade, with assets under management slated to exceed \$1 trillion from \$338 billion now.

"China has one of the highest savings rates in the world at 51 percent of GDP and to date, a very high proportion of household wealth is held in the form of deposits," Manulife said.

More than 30 foreign institutions, including JP Morgan, Credit Suisse and Morgan Stanley, have formed fund ventures in China, while more companies are seeking access to the Chinese fund market.

- Guangdong Special: Province land reclamation program hailed as pioneering move in China (26th November)

The South China province of Guangdong is making considerable efforts to reclaim land from the sea and convert hillsides into arable land as a way to use its agricultural resources more efficiently and intensively.

The province aims to reclaim sufficient land to boost its arable land banks by 2.5 million mu (15 mu=one hectare) over the next few years. The government has earmarked 4 billion yuan for the project.

The province is aiming to reclaim land covering 500,000 mu this year, 230,000 mu of which was reclaimed in the first half of this year. The figure for last year was 210,000 mu.

Zhao Yufang, director of the provincial land resources department of Guangdong, said: "Reclaiming land is an important part of the province's joint efforts with the Ministry of Land Resources. The aim is to establish Guangdong as a pilot province for the efficient and intensive use of land. It will be strategically significant for Guangdong to solve its land shortage problem as part of its sustainable development."

The State allows Guangdong to use no more than 290,000 mu of new land for industrial development each year. The actual demand for land for industrial development is estimated at about 400,000 mu for each of the next 15 years, according to official statistics.

The province has only 0.45 mu of arable land per capita, less than a third of the national average and less than a 10th of the world average. This is far below the warning level of 0.8 mu agreed by the Food and Agriculture Organization of the United Nations

Zhao said: "Guangdong must make efficient and intensive use of every inch of its land. Whilst guaranteeing sufficient land is available for key projects that will play a role in boosting the local economy, we will continue a strict watch on the approval of new land for industrial development. We will also keep a close eye on land that has been leased and take drastic action against illegal land use."

Guangdong's target for 2012 is to generate 293 million yuan per sq km from its manufacturing and tertiary industries, a growth of 80 percent over 2007.

The target, once secured, will establish the province as a leader for efficient and intensive use of land across China.

Every 100 million yuan's growth in GDP in the province last year consumed 4.58 hectares of land, down 11.8 percent from 5.19 hectares in 2007.

Land available for industrial development has shrunk significantly in recent decades, the result of rapid industrialization and economic development. The same is also true for the province's arable land resources.

Guangdong has been the number one region nationwide for annual GDP for 23 consecutive years and has maintained a year-on-year GDP growth of over 13 percent for 30 years, since the nation implemented its "opening-up" policy in 1978.

According to Zhao, the province has designated the coastal cities of Zhuhai, Shantou, Jiangmen, Zhanjiang and the county of Huilai in the city of Jieyang as the sites for the pilot program of reclaiming land from the sea. The initiative began at the end of last year, when the provincial government signed an agreement with the Ministry of Land Resources for joint efforts on the project.

The cities of Yangjiang, Shaoguan, Zhaoqing, Zhanjiang and Meizhou are said to have already made rapid headway in their land reclamation programs.

The five cities reclaimed land of 192,000 mu and converted it for arable usage in the first six months of this year, accounting for 83 percent of the newly increased arable land in the province, official statistics indicate.

The province has now chosen the Pearl River Delta cities of Foshan and Dongguan for a pilot program of reclaiming land from old townships, old villages and oil factory properties. The delta cities of Dongguan, Huizhou and Zengcheng have also been selected for a pilot program of reclaiming land that has been leased but as yet undeveloped.

The cities of Guangzhou and Shenzhen have now been briefed to carry out a pilot program on the intensive use of land in their own development zones.

- Guangdong slashes emissions despite renewed GDP growth (26th November)

Guangdong, one of the nation's economic powerhouses, has seen a steady decline in the emission of pollutants over recent years.

In 2008, the province's emission of chemical oxygen demand (COD), the main indicator of water pollution, saw a fall of 5.58 percent from 2007. Its emission of sulfur dioxide, a main indicator of air pollution, also dropped by 5.28 percent, according to statistics from the Ministry of Environmental Protection.

COD refers to the quantity of oxygen required to decompose all organic matters. In total, the province emitted 1.14 million tons of COD and 963,600 tons of sulfur dioxide in 2008.

The COD emission in the first half of this year fell 3.71 percent over the comparable period in 2008, whilst the emission of sulfur dioxide dropped 8.22 percent, despite a sustained GDP growth of 7.1 percent during the period.

Li Qing, director of the provincial environmental protection department of Guangdong, attributed the progress the province has made in environmental protection to its investment in infrastructure for sewage disposal and desulphurization. It has also made significant progress in closing down small iron and steel firms, small cement firms and small thermal power plants, as well as in relocating major energy-consuming plants, especially those located along the banks of the Pearl River.

According to Li, a total of 32 new plants for sewage disposal became operational in the first half of this year, creating an additional sewage handling capacity of 1.18 million tons daily. The new plants have enabled the province to dispose of 11.12 million tons of domestic sewage per day.

Thermal power generating units, with a capacity of 2.6 gigawatts, were equipped with desulphurization facilities in the first six months of this year. In total, thermal power generating units with a combined capacity of 30.4 gigawatts across the province have now been installed with desulphurization facilities.

Li said: "The province needs to have the capability to dispose of 14 million tons of sewage daily by the end of 2010 in order to fulfill the target imposed by the state. Each county in the underdeveloped regions in the north, east and west of the province and each township in the better-developed Pearl River Delta region must have at least one sewage disposal plant by the end of this year."

In 2006, the province signed a state commitment to reduce COD emissions to 940,000 tons by 2010, a fall of 12 percent from 2005.

Li said the province will close down all of its small iron firms, which currently have a combined annual production capacity of 10 million tons. The policy will also result in the closure of a number of small thermal power generation units, with a capacity of 9.66 gigawatts; and several small cement firms, responsible for the production of 38.04 million tons during the 11th Five-Year Plan (2006-10).

Since 2008, the province has shut down more than 1,000 polluting businesses and urged more than 12,000 lesser polluters to improve their measures for alleviating pollution.

According to Chen Guangrong, deputy director of the provincial environment watchdog, the province will seek to integrate its efforts to combat air pollution in the Pearl River Delta region, with a clear focus on the cities of Guangzhou, Shenzhen, Dongguan and Foshan.

The province will no longer permit any application for the expansion of businesses in the cement, ceramics and plate glass sectors, three of the major polluting industries in the delta region.

Other measures include efforts to improve the environmental monitoring system, lower the pollution of vehicle emissions by promoting more environmentally-friendly fuel and banning vehicles with substandard exhausts from the roads.

The local government is also seeking to promote clean energy in the catering industry and to deal with the residue of oil and gas from filling stations, tankers and storage depots.

East

Politics

- Lawmaker proposes to curb lavish banquets on public funds (23rd November)

A Chinese lawmaker has proposed to hold people who use public funds on lavish banquets legally accountable so as to curb the widespread practice.

Zhao Linzhong, deputy to the National People's Congress, the top legislature, was quoted by Sunday's Workers' Daily as saying that social engagements in which dining and drinking is a must seriously undermined the work style of the government and social morals.

Zhao, also board chairman of Furun Holding Group Co. Ltd. in east Zhejiang Province, said some government officials and entrepreneurs had their health and work affected by excessive dining and wining and their health and work.

It is a common practice for Chinese to have banquets or drinking parties when treating important guests, on major occasions and during festivals. Some Chinese have taken advantage of drinking and wining opportunities to seal business deals or seek political favors.

A modest reception could make visitors think that they are not important to the host.

Zhao blamed the social tradition as part of the reason, but added that the lack of supervision and legal loopholes had made the practice continue to prevail.

China has no laws governing the excessive drinking and wining at public expenses.

In October, Fu Pinghong, head of a hospital at Gaoting township in east Zhejiang Province, was sentenced to 11 years in prison on corruption and bribery charges. He had allegedly spent 440,000 yuan (64,433 U.S. dollars) of public funds on drinking, wining and entertaining guests.

Zhao believed that lavishing public funds equalized to embezzlement of state assets and laws should be amended to add the criminal offence of extravagant and wasteful spending.

Laws should be established to regulate banquets at public expenses and the local governments' budgets on banquets should be approved by legislatures, he said.

- 12th China-EU summit to be held in east China's Jiangsu (23rd November)

The 12th China-EU summit is to be held on Nov. 30 in Nanjing, the capital of east China's Jiangsu province, according to an agreement reached by the two sides, Chinese Foreign Ministry spokesman Qin Gang announced here on Monday.

Chinese Premier Wen Jiabao, European Commission President Barroso and Swedish Prime Minister Fredrik Reinfeldt, whose country currently holds the rotating EU presidency, will co-chair the summit.

Initiated in 1998, the summit is the highest-ranking dialogue platform between China and the EU. Premier Wen attended the 11th China-EU summit with European leaders in Prague in May.

Social front

Economic front

- Hi-tech home (26th November)

E-commerce giant Alibaba and 11 other hi-tech companies became on Tuesday the first batch of enterprises to call the Intellectual Valley in Jiangsu province's Yangzhou city home.

Aiming to become China's Silicon Valley in the Yangtze Delta by the year 2020, the Intellectual Valley is a hi-tech and innovation base located in Yangzhou's Hangjiang district.

Marketed as a convenient location with tax incentives offered by local government, the Intellectual Valley has reportedly attracted much interest from both start-ups and established hi-tech enterprises like Alibaba.

- Investment Special: German state launches Shanghai charm offensive (26th November)
Shanghai: As part of his trip to China, Jrgen Rttgers, minister-president of North Rhine-Westphalia (NRW), Germany most-economically powerful state, presented a destination marketing campaign on behalf of his home region. The presentation took place in Shanghai on November 19.

Using "We love the new..." as its positioning statement, the campaign aims to convince investors of the advantages of North Rhine-Westphalia's as a business location. Rttgers said: "North Rhine-Westphalia is situated at the very heart of Europe. With 18 million people, our innovative strengths, creative environment and high quality of life all serve to distinguish us as a business location."

The focus of the campaign has been to introduce North Rhine-Westphalia through two new advertisements, developed specifically for the Chinese market. The first features Werner Wenning, chairman of the management board of Bayer AG, based in Leverkusen in North Rhine-Westphalia. In 1899, Bayer invented the Aspirin, the world's most popular painkiller.

The second execution features Timo Boll, a professional table tennis player for the Borussia Dsseldorf team. Boll also traveled to Shanghai as an ambassador for the region. Whilst visiting the Shanghai World Financial Center, Boll competed in a table tennis match against students from Shanghai's Tongji University and exchange students from Germany's Ruhr University Bochum.

The State-owned economic development agency, NRW.INVEST, is to market North Rhine-Westphalia as an investment location and is looking to secure foreign direct investment from Shanghai. The services offered by NRW.INVEST range from comprehensive information about the region as an investment location to tips regarding tax and legal aspects on the state's economic structure and sectoral clusters. It is looking to work closely with Chinese businesses interested in settling in the federal state and also to accompany them on trade missions to the state.

In recent years, North Rhine-Westphalia has become one of the preferred investment locations in Europe for Chinese businesses. More than 600 Chinese companies, including several well known businesses, such as Evoc, Feida Tools, Genertec, Huawei, Lifan Europe, Midea, Minmetals, Sany and ZTE, have already established a presence in NRW.

China is now one of North Rhine-Westphalia's main economic partners. On the list of the most important export nations for NRW, China ranks at number nine, making it the federal state's most significant trade partner in Asia.

"In 2008, the number of Chinese businesses in NRW increased by 30 percent in comparison to the previous year, which is also six times the number in the region in 2003," according to Petra Wassner, CEO of NRW.INVEST.

- Peugeot to launch China car in 2011 (28th November)

SHANGHAI: French automaker PSA Peugeot Citroen expects to steal a march over its rivals in the Chinese market by launching its first exclusively 'made-for-China' car in 2011, according to company officials.

The company will also introduce 10 new models in the country over the next five years, to cash in on the burgeoning domestic demand, said Eric Apode, vice president of PSA's China Tech Center on Friday in Shanghai.

"We believe that the cars of the 21st century will be born in China, the cradle of the future automobile industry. So it's vital and important to undertake research and development of car models in China," said Apode.

"When Japanese carmakers established design centers in California 25 years ago, who would have imagined that they would go on to become the market leaders in the US," said Oleg Son, design director of PSA's China Tech Center.

PSA has been the first international automaker to have a wholly-owned research and development center in China. It set up the China Tech Center in Shanghai with an initial investment of 1 billion yuan and the facility commenced operations in September 2008.

The center develops cars directly for Chinese consumers without adapting existing products from its headquarters. It also has a global level functional design studio and is also PSA's first such facility outside France.

The center will launch its first locally designed model styled exclusively for domestic customers in 2011.

The Shanghai center currently employs 200 engineers and PSA plans to boost the strength to 550 by 2012. It would also design car models for other markets like Russia and Argentina.

"We believe the future trends in the automobile industry would depend largely on the Chinese market and consumers. That was what prompted us to set up such an important R&D facility in Shanghai," said Apode.

Statistics from JD Power show that during the first nine months, PSA sold 108,854 units of Citroen-brand vehicles in China, up 39 percent over last year. The sales of Peugeot vehicles increased 24 percent to 78,938 units during the same period.

PSA had earlier set a mid-term sales target of 1 million units in China by 2015 and a market share of 5 to 6 percent.

German luxury carmaker Mercedes-Benz has also set up a design studio in Beijing this year to collect information about China's automart and other facets like drivers' tastes and habits to support its global car design.

The world's largest carmaker Toyota Motor Corp is planning to spend 30 to 40 billion yen to establish a R&D center in Shanghai early next year, to strengthen its R&D capabilities in China.

Their rivals, like Volkswagen AG, General Motors and Hyundai Corp, already have R&D centers in the country. But all of these are under their joint ventures and responsible for adapting existing models for Chinese consumers.

HONGKONG AND MACAU

Politics

Social front

- H1N1 flu virus mutation detected in HK (24th November)

Hong Kong's Department of Health announced Monday that it had found the same mutation in a H1N1 flu virus sample as the one detected in Norway recently.

The department said that it had examined the genetic sequence of H1N1 flu viruses in its monitoring system. Out of the 123 sequences studied, one sample showed the same mutation as the Norway strain.

The virus was taken from a year-old boy who developed flu-like symptoms July 22. He was admitted to Prince of Wales Hospital July 25 and discharged three days later. He has recovered.

Mutations are frequently encountered in influenza viruses. According to the World Health Organization, the same mutation of the virus has been found on the Chinese mainland and in other countries, including Brazil, Japan, Mexico, Ukraine and the United States.

The virus with this mutation remained sensitive to antiviral drugs, Tamiflu and Relenza. No evidence suggests these mutations are leading to an unusual increase in the number of H1N1 flu infections or a greater number of severe or fatal cases.

- More headed to HK for flu jabs (26th November)

The worsening H1N1 flu situation is prompting some local residents to pay for vaccines in the neighboring city of Hong Kong when they become available next month.

So far, Shenzhen's free H1N1 flu vaccine program, which was launched at the end of last month, only covers medical staff and frontline workers in the fields of quarantine, immigration, customs, public security and transportation, as well as teachers and students.

Everyone else might be able to benefit from the free program by next April, but that is heavily dependent on the supply of the vaccine, government sources have said.

Zhong Ming, a 35-year-old bank clerk, said he plans to get vaccinated in Hong Kong with his wife as long as the price is acceptable.

"The idea of getting vaccinated became more urgent when one of my colleagues was infected last week," Zhong said.

He consulted a private hospital in Hong Kong about the vaccine but was told to wait. "The vaccine has not arrived yet and doctors said the price might be between HK\$150 to 200 (\$20 to \$25)."

The health authority of the Hong Kong Special Administrative Region said two weeks ago that it placed orders for 3 million doses of H1N1 flu vaccines from France and the first batch of 500,000 would arrive in December.

While the government would provide free vaccination to five categories of high-risk groups, including medical staff, children, senior citizens, pregnant women and livestock and slaughterhouse workers, it would also supply vaccines to private doctors at cost so others can get the vaccines.

Xie Ruosi, a senior official with the Shenzhen health authority, also advised local residents to wait for the free vaccines.

"The country will allocate more vaccines to Shenzhen. There's no need to get them in Hong Kong," he said.

However, some residents still remain cautious about the effect of vaccines given that two people died after being vaccinated.

"We don't plan to take the vaccine even if it's free," said Ye Xue, a 33-year-old office worker and mother of a 4-year-old boy.

"We believe it's better to pay more attention to personal hygiene and stay away from crowds," she said.

The local disease control center said all flu samples in Shenzhen have had the H1N1 virus in the past two weeks, up from 70 percent to 80 percent before.

Economic front

- Hong Kong stocks close 1.41% higher Monday (23rd November)
Hong Kong stocks jumped 315.55 points, or 1.41 percent, to close at 22,771.39 on Monday.

Turnover continued to shrink, totaling HK\$51.9 billion (\$ 6.71 billion) from 60.50 billion HK\$ of the previous trading day.

Report No.

Business and Politics in Muslim World

South East Asia

Tatheer Zahra Sherazi

21 November to 27 November 2009

(Outline)

**Summary
Indonesia**

4

- **Political front:**
- **Geo-strategic Front** **8**
- Indonesia seizes ammonium nitrate shipment from Malaysia
- **Economic Front** **8**
- Indonesian Government Bans Tourism, Fishery Activities At Tangerang Lakes
- Indonesia, Australia eyeing expansion of business, trade
- Indonesian bank bailout criticised by audit agency
- Indonesia's foreign investment drops 29 pct in Jan-Oct
- Banks sign trade finance agreements with ADB
- Indonesia to help in coal mining, oil and gas exploration in Pakistan
- **Social front** **13**
- Over 18,000 Indonesians suffer from HIV/AIDS
- Indonesia corruption claims rock president
- 29 dead after Indonesia ferry disaster
- Muhammadiyah chairman calls public to keep an eye on Century scandal.
- **Environmental Front** **15**
- Indonesia refuse discuss climate change issue in WTO
- Jakarta Bay pollution reaches critical level

Malaysia

- **Political Front**
- **Economic Front** **16**
- Chinese bank wants to play active role in Malaysia
- Islamic deposit insurance to create level playing field among banks
- How important is China to Malaysia?
- **Social Front** **19**
- 'No sign of any penetration,' says Anwar's lawyer

• UNDP lauds Johor for creating jobs for disabled	
Philippine	
• Political Front	20
• Japan, Turkey, UK, Saudi Arabia invited to Philippine peace process	
• VP contender promises to end Mindanao conflict	
• Geo-Strategic Front	
• Economic Front	22
• S'pore, Philippines satisfied with close & co-operative relationship	
• Social Front	22
• Amnesty International Calls on Philippines Authorities to Investigate the Abduction and Killings of Journalists and Politician's Family	
• Philippines Pre-election Atrocity Main Suspect in Police Custody	
• US report lauds Philippines for religious freedom	
• Environmental front	
Thailand	
• Political Front	26
• Thailand seeks U.S. help battling insurgents	
• Geo-strategic Front	26
• Thailand, Cambodia vow to keep peace	
• Foreign Relations	
• Economic Front	27
• Vietnamese economy poses no threat to Thailand	
• Qatar, Thailand sign agreements	
• Social Front	28
• Ayutthaya temple hit by thieves	
• The army had no plan to withdraw troops from the area.	
Singapore	
• Political Front	
• Economic Front	29
• S'pore business receipts down 4.4% in Q3 from a year ago	
• State President meets Singaporean senior minister	
• Social Front	31
• Singapore Muslims urged to be ready for future challenges	
• Environmental Front	
Vietnam	
• Political Front	
• Geo strategic Front	31
• Vietnam to set up militia to protect sea borders	
• Economic Front	32
• Vietnam's electronics exports hit \$1.92 bln in first nine months	
• Vietnam wants to increase trade with Pakistan	
• Vietnam, China agree to further boost economic corridor	
• Vietnam expected to import six tons of gold this month	

<ul style="list-style-type: none"> • Vietnam approves first nuclear power plants • Social Front • Overseas Vietnamese to gather in Hanoi for first-ever conference • Environmental Front 	<p>35</p>
Cambodia	
<ul style="list-style-type: none"> • Political Front • Geo-Strategic Front • Thai PM: Thai-Cambodian relationship now stable • If Thaksin quits, Thai-Cambodian standoff will be eased: Thai deputy PM • Economic Front • Cambodia and South Korea to sign oil and energy agreement • Cambodian PM meets with former Singaporean PM on global financial crisis • 39th ASEAN bankers' council meeting held in Cambodia • Social Front 	<p>36</p> <p>37</p>
Laos	
<ul style="list-style-type: none"> • Political Front • Foreign Relations • PM to visit Cambodia • Prime Minister receives Chinese delegation • Cambodia, Lao PMs hold talks on border demarcation, bilateral ties • Economic Front • Govt promotes private sectors electricity production • Laos, China cooperate on land and natural resource development • Social Front • 40 million kip donated to flood victims. 	<p>39</p> <p>42</p> <p>41</p>

Summary

At Economic Front

- Indonesia

Investment Coordinating Board chairman Gita Wirjawan and deputy trade minister Mahendra Siregar will brief 150 Indonesian and Australian businesspeople at a two-day conference in Yogyakarta on new business opportunities within bilateral economic ties. Indonesia is Australia's 18th largest investment destination with a cumulative stock of capital investment amounting to nearly \$4 billion. According to the Central Statistics Agency, two-way trade of commodities expanded from US\$5.6 billion in 2006 to \$6.4 billion in 2007 and \$8.1 billion in 2008, and was virtually balanced between exports and imports. Indonesian exports to Australia comprise mainly crude oil, wood, paper and electronic products. A study by the Australian Trade Commission (Austrade) has concluded that demand in Indonesia for consumer imports is strong, identifying major export opportunities for Australian companies in agribusiness, food and beverages, consumer products (fashion items and cosmetics), ICT (mobile telephony) and mining supplies.

Foreign direct investment in Indonesia fell almost 30 percent to 89.28 trillion rupiah (\$9.40 billion) in the first ten months from a year ago amid a global downturn, the investment coordinating agency said on Tuesday. Southeast Asia's biggest economy needs investment, mostly in the labour-intensive sectors, to help boost economic growth and reduce unemployment."

Indonesia will provide technical expertise in coal mining, its processing and exploration of oil and gas in Pakistan, Ambassador of Indonesia in Pakistan, Ishak Latucon Sina said on Thursday. Addressing traders at Rawalpindi Chamber of Commerce and Industry (RCCI) here he said that Indonesia is also ready to cooperate in improving Pakistan's tourism industry.

- Malaysia

Industrial and Commercial Bank of China (ICBC), one of the world's largest banks in terms of market value and profitability, describes the proposed opening of a subsidiary bank in Malaysia as a significant breakthrough in ICBC's globalisation strategy.

The role of Islamic deposit insurance is to create a level playing field between Islamic and conventional banks apart from maintaining a foundation for public confidence to the banks, says Malaysia Deposit Insurance Corp (MDIC) chief executive officer Jean Pierre Sabourin

- Vietnam

Vietnam and China agreed in Hanoi on Friday to further strengthen the cooperation in the economic corridor involving China's Yunnan province and four Vietnamese localities of Hanoi, Lao Cai, Hai Phong and Quang Ninh.

- Thailand

The Thai-Cambodian relationship is currently stable and is not expected to deteriorate, Thai Prime Minister Abhisit Vejjajiva said Friday.

Thailand and Cambodia have downgraded their diplomatic relations due to conflict over an appointment of Thaksin Shinawatra as an economic advisor to Cambodia's government and Prime Minister Hun Sen on Nov.4. A day after the appointment of the ousted former Thai premier Thaksin Shinawatra, the Cambodian government announced recall of its ambassador to Thailand in a move to respond to the Thai government's recall of its ambassador to Cambodia.

Geo Strategic

- Indonesia

Customs officials have confiscated 75 tonnes of ammonium nitrate – which can be used as fertiliser or explosive material – being shipped in from Malaysia. Deputy Inspector-General of Police Tan Sri Ismail Omar said Malaysia was willing to cooperate with Indonesia to investigate the shipment. “We are waiting for more details from them. We would also need to determine if the ship was from Malaysia,” he said. Indonesia has been ravaged by terrorist attacks in recent years that killed more than 250 people.

- Malaysia

The first official contender for the vice presidential post in the 2010 polls promised to solve the long-standing peace problem in Mindanao. Alicman Ali, a Maranao and businessman from Quiapo, filed his certificate of candidacy (COC) for the 2010 polls at 2:10 p.m. on Sunday. He is running as an independent candidate. “Ang advantage naman ng pagiging Maranao ko ay kaya kong pahintuin ang mga tao doon (Being Maranao, my advantage is I can stop the people there [from fighting],” Ali told reporters. Ali claimed that he is a son of former Autonomous Region in Muslim Mindanao vice governor and former Lanao del Sur governor Mahid Mutilan. “I am running as [an] independent [candidate].

At Social front

- Indonesia

An official of the Indonesian Health Ministry said on Thursday that 18,442 people in Indonesia have been infected by HIV/AIDS. The director also said that 49.57 percent of the sufferers were at the ages between 20 to 29 years old, followed by 29.84 percent at the ages 30 to 39 years old, 8.71 percent at the ages 40 to 49 years old.

Indonesian protesters have burned photos of President Susilo Bambang Yudhoyono, reacting angrily to a speech by the president on corruption.

Protesters called for his resignation over the controversial bailout of the failed Bank Century and an alleged conspiracy among senior police, prosecutors and politicians to cripple the national anti-corruption agency.

Rescuers saved more than 240 people aboard a crowded Indonesian passenger ferry that sank Sunday in rough waters off Sumatra island, but 29 people have died and at least 17 others were missing, officials said. A second ferry ran aground nearby, but all its passengers were said to be safe. Indonesian ferry accidents have killed hundreds of people in recent years. Boats are often overcrowded, and safety regulations are poorly enforced. The vast country spans more than 17,000 islands, and boats are a popular and relatively cheap form of transportation.

Environmental

The Indonesian government would refuse discussion on climate change issue in the upcoming World Trade Organization (WTO) summit scheduled to take place next week in Geneva, Switzerland, the Bisnis Indonesia reported here on Thursday. "We would reject any discussion, or involved in negotiations on climate change in the WTO meeting," Indonesian Trade Minister Marie Elka Pangestu told a press conference Wednesday. Marie said that the climate change discussions should be conducted after the results of discussions in the upcoming Copenhagen climate change summit be publicly announced.

- Philippine

Government Must Immediately Disband Private Armies and Paramilitaries in Run Up to National Elections (Washington) Amnesty International condemns the killings of at least 21 civilians, including journalists and members of a politician's family, in the southern Philippines province of Maguindanao. These murders are the first reported killings linked to the national elections scheduled for May 2010.

A group of approximately 45 people were ambushed and abducted by 100 armed men, according to reports. The military recovered the bodies of 13 women and eight men, some of which had been mutilated. "These killings underline the danger facing civilians in the run up to

the national elections," said Donna Guest, deputy Asia-Pacific director for Amnesty International.

The Philippines was singled out for praise by the United States for exerting "special efforts" to respect religious freedom and tolerance, as well as promote interfaith dialogue in the world arena, according to a recent report by the US State Department.

The 2009 Report on International Religious Freedom, released in Washington, DC, in late October, said the Philippine government generally respected religious freedom in practice and that there was no change in the status of this respect during the period of the study, from July 1, 2008, to June 30, 2009"

Thailand's military wants the U.S. to provide satellite equipment and imagery so it can hunt thousands of Islamist separatists who are killing Thai troops and civilians in an attempt to establish a strict Muslim state in the south.

About 30,000 soldiers are fighting against 8,000 insurgents and their supporters, including about 2,000 armed rebels, said Lt. Gen. Pichet Wisaijorn, the Royal Thai Army chief in the southern region. An estimated 3,700 people on all sides have perished during the past five years in Thailand's three Muslim-majority southern provinces. Much of the southern war is fueled by Muslim Thais who say they are fighting for a separate homeland autonomous from the Buddhist-majority nation.

There are 20,000 soldiers, 18,000 police and 40,000 defence volunteers providing security for two million people in the deep South.

Detailed News Monitoring Report

Indonesia

- **Political front:**
- **Geo-strategic Front**
- **Indonesia seizes ammonium nitrate shipment from Malaysia**

Customs officials have confiscated 75 tonnes of ammonium nitrate – which can be used as fertiliser or explosive material – being shipped in from Malaysia.

Customs official Nasar Salim said the ship was detained in the South China Sea.

Ammonium nitrate can also be used as fertiliser, but Salim said 95% of ammonium nitrate imported into Indonesia was used in explosive devices. He said possible links to terrorists were being investigated.

Salim said on Friday that 17 crewmen were being questioned while police search for the person who ordered the shipment. In Petaling Jaya, Deputy Inspector-General of Police Tan Sri Ismail Omar said Malaysia was willing to cooperate with Indonesia to investigate the shipment. "We are waiting for more details from them. We would also need to determine if the ship was from Malaysia," he said. Indonesia has been ravaged by terrorist attacks in recent years that killed more than 250 people.

- **Economic Front**
- **Indonesian Government Bans Tourism, Fishery Activities At Tangerang Lakes**

Indonesia's regional government of South Tangerang city, Banten, will ban and put in order all tourism and fish breeding activities at nine lakes in the city, as it is not designed for business or commercial purposes, Antara news agency reported Saturday. Head of the South Tangerang's Environment Affairs Service Rachman Suhendar said that although the nine dams in South Tangerang were under the management of the central government, the regional administration still controls them. "We strictly ban any tourism and fish cultivation activities at the nine reservoirs in South Tangerang. We will conduct an operation in the near future to put in order any party engaged in activities at the lakes," he said. He said that as a conserved water catchment area and protected under the law, the dam was Rachman said that the regional government therefore banned people from developing floating bamboo fish cages for fish breeding at the lakes. He said that floating fish cages in the lakes of Ciledug and Pamulang, for example, had caused the dams to silt up.

Rachman said that tourism and fish breeding locations should at least be 30 meters away from the dams.

South Tangerang city has nine lakes, namely Lake Gintung, Lake Sasak Tinggi (or Pamulang lake), Legoso, Pondok Jagung, Ciledug, Parigi, Bungur, Rompong and Kayu Atap lakes.

On March 27, 2009, Situ Gintung dam in Cirendeuh, Tangerang, southeast Jakarta, broke down and the water flooded like a small tsunami, washing away cars, houses and human settlements. Ninety nine people perished and 102 others gone missing.

- **Indonesia, Australia eyeing expansion of business, trade**

Investment Coordinating Board chairman Gita Wirjawan and deputy trade minister Mahendra Siregar will brief 150 Indonesian and Australian businesspeople at a two-day conference in Yogyakarta on new business opportunities within bilateral economic ties. The annual conference of the Indonesia Australia Business Council (IABC), beginning Monday, will discuss new ways of further developing business ties between the two countries amid the green shoots sprouting in the industrialized economies and a robust recovery in Indonesia. "The perception among Australian businesspeople towards Indonesia is quite positive, and they are looking forward to even better trade and investment opportunities during President Susilo Bambang Yudhoyono's second administration," IABC executive director Vic Halim told The Jakarta Post on Friday. Convened under the theme "Creating Our Destiny", the meeting will discuss issues related to natural resource and infrastructure development, tourism, small and medium-enterprise partnership, taxation, financing and labor regulations. "I am confident that Indonesia, as one of the three countries in Asia still posting high *4.3 percent* growth this year, will offer better trade and investment opportunities," Halim added.

Indonesia was Australia's 13th largest trading partner last year, with two-way trade of merchandise (commodities) and services totaling about US\$10 billion.

Indonesia is Australia's 18th largest investment destination with a cumulative stock of capital investment amounting to nearly \$4 billion. According to the Central Statistics Agency, two-way trade of commodities expanded from US\$5.6 billion in 2006 to \$6.4 billion in 2007 and \$8.1 billion in 2008, and was virtually balanced between exports and imports. Indonesian exports to Australia comprise mainly crude oil, wood, paper and electronic products. Meanwhile, its main imports from Australia are live animals, dairy products, wheat, sugar and aluminum. The IABC and its sister organization AIBC hold annual conferences alternately in Indonesia and Australia, and the meeting in Yogyakarta will coincide with IABC's 20th anniversary. However, the IABC meeting is only one of a series of annual forums held alternately in Australia and Indonesia to discuss bilateral cooperation. In addition to the annual Australia-Indonesia Ministerial Forum, the trade ministers of both countries also convene an annual meeting. The latest annual trade ministers' meeting, which was held in Sydney last February, welcomed the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) and the final draft of the Joint Feasibility Study on an Indonesia-Australia Free Trade Agreement.

A study by the Australian Trade Commission (Austrade) has concluded that demand in Indonesia for consumer imports is strong, identifying major export opportunities for Australian companies in agribusiness, food and beverages, consumer products (fashion items and cosmetics), ICT (mobile telephony) and mining supplies.

- **Indonesian bank bailout criticised by audit agency**

An Indonesian government bailout of a small bank last year during the financial crisis was criticised by the Supreme Audit Agency on Monday and could now become a political issue embroiling two top reformers. Finance Minister Sri Mulyani Indrawati and Vice President Boediono, who was central bank governor at the time, were involved in approving the bailout of Bank Century.

As President Susilo Bambang Yudhoyono's top technocrats, both have run up against the political and business elite because of their push for reform and an anti-corruption drive.

Both are now in danger of being distracted by further questioning and parliamentary procedures, particularly if there are calls for further investigations into the bailout. President Yudhoyono said after the audit was completed that the bailout should be seen in the context of the global credit crisis of the time. He also dismissed as groundless speculation that his election campaign had benefitted from the bailout funds. "There have been rumours and, to be certain, slanders that parts of the (bailout) funds were designed for the campaign funds of the Democrat Party and presidential candidate SBY," Yudhoyono said, referring to his party and to his commonly used nickname. He added that "the slanders are really cruel and very painful" for himself. Parliament, which requested the audit into the 6.7 trillion rupiah (\$708 million) bailout of Bank Century, may now demand that the president gives an explanation.

TWO REFORMERS DEFEND BAILOUT

Both Boediono and Indrawati have denied any wrongdoing, saying that the bailout was necessary to maintain financial market stability and ensure investor confidence during the global credit crisis last year. "This is a local issue being politicised. If Boediono and Sri Mulyani are being cornered because of this, it can disappoint markets because both of them are icons of market reforms," said Fauzi Ichsan, economist at Standard Chartered Bank. The audit showed the bailout was based on inadequate data and that the central bank had violated its own regulations by extending loans to troubled Bank Century despite the fact that it only had collateral equivalent to 83 percent of the loans, far short of the required 150 percent. The audit agency also said there was no strong legal basis for the extension of a large part of the bailout funds given that parliament had rejected a proposed law originally aimed at giving a legal basis for the bailout. Bank Indonesia, the central bank, "did not provide the correct, complete, and latest information" about Bank Century (BC) when it proposed a bailout to the government, the agency said, following its investigation. "As a result, the cost of handling BC, which had been estimated at 632 billion rupiah, shot up to 6.7 trillion rupiah," the audit agency said, adding it had led to state losses. Bank Century had been hit partly by investment in highly risky securities which tumbled in value during the crisis. "Bank Indonesia regrets that the global (credit) crisis and its impact on the Indonesian economy which prompted the Century bailout were not featured in the audit report," the central bank said following the release of the audit.

- **Indonesia's foreign investment drops 29 pct in Jan-Oct**

Foreign direct investment in Indonesia fell almost 30 percent to 89.28 trillion rupiah (\$9.40 billion) in the first ten months from a year ago amid a global downturn, the investment coordinating agency said on Tuesday. Southeast Asia's biggest economy needs investment, mostly in the labour-intensive sectors, to help boost economic growth and reduce unemployment. "The drop in actual foreign investment was mostly because of the fallout of the global economic downturn in the past 12 months," said Gita Wirjawan, chairman of the agency.

The agency also said foreign direct investment approvals fell 39 percent to \$17.48 billion in the January-October period from a year ago. Following are details of Indonesia's investment data in January-October. The value of projects is in trillions of rupiah unless otherwise stated.

Value y/y growth

(%)

Actual investment

Foreign 89.28 -28.8

Domestic 32.47 104.5

Total 121.75 -13.8

Investment approvals

Foreign 157.32 -39.3

Domestic 163.75 20.3

Total 321.07 -18.8

- **Banks sign trade finance agreements with ADB**

Two Indonesian banks have signed trade-financing agreements with the Asian Development Bank (ADB) under the latter's Trade Financing Facilitation Program (TFFP).

The agreements, inked Tuesday by PT Bank Mandiri and PT Bank Muamalat, should help provide crucial support for local exporters and importers, ADB trade finance head Steven Beck told a press conference. Indonesian financial institutions can use more than US\$700 million in trade financing from ADB's \$1 billion TFFP scheme intended for its member countries in Asia, he said. ADB is holding talks with 10 other local banks over similar agreements. "Indonesia has fared relatively well throughout the crisis but, nevertheless, concerns about emerging-market risks among international banks has also caused there to be a drop in the supply of trade finance," Beck said. The program provides guarantees and loans of up to three years to support trade financing in ADB's member countries. Beck said TFFP guaranteed products provided mitigation against commercial and political risks associated with international trade. The loans for pre-export finance will use the Libor rates. ADB's Asian Development Outlook 2009 Update, released

in September, forecasts Indonesia's economy to expand 4.3 percent this year and 5.4 percent in 2010, with the current account surplus expected to increase to 2 percent of the GDP in 2009, and 2.1 percent next year. Last year's GDP growth was 0.1 percent.

It also expects growth in developing Asia to reach 3.9 percent this year and 6.4 percent in 2010

- **Indonesia to help in coal mining, oil and gas exploration in Pakistan**

Indonesia will provide technical expertise in coal mining, its processing and exploration of oil and gas in Pakistan, Ambassador of Indonesia in Pakistan, Ishak Latucon Sina said on Thursday. Addressing traders at Rawalpindi Chamber of Commerce and Industry (RCCI) here he said that Indonesia is also ready to cooperate in improving Pakistan's tourism industry.

The Ambassador informed that the basic objective of his visit to the Chamber was to explore ways and means to enhance trade between the two brotherly countries. Pakistan and Indonesia can jointly come out from the global recession, he observed.

He said that Indonesian Embassy in collaboration with Rawalpindi Chamber of Commerce and Industry will promote trade activities in the region. Indonesia will also play its role in promoting tourism industry in Pakistan, he added. Speaking on the occasion, Acting President, RCCI, Syed Ali Raza Saeed Shah said the trade volume of the two countries is around 124.43 million dollars which should be enhanced. He said that Indonesia should give access to Pakistani goods in its trade markets on priority basis. He said that RCCI intends to organize an industrial exhibition in Indonesia and requested the Ambassador to provide support in this regard.

- **Social front**
- **Over 18,000 Indonesians suffer from HIV/AIDS**

An official of the Indonesian Health Ministry said on Thursday that 18,442 people in Indonesia have been infected by HIV/AIDS. Director General of Disease Control and Environmental Health of the ministry Tjandra Yoga Aditama said that the cases were found at nearly in all parts of the country.

The highest rate of the cases was in Papua province in easternmost of Indonesia, followed by Bali resort island, Jakarta and Riau, said Tjandra.

The director also said that 49.57 percent of the sufferers were at the ages between 20 to 29 years old, followed by 29.84 percent at the ages 30 to 39 years old, 8.71 percent at the ages 40 to 49 years old. In term of gender, more male suffered the disease rather than female with ration of 3 to 1. "The way of the contamination of the disease are through heterosexual and homosexual sexual activities," said Tjandra. At the third quarter of this year, the number of the case on HIV/AIDS rose by 743, he said.

- **Indonesia corruption claims rock president**

Indonesian protesters have burned photos of President Susilo Bambang Yudhoyono, reacting angrily to a speech by the president on corruption.

Protesters called for his resignation over the controversial bailout of the failed Bank Century and an alleged conspiracy among senior police, prosecutors and politicians to cripple the national anti-corruption agency. Convincing evidence has emerged over recent weeks of a conspiracy at the very top of the police force and the attorney-general's office in bringing false bribery charges against two senior members of the anti-corruption commission, the KPK. An independent report recommended the charges against the two KPK officials be dropped and a full investigation of the police and the attorney general's office be undertaken. In a nationally televised speech on Monday, President Yudhoyono insisted he could not interfere in criminal cases no matter how little faith the public had in the police and the courts.

Anti-graft activists say the President has abrogated his duty and his election promises to fight corruption. The fact finding investigative team appointed by the President to look into the scandal included well regarded, established lawyers and academics, including its chairman, Adnan Nasution.

'Round-about way' He says the President went as far as he could within the law in suggesting in a round-about way the case against the KPK officials be dropped. "The message is clear although the way he explain it he didn't say it straightforward, but using some metaphor to explain what he actually means," he said.

Bailout criticism

Meanwhile, Indonesia's Supreme Audit Agency has criticised the government's bailout of a small bank during the global financial crisis, saying it was based on inadequate data and led to state losses. Finance Minister Sri Mulyani Indrawati and Vice President Boediono, who was Central Bank governor at the time, were involved in approving the \$US708 million bailout of Bank Century. President Susilo Bambang Yudhoyono has said the bailout should be seen in the context of the global credit crisis of the time. He has also dismissed as groundless speculation that his election campaign had benefited from the bailout funds. Both Mr Boediono and Ms Indrawati have denied any wrongdoing, saying that the bailout was necessary to maintain financial market stability and ensure investor confidence during the global credit crisis last year. The audit showed the Central Bank had violated its own regulations by extending loans to troubled Bank Century. The audit agency also said there was no strong legal basis for the extension of a large part of the bailout funds given that parliament had rejected a proposed law originally aimed at giving grounds for the assistance. Bank Century was hit by investment in high risk securities, which tumbled in value during the crisis

- **29 dead after Indonesia ferry disaster**

Rescuers saved more than 240 people aboard a crowded Indonesian passenger ferry that sank Sunday in rough waters off Sumatra island, but 29 people have died and at least 17 others were missing, officials said. A second ferry ran aground nearby, but all its passengers were

said to be safe. Indonesian ferry accidents have killed hundreds of people in recent years. Boats are often overcrowded, and safety regulations are poorly enforced. The vast country spans more than 17,000 islands, and boats are a popular and relatively cheap form of transportation.

The Dumai Express 10 sank in stormy weather 90 minutes into an inter-island trip from Batam to Dumai in Riau, a province off Sumatra island in western Indonesia. The area is about 600 miles (900 kilometres) northwest of Jakarta. The ship sank about 30 minutes after huge waves damaged its bow and water started seeping in, according to a report from the ship's captain, said Lt. Col. Edwin, the local navy chief. A survivor, who only gave his name as Riki, said he escaped from the ship by breaking a window and was rescued by fishermen, the official news agency Antara reported. He said he saw some passengers jump into the sea without life jackets. Passing boats picked up dozens and took them to nearby islands for medical treatment. Local television news showed two survivors, wearing life jackets, floating on the water.

High waves made the rescue operation difficult. At its peak, there were at least nine ships and several fishing boats searching the choppy sea. Rescue teams found 29 bodies, including those of two children, according to the latest reports, said Rustam Pakaya, the head of the Health Ministry's crisis centre. He said at least 17 others were believed to be missing. Some 245 survivors were rescued. Authorities called off search and rescue operations after nightfall, said Yasin Kosasih, a local police chief co-ordinating the rescue mission. "Considering the weather conditions and the dark, we ... will resume the search tomorrow morning," Kosasih said. There was some uncertainty about how many people were on board the ferry when it sank. Police and navy officials said the ferry manifest listed 228 passengers, including 15 children, and in addition, there were 13 crew, but the number of people accounted for has already surpassed that. The ship had a capacity of 273, but it is not uncommon for ferries to be overloaded. In a separate accident Sunday, a second ferry, the Dumai Express 15, with 278 people on board ran aground on its way from Batam to Moro island in Sumatra. No one was hurt, said local police chief Yasin Kosasih. All were evacuated to a nearby island. Indonesia has suffered several major ferry accidents in recent years. In December 2006, a crowded ferry broke apart and sank in the Java Sea during a violent storm, killing more than 400 people.

- **Muhammadiyah chairman calls public to keep an eye on Century scandal**

Din Syamsuddin, chairman of Indonesia's second largest Muslim organization Muhammadiyah, has asked the public keep monitoring the controversial Bank Century bailout scandal investigation.

"If we let this case go, it would be a bad precedent for our nation and leave us with a stigma," Din told Antara. Din said information about the bailout must be revealed to the public and resolved legally. The bailout scandal came into the public view after the House of Representatives summoned the government over its lack of transparency in bailing out the troubled bank. The government initially said the bailout would only cost Rp 632 billion (US\$65 million), but it ballooned to Rp 6.76 trillion. The government argued that the bailout was necessary to prevent a chain reaction. Critics, however, say the bank was bailed out not to

protect the economy from the effects of the global financial crisis, but rather to rescue the savings of high-profile and politically connected depositors. The House is forming an inquiry committee to further investigate the scandal.

- **Environmental Front**
- **Indonesia refuse discuss climate change issue in WTO**

The Indonesian government would refuse discussion on climate change issue in the upcoming World Trade Organization (WTO) summit scheduled to take place next week in Geneva, Switzerland, the Bisnis Indonesia reported here on Thursday. "We would reject any discussion, or involved in negotiations on climate change in the WTO meeting," Indonesian Trade Minister Marie Elka Pangestu told a press conference Wednesday. Marie said that the climate change discussions should be conducted after the results of discussions in the upcoming Copenhagen climate change summit be publicly announced.

- **Jakarta Bay pollution reaches critical level**

Starting with a fleet of 400 fishermen, Governor Fauzi Bowo kicked off Saturday a Herculean effort to remove 14,000 cubic squares of garbage polluting Jakarta Bay every day. Fauzi said the pollution across 2.8 square kilometers of the bay had reached critical levels, endangering mangrove forest and coral reefs that protected the city from natural disasters. "Let's save Jakarta Bay together," Fauzi said as he sent fishermen off on the garbage-clearing mission at a ceremony at Festival Beach in Ancol, North Jakarta. "The bay is home to potential maritime resources that support the lives of local fishermen and Jakarta residents." The governor added the pollution had slowed production in fishery and other maritime sectors by 38 percent. The Bay is a sanctuary of 13 rivers dissecting Greater Jakarta, each carrying waste from domestic and industrial activities. Despite the city bylaw that threatens litterbugs with jail sentences and fines, Fauzi said he opted not to punish people for violating it, which may partly be the reason for annual flooding in the capital.

Malaysia

- **Political Front**
- **Economic Front**
- **Chinese bank wants to play active role in Malaysia**

Industrial and Commercial Bank of China (ICBC), one of the world's largest banks in terms of market value and profitability, describes the proposed opening of a subsidiary bank in Malaysia as a significant breakthrough in ICBC's globalisation strategy.

"It is also a reflection of the fast expanding trade, economic and commercial ties between China and Malaysia," it said in a statement yesterday. ICBC was granted the banking licence by Bank Negara on Nov 20. Previously, its application had been approved by the China Banking Regulatory Commission. "After its establishment, ICBC's subsidiary bank in Malaysia will vigorously integrate itself into the local financial market and play an active role in servicing bilateral economic exchanges and trade as well as boosting Malaysia's economic development through leveraging on ICBC group's extensive customer base, capital strength, network and

state-of-the-art technology,” it said. It said Malaysia was one of China’s most important trading partners in Asean, with bilateral trade standing at US\$53.469bil in 2008, representing about one quarter of total trade volume between China and the Asean countries. In August 2009, two-way trade reached RM11.56bil, making China the biggest export market for Malaysian products. In the same period, Chinese exports to Malaysia accounted for more than 13% of Malaysia total imports, making China the biggest source of imports for Malaysia. “The ever-increasing economic, trade and investment ties between China and Malaysia have laid a solid foundation for the development of the financial service industry and raised new demands for cross-border banking services,” it said.

“Amid the ongoing global economic and financial integration and with the huge demand from ‘go-out’ Chinese enterprises for cross-border financial services, ICBC has been proactively implementing its globalisation strategy. It is accelerating overseas deployment and expanding business scopes in order to enhance its cross-border financial service capabilities,” it said. As at the end-September, ICBC has 155 branches and offices in 15 countries and regions and 1,393 correspondent banks in 125 countries and regions. At the end of the third quarter of 2009, ICBC had total assets of 11.67 trillion yuan (RM5.75 trillion) and recorded after-tax profit of 100.54 billion yuan (RM49.57bil).

- **Islamic deposit insurance to create level playing field among banks**

The role of Islamic deposit insurance is to create a level playing field between Islamic and conventional banks apart from maintaining a foundation for public confidence to the banks, says Malaysia Deposit Insurance Corp (MDIC) chief executive officer Jean Pierre Sabourin.

“Apart from that, the role of Islamic deposit insurance is to reinforce the consumer protection aspects that are inherent in Islam,” he said at the 3rd Islamic Financial Services Board (IFSB) Public Lecture on Financial Policy and Stability yesterday. In his lecture on the Role of Islamic Deposit Insurance in Providing Stability to the Islamic Financial System, Sabourin said the Islamic deposit insurance system in Malaysia, established in September 2005, was to provide equivalent protection for insurable Islamic deposits. “Endorsed by the Syariah Advisory Council of Bank Negara and administered by MDIC, fund reserves under Islamic deposit insurance is invested only in syariah-compliant instruments and syariah-compliant activities,” he said. Earlier, the Council of IFSB admitted eight new organisations into its membership after being approved at its 15th meeting. IFSB is an international standard-setting organisation to promote and enhance the soundness and stability of the Islamic financial services industry by issuing global prudential standards and guiding principles for the industry. The council also appointed governor of the Central Bank of Sudan Dr Sabir Mohamed Hassan and governor of the Central Bank of Jordan Dr Umayya Toukan as chairman and deputy chairman of the council respectively for 2010.

The meeting was chaired by the governor of the Saudi Arabian Monetary Agency and attended by the president of Islamic Development Bank, central bank governors and

representatives of the IFSB 21-member council. Bank Negara hosted both the council meeting and the subsequent IFSB public lecture.

- **How important is China to Malaysia?**

WHEN President Hu Jintao visited Malaysia on Nov 11-12, he was greeted with all the pomp and ceremony that symbolised his personal and nation's immense importance. Such a grand treatment is only natural given China's increasing influence on Malaysia's economy and her fast ascent as an economic powerhouse. Just how important is China to Malaysia?

Despite Malaysia's confrontation with the communists in the 1950s and 1960s, Malaysia established formal ties with China as early as 1974, among the earliest to do so. In the 1980s and 1990s, Malaysia traded mainly with developed countries, namely, the United States, Europe and Japan.

However, this has changed dramatically over the years. In the early days of the 21st century, Malaysia's export growth to China consistently outpaced that of the United States.

Therefore, China's share of Malaysia's exports climbed to 8.8% in 2007 and 9.5% in 2008. In the first nine months of 2009, China became Malaysia's biggest export market, overtaking the United States. (Due to its big entrepot trade, Singapore's market share is not directly comparable). China is now the largest market for many of Malaysia's major exports, especially commodity products.

This is important, as there were instances in the past when the exports of Malaysia's electrical and electronic products were hit, it was commodity exports that played an important role in mitigating the adverse impacts on the economy.

Apart from trade, China is also becoming an increasingly important market for Malaysia's tourism industry. In the 1990s, Japan used to be Malaysia's largest source of tourist arrivals outside of the Asean region. Now, the role has been taken over by China.

To become an education hub in the region has been one of the noble goals of the Government for some time. In the early 2000s, a large number of Chinese students came to Malaysia to pursue their higher education.

In fact in 2002, close to 40% of all foreign students in Malaysia were from China. Although the number of Chinese students coming to Malaysia has fallen sharply since, China is still the second biggest contributor of foreign students in Malaysia. There was a significant rebound in Chinese students enrolling in colleges and universities in Malaysia last year.

As the China has been encouraging Chinese companies to venture overseas, Malaysia certainly would want to catch part of China's foreign direct investment (FDI) outflow, especially when FDI outflows from western countries are expected to be weak in the next few years.

The US-led financial crisis has hit countries that are dependent on the US economy hard. Malaysia's manufacturing sector has been one of the hard-hit victims.

As the global economic weight is leaning increasingly towards Asia and with China being the leader of the Asian block, it is only logical for Malaysia to give President Hu the highest honour it can.

- **Social Front**
- **'No sign of any penetration,' says Anwar's lawyer**

Opposition Leader Datuk Seri Anwar Ibrahim's sodomy charge cannot stand as medical reports do not suggest that there was any penetration, the High Court heard yesterday. Counsel R. Sivarasa, in his submissions for Anwar's application to quash his sodomy charge, said that in Anwar's case, penetration was the main and core ingredient of the alleged offence, and medical evidence was required beyond reasonable doubt. He said the reports from Hospital Pusrawi had stated that, based on the medical officer's observation, there was "no bleeding, no piles, no tear, no discharge, no abscess, no injuries" and that complainant Mohd Saiful Bukhari Azlan's anus was "clean and normal". "When asked 'Is there penetration?', three doctors there replied that there were 'no conclusive findings to suggest penetration to the anus'." "In this case, medical reports from both Pusrawi and Hospital Kuala Lumpur show without a doubt that penetration was non-existent. This, in itself, is sufficient for the court to quash the charge as it is clear that no offence has been committed," he submitted. He said while there was no expressed provision in the Criminal Procedure Code for striking out a charge, the court had the inherent power to consider and grant such an application. Sivarasa also submitted that the prosecution had malicious intent and was not impartial, as Attorney-General Tan Sri Abdul Gani Patail, whom Anwar alleged fabricated evidence in his 1998 "black-eye incident", was still involved in the sodomy trial now.

Abdul Gani had signed a transfer certificate to move Anwar's case from the Sessions Court to the High Court.

- **UNDP lauds Johor for creating jobs for disabled**

The United Nations Development Programme (UNDP) has lauded Johor's commitment to increase employability for the disabled by being the first state in the country to form a People with Disabilities Employment Unit.

UNDP Malaysia assistant resident representative James George Chacko said the state government was able to create a bridge between the disabled and employers by being the first state to form such a unit. He added that the pilot project, which started last year, would be able to create more job opportunities for them in the public and private sectors.

Powerful message: Abdul Ghani looking at some exhibits during the National Conference on Employment and Disability in Johor Baru yesterday. Accompanying him is Social Welfare Department director-general Datuk Meme Zainal Rashid "It has also broken down barriers for disabled people in seeking employment," he told a press conference after the launch of the

National Conference on Employment and Disability here yesterday. Meanwhile, Mentri Besar Datuk Abdul Ghani Othman, who launched the seminar, said the unit, had so far, managed to supply jobs to 11 disabled people in the Johor Baru City Council and for five people at the Carrefour hypermarket here. "The unit is also working with other local councils towards creating employment for disabled people," he said. Abdul Ghani added that the unit has two job coaches, who were committed towards ensuring employability for the disabled. Job coaches are those who assist the disabled in their job training and daily work. He said it aimed to increase the number of job coaches and there were plans to place the disabled with jobs which were nearer to their homes to minimise inconvenience. Abdul Ghani said tax incentives were also offered to private companies in order to encourage them to hire disabled individuals.

Philippine

- **Political Front**
- **Japan, Turkey, UK, Saudi Arabia invited to Philippine peace process**

The Philippine government and the Moro Islamic Liberation Front have invited Japan, Turkey, the United Kingdom and Saudi Arabia to form part of the International Contact Group (ICG) that will guarantee all agreements in the peace process of the two negotiating parties.

In a statement on released on Saturday, the Moro Islamic Liberation Front (MILF) said of the four states that have been officially invited to join the ICG, only the UK, Japan and Turkey have showed positive signs that they are interested. Saudi Arabia, the MILF said, has yet to response to the official invitation sent through its ambassador in Manila. "The MILF top leadership has followed up the matter from the Kingdom's Foreign Ministry," MILF vice-chairman and chief negotiator Ghazali Jafaar said. Last month, the Philippine government and the MILF said they are ready to hold formal peace negotiations in Malaysia anytime following the signing of three confidence-building agreements crucial to the resumption of talks. Malaysia is the facilitator of the peace talks which collapsed in August last year after the botched signing of the controversial Memorandum of Agreement on Ancestral Domain (MOA-AD). The government and MILF peace panels are just waiting word from the Malaysian government for the resumption of formal peace talks. The MILF, which the Philippine military says has 11,000 fighters, is the largest group battling for self-rule in Mindanao. A final peace agreement is expected to end more than four decades of Muslim rebellion in Southern Philippines.

- **VP contender promises to end Mindanao conflict**

The first official contender for the vice presidential post in the 2010 polls promised to solve the long-standing peace problem in Mindanao. Alicman Ali, a Maranao and businessman from Quiapo, filed his certificate of candidacy (COC) for the 2010 polls at 2:10 p.m. on Sunday. He is running as an independent candidate. "Ang advantage naman ng pagiging Maranao ko ay kaya kong pahintuin ang mga tao doon (Being Maranao, my advantage is I can stop the people there [from fighting]," Ali told reporters. Ali claimed that he is a son of former Autonomous Region in Muslim Mindanao vice governor and former Lanao del Sur governor Mahid Mutilan. "I

am running as [an] independent [candidate]. Mas madali ang independent para walang makapigil sa akin (It is easier to run as independent so nobody can stop me),” he added. Ali said he was born in General Santos City and holds a business administration degree from the Mindanao State University. One of his plans is to visit and talk to Brunei’s leader, Sultan Hassanal Bolkiah, about the country’s political concern. He claimed that is 40 years old, the minimum age requirement for the vice presidential post. However, his accomplished COC showed that he was born on March 31, 1971. In other words, he’ll be 39 years old when elections are held in May next year. Ali also dismissed that he is a nuisance candidate. “Hindi naman ako nanggugulo. Alam naman ng spirit na ang panalo ko ay para sa kabutihan ng bansa (I am not a bother. The Spirit knows my triumph is for the country),” he said.

He claimed that he is the nephew of vice president Noli de Castro, who will be his running mate in the 2010 polls. Lopez told the amused media practitioners and Comelec officials that he studied economics in Europe, that he juggled big-time jobs such as teaching in universities in Europe, and is an advisor for mayors and governors in his hometown Camarines Sur. He also claimed to be the "head of microfilm" at the United Nations headquarters. He even bragged his proficiency in German and his former residency in New Jersey. He claimed that he has numerous real estate properties, which will be enough to fund his national campaign. As of November 22, the Comelec has accepted COCs of 14 presidential, 1 vice presidential, 3 senatorial candidates. The poll body, meanwhile, has 19 accredited groups for the party-list election, and 3 groups that submitted their manifestation of intent to participate in the polls. The deadline for filing of COCs is on midnight of December 1

- **Geo-Strategic Front**
- **Economic Front**
- **S'pore, Philippines satisfied with close & co-operative relationship**

Singapore and the Philippines have expressed satisfaction with the close and cooperative relationship shared over the past four decades and they are confident the enduring relationship could be further strengthened in the years ahead. This is the view of Foreign Affairs Minister George Yeo and Philippine Secretary of Foreign Affairs Alberto Romulo after their meeting in Manila on Saturday afternoon.

Mr Romulo also thanked Mr Yeo for Singapore's prompt humanitarian assistance offered to the Philippines in the wake of Typhoons Ketsana and Parma.

On regional issues, the ministers agreed both countries would continue their partnership and consultations to help make ASEAN an attractive place for more foreign investment.

They also agreed on the importance of ASEAN continuing its cooperation with its dialogue partners and welcomed the US' increasing engagement of the region.

- **Social Front**
- **Amnesty International Calls on Philippines Authorities to Investigate the Abduction and Killings of Journalists and Politician’s Family**

Government Must Immediately Disband Private Armies and Paramilitaries in Run Up to National Elections(Washington) Amnesty International condemns the killings of at least 21 civilians, including journalists and members of a politician's family, in the southern Philippines province of Maguindanao. These murders are the first reported killings linked to the national elections scheduled for May 2010.

A group of approximately 45 people were ambushed and abducted by 100 armed men, according to reports. The military recovered the bodies of 13 women and eight men, some of which had been mutilated. "These killings underline the danger facing civilians in the run up to the national elections," said Donna Guest, deputy Asia-Pacific director for Amnesty International. The authorities must immediately launch an independent and effective investigation into these murders and ensure that they do all they can to prevent more killings and other violence. Esmael Mangudadatu, the vice mayor of Buluan town, became a target of this violence when his sister and wife were attacked on their way to file his certificate of candidacy as provincial governor. Amnesty International has also been informed of at least 12 journalists that were among the targeted group. It is not known how many journalists were killed. The province of Maguindanao has witnessed widespread election violence during previous polls. Private armies, often employed by rich and politically influential families in Mindanao, have historically committed abuses with impunity. "The government must prohibit and disband private armies and paramilitary forces immediately," said Guest. Amnesty International is a Nobel Peace Prize-winning grassroots activist organization with more than 2.2 million supporters, activists and volunteers in more than 150 countries campaigning for human rights worldwide. The organization investigates and exposes abuses, educates and mobilizes the public, and works to protect people wherever justice, freedom, truth and dignity are denied.

- **Philippines Pre-election Atrocity Main Suspect in Police Custody**

Datu Andal Ampatuan Junior, principal suspect in the killing of at least 57 people in the southern Philippines has his mugshot taken inside the National Bureau of Investigation cell in Manila, Philippines

The chief suspect in the recent slaughter of Philippine election officials and journalists has been taken into custody, after turning himself in to the police.

Datu Andal Ampatuan Jnr, leader of a clan that has effectively ruled the southern Philippine province of Maguindanao for years, has declared his innocence, stating he only given himself up under the threat of a military attack on his family compound. On Monday, an armed gang of 100 had attacked a large group of officials, political supports and journalists on their way to file election papers. The victims were dragged to a remote hillside and murdered, the bodies being hastily buried.

A total of 57 deaths resulting from the ambush has now been confirmed. Many of the dead were journalists and women. Although autopsies have not been completed, there is speculation that some of the victims had been mutilated before being executed. Despite having

lost his wife and two sisters in the brutal attack, Ampatuan's political rival, Ismael Mangudadatu has succeeded in submitting his candidacy papers for the Philippine elections scheduled for May 2010. He had sent his relatives and supporters to deliver the documents on his behalf, as he had already received several death threats.

There has been international condemnation of the incident from politicians and journalists worldwide. Reporters without Borders, the international journalism NGO, denounced the massacre: "Never in the history of journalism have the news media suffered such a heavy loss of life in one day," they announced. Clan leader Andal Ampatuan Jr is close to the Philippine President, Gloria Arroyo. She has vowed that the killers would be brought to justice, but her political future is no longer certain. With only six months of her presidential term in office remaining, Arroyo would have depended on the support of clan leaders such as Ampatuan. Many believe that Arroyo's primary concern was to secure a political succession that would keep her safe from possible litigation over several corruption allegations.

Prosecutors, meanwhile, have said that two holidays mean they have to wait until Tuesday to file murder charges against the main suspect. Several witnesses to the atrocity have come forward and declared their willingness to testify against Ampatuan and his associates.

- **US report lauds Philippines for religious freedom**

The Philippines was singled out for praise by the United States for exerting "special efforts" to respect religious freedom and tolerance, as well as promote interfaith dialogue in the world arena, according to a recent report by the US State Department.

The 2009 Report on International Religious Freedom, released in Washington, DC, in late October, said the Philippine government generally respected religious freedom in practice and that there was no change in the status of this respect during the period of the study, from July 1, 2008, to June 30, 2009. "There were no reports of forced religious conversion, including of minor American citizens who had been abducted or illegally removed from the US, or the refusal to allow such citizens to be returned to the US," the report said. "There were no reports of religious detainees or prisoners in the country. The government does not ban or discourage specific religious groups or religious factions," it added. The Report on International Religious Freedom is submitted to Congress annually by the State Department in compliance with the International Religious Freedom Act of 1998.

Regarded as the most comprehensive survey of religious freedom worldwide, it records the status of respect for religious freedom in all countries.

The report's primary focus is on the actions of governments, including those that contribute to religious repression or tolerate violence against religious minorities as well as those that protect and promote religious freedom. This year's edition of the report examined how governments in 198 countries are protecting or failing to protect religious freedoms.

Each country report covers the country's religious demography; government respect for religious freedom (including the legal and policy framework, restrictions on religious freedom, abuses of religious freedom, and improvements and positive developments); societal respect for religious freedom; and US government policy and actions. In remarks at the launch of the report last month, US State Secretary Hillary Clinton said this year's report noted efforts by some countries to promote and support interfaith dialogue and tolerance.

Interfaith cooperation

"We commend, for example, the Philippine leadership in the Tripartite Forum on Interfaith Cooperation for Peace at the United Nations," Clinton said. It was a Philippine initiative that brought interfaith cooperation into the agenda of the UN in 2005 and led to the creation of the tripartite forum, an open-ended consultative group composed of representatives of UN member states, the UN system and nongovernmental organisations. The 2009 religious freedom report noted that in the Philippines, the Council on Interfaith Initiatives "continued to strengthen the government's existing institutional arrangements for interfaith activities by coordinating interfaith programmes and initiatives with all government agencies, local government units, and nongovernmental organisation (NGO) partners."

It, however, noted complaints from the Muslims, who are concentrated in some of the poorest provinces, that the government had not made sufficient efforts to promote their economic development as they still suffered from economic discrimination. It noted that the Philippine Constitution provides for freedom of religion, and other laws and policies contributed to the generally free practice of religion.

Discrimination noted

But it said that some ethnic, religious, and cultural discrimination against members of the Muslim minority by members of the Christian majority, combined with economic disparities, contributed to persistent conflict in certain Mindanao provinces. Based on a traditional policy of promoting moral education, public schools in the Philippines give religious groups the opportunity to teach moral values during school hours, the report said.

The report said the government continued to implement its unified curriculum, designed to integrate madaris (Muslim schools) into the national education system. In addition to the 38 madaris registered with the department of education (DepEd), 37 additional madaris in Mindanao were in the process of obtaining operation permits from the education department.

It said the DepEd has ordered public elementary schools that had at least 25 Muslim students to begin offering Arabic language instruction and classes on Islamic values. During the 2008-2009 school year the DepEd provided Arabic language instruction and Islamic values education, including textbooks on these subjects, to Muslim students in 754 public elementary schools. The government's National Ecumenical Consultative Committee (Neccom) fosters interfaith dialogue among major religious groups, including the Roman Catholic Church, Muslim groups, Iglesia ni

Cristo, Aglipayan, and Protestant denominations. Smaller Protestant denominations are represented in the Neccom through the National Council of Churches of the Philippines and the Philippine Council of Evangelical Churches, two large networks of Protestant churches and mission groups. Neccom members meet periodically with the President to discuss social and political issues. The report noted that the Philippines observes Maundy Thursday, Good Friday, Easter, All Saints' Day, Christmas Day, Eid al-Fitr and Eid al-Adha as national holidays.

- **Environmental front**

Thailand

- **Political Front**
- **Thailand seeks U.S. help battling insurgents**

Thailand's military wants the U.S. to provide satellite equipment and imagery so it can hunt thousands of Islamist separatists who are killing Thai troops and civilians in an attempt to establish a strict Muslim state in the south.

About 30,000 soldiers are fighting against 8,000 insurgents and their supporters, including about 2,000 armed rebels, said Lt. Gen. Pichet Wisaijorn, the Royal Thai Army chief in the southern region. An estimated 3,700 people on all sides have perished during the past five years in Thailand's three Muslim-majority southern provinces. Much of the southern war is fueled by Muslim Thais who say they are fighting for a separate homeland autonomous from the Buddhist-majority nation.

Asked in a recent interview what help Thailand's military would like America to provide, Gen. Pichet replied: "What I would really like now is a satellite that would focus on [insurgent] activity 24 hours a day. I would love to be able to look at a screen to see who is laying the land mines." Gen. Pichet is the 4th Army regional commander. He also commanded Thai troops in East Timor in 2000. He said his superiors had asked the U.S. for satellite reconnaissance assistance but that nothing had been arranged thus far. The State Department declined to comment.

- **Geo-strategic Front**
 - **Thailand, Cambodia vow to keep peace**

Thailand and Cambodia said on Friday a recent diplomatic row will not lead to conflict on their heavily armed common border where troops have clashed in deadly exchanges in the past year.

Relations deteriorated after the appointment of former Thai premier Thaksin Shinawatra, on the run from a graft conviction, as an adviser to Cambodian Prime Minister Hun Sen, who infuriated Thai authorities by hosting Thaksin this month. Cambodia rejected Bangkok's request to extradite Thaksin, who was sentenced in absentia to two years in prison for violating a conflict-of-interest law in Thailand. "Thai and Cambodian armed forces will support every mechanism between the two countries to improve ties," Thai Defence Minister Prawit Wongsuwan told a news conference after meeting his Cambodian counterpart in Pattaya,

southeast of Bangkok. "The highest goal would be the safety of the public and sustainable peace at the border," he said after a two-day meeting of the Thai-Cambodia General Border Committee, a forum that meets a few times a year to discuss military ties. The two countries recalled their ambassadors in the Thaksin row and Cambodia arrested a Thai engineer working for Cambodia Air Traffic Services, accusing him of sending Thaksin's flight schedule to a Thai diplomat, who was expelled by Phnom Penh. The row raised concerns that tension may escalate, leading to more armed clashes at the border. But following Thaksin's departure from Cambodia, officials on both sides of the border have been more measured and deliberate in their comments and Thailand held back on plans to freeze low-interest loans to its neighbour.

- **Foreign Relations**
- **Economic Front**
- **Vietnamese economy poses no threat to Thailand**

The Vietnamese economy poses no immediate threat to Thailand, which has healthy investments in that country, says the Thai ambassador in Hanoi.

Vietnam said it would put in a high-speed train, similar to the bullet train in Japan, running from Hanoi to Ho Chi Minh City. The news excited Thai readers but most did not realise that work on the railway won't start until 2036, or nearly 30 years into the future. Pisanu Chanvitan says Thailand's economy is still far more advanced than Vietnam's. However, the ambassador told Thai Rath newspaper, Vietnam has certain advantages including political stability, thanks to its one-party rule and cheap labour. Last year, Vietnam's economy grew 3%. Mr Pisanu said that medical advances in Vietnam lag far behind Thailand. For difficult cases, well-to-do patients still travel to Thailand for treatment because Vietnam's health care expertise is lacking.

Nor was Thailand's status as the world's top rice exporter under threat from Vietnam.

Mr Pisanu said Vietnam exported about 5 million tonnes of rice last year while Thailand exported 8-9 million tonnes. Thai rice is more expensive because of its higher quality especially the world famous Hom Mali, while Vietnam exports cheaper varieties. Vietnam can face typhoons several times a year, causing extensive damage to rice fields.

Vietnam's rice cultivation area is similar to Thailand's, but Vietnam has a growing population. As its population grows, Vietnam will probably export less rice. Vietnam's rulers like to talk about their plans for the economy, but sometimes these projects can be many years off. Vietnam said it would put in a high-speed train, similar to the bullet train in Japan, running from Hanoi to Ho Chi Minh City. The news excited Thai readers but most did not realise that work on the railway won't start until 2036, or nearly 30 years into the future. In 1990, Vietnam began to open the country to foreign direct investment, creating special industrial zones and expanding the economic zone in Ho Chi Minh City. Thailand is ranked 9th among foreign investors in Vietnam. Investment is concentrated in agri-business, cement, real estate, and motorcycle parts.

Mr Pisanu said Thailand exported more than 10,000 tonnes of fruit to Vietnam last year, including longan, mangosteen, durian and mango. Food processing including canned fish is another bright prospect for Thai exporters. Several Thai canneries have set up operations in Vietnam and are doing good business. Engineer is a 'political victim'

- **Qatar, Thailand sign agreements**

HE the Premier and Foreign Minister Sheikh Hamad bin Jassim bin Jabor al-Thani shakes hands with Thailand's Prime Minister Abhisit Vejjajiva

HE the Premier and Foreign Minister Sheikh Hamad bin Jassim bin Jabor al-Thani held a round of official talks yesterday evening with Thai Prime Minister Abhisit Vejjajiva. On the Qatari side, the talks were attended by HE the Deputy Premier and Minister of Energy and Industry, Abdullah bin Hamad al-Attiyah. On the Thai side, the talks were attended by Deputy Premier Korbsak Sabhavas, Foreign Minister Kasit Piromya, Deputy Commerce Minister Wiroon Techapaiboon and President of the Thailand Trade Representative Kiat Sittheeamorn. During the talks a review was made of co-operation between the two countries and means of stepping it up especially in economy and trade. A host of regional and international issues of mutual interest were also reviewed. The Premier and Foreign Minister and the Thai prime minister witnessed the signing of two agreements and two memorandums of understanding between the governments of the two countries.

An MoU was signed for the setting up of a joint higher committee for international co-operation between Qatar and Thailand and an agreement for the exchange of news between the Qatar News Agency and the Thai Telecommunications Corp, as well as a memo between Qatar's Chamber of Trade and Industry and the Thai Trade Council and an agreement between Qatar Petroleum International and the Thai Siam Cement Group.

- **Social Front**
- **Ayutthaya temple hit by thieves**

Another ancient Buddha image has been stolen in Ayutthaya stoking concerns of a rising threat to valuable artefacts kept in the temples in the World Heritage site province.

Phra Samusomyot Yutwatthako, 47, the abbot of Wat Daeng in tambon Pak Tha of Tha Rua district, said four out of six Buddha images about 300 years old have been destroyed and the heads of two images were stolen. The theft occurred on Nov 4 but the monk said he did not report the incident to police as officers have failed to recover previously stolen artefacts. Police have already installed a yellow box but that failed to deter thieves. The Fine Arts Office in the province said the stolen heads of Buddha images were made of ancient sandstone and carved during the reign of King Rama III. The office also said Buddha heads have been stolen in at least five temples in the past three years in Ayutthaya, speculating that they were stolen to order.

- **The army had no plan to withdraw troops from the area.**

There are 20,000 soldiers, 18,000 police and 40,000 defence volunteers providing security for two million people in the deep South.

"We will not abandon people to live alone. Without us, how could they survive?" Gen Anupong said. He had told border officials to keep a close watch on people with dual Thai-Malaysian nationality as he believed many were involved in attacks in the deep South.

Security experts believe militants with dual nationality carry out attacks there, then flee to neighbouring Malaysia to avoid being caught. The question of how to tackle assailants with dual Thai-Malaysian nationality will be tabled for talks between the two leaders when Mr Najib is visiting here, officials say. Gen Anupong also criticised "the Pattani model" pushed by Gen Chavalit as a solution to the violence. Gen Chavalit has proposed a form of elected self-government for the region, similar to the way Bangkok is run. He says the government is deliberately misinterpreting his call as advocacy for an independent Pattani state, which he opposes. He was not proposing separatism, just self-government.

Gen Anupong, however, said the details were still unclear and had led to misunderstanding among southern residents. "I don't understand exactly what Gen Chavalit is advocating. Further discussions are needed. I believe he has a hidden agenda," he said.

Singapore

- **Political Front**
- **Economic Front**
- **S'pore business receipts down 4.4% in Q3 from a year ago**

Singapore's business receipts index, which measures activity in the services industry, fell 4.4 per cent in the third quarter from a year ago. The data released by the Department of Statistics showed that turnover of transport and storage services had the highest drop - down 18.9 per cent from the same quarter in 2008.

Turnover of both real estate services and education services edged down by 1.2 per cent, while those of business services slipped 1.1 per cent.

The industries that showed increases in their revenue included health and social work activities, which rose 4.6 per cent. Likewise, higher turnover was reported by financial and insurance services which rose 2.7 per cent, and information and communications services which rose 0.8 per cent.

Compared to the previous quarter, the business receipts index rose by a marginal 0.7 per cent. The index measures income earned by businesses in areas such as transport, telecommunications, medicine, real estate, finance and insurance.

- **State President meets Singaporean senior minister**

State President Choummaly Sayasone received here on 25 November, visiting senior minister of Singapore Goh ChokTong.

During the meeting, the State President warmly welcomed the visit of Mr. Goh and highly valued the visit to Laos as a significant milestone to further enhancing the traditional

friendship and co-operation between Laos and Singapore. He also expressed his delight at the development of the Laos-Singapore relations in all areas, including the exchange visit between the two countries ♦ high-ranking officials and the continual support from the Singaporean government to Laos in different fields.

The Lao PDR has actively worked to integrate with ASEAN since its full membership of ASEAN in 1997, Mr. Choummaly Sayasone told his guest. He added that the Lao PDR was now preparing to build the seventh five-year socio-economic development plan (2010-2015) with a focus on addressing poverty for all Lao ethnic people by 2020.

For his parts, Mr. Goh Chok Tong expressed thanks to State President Choummaly Sayasone for his warm welcome and hoped that the ties of friendship and cooperation between the two countries would be further strengthened. Moreover, he affirmed that his country would continue her support for Laos, especially in the field of human resource development.

Later on the same day, the Singapore senior minister also held talks with Standing Deputy Prime Minister Somsavat Lengsavad, with an aim to exchanging lessons on national development.

The sides also agreed to jointly find ways to attract Singaporean investors to Laos and considered to open direct flights between the two countries. The Singaporean side agreed to hold the first seminar on Lao investment in Singapore by inviting experts from state and private sectors of both sides to talk at the seminar.

Concerning the co-operation in the ASEAN framework, the sides agreed to further implement the initiative for ASEAN integration to successfully establish an ASEAN Community by 2015. They will work together in implementing the initiative with the aim of narrowing economic development gaps between new and old Asean member states.

- **Social Front**
- **Singapore Muslims urged to be ready for future challenges**

Singapore may have survived the current economic recession, but uncertainties remain. And as Singapore's Muslims celebrated Hari Raya Haji on Friday, they were also urged to sharpen their global outlook to better prepare for future challenges.

Muslims gathered at mosques island for the annual Hari Raya Haji prayers. Senior Minister of State for Foreign Affairs Zainul Abidin Rasheed was at the Alkaff Kampung Melayu mosque in Bedok where he witnessed the Korban, a ritual involving the sacrifice of goats or sheep whose meat is distributed to the needy.

He said that although the economy has turned, challenges abound. "The changes and challenges will become a frequent part of our lives. Thus we need to be very nimble, we need to be very resilient, and we need to be better prepared all the time, so that we can be as part of a total community, in terms of moving forward to progress."

Over at the Mujahidin Mosque in Queenstown, some 70 grassroots members of other races also witnessed the Korban ritual. The mosque gave the visitors a presentation on the teachings of Islam and the reasons behind the Korban. Baey Yam Keng, MP for Tanjong Pagar GRC, found the presentation an eye-opener.

And in the spirit of multi-racial Singapore, the guests were later treated to a sumptuous meal of nasi briyani.

- **Environmental Front**

Vietnam

- **Political Front**
- **Geo strategic Front**
- **Vietnam to set up militia to protect sea borders**

Vietnamese lawmakers on Monday approved a law to establish a marine militia to protect the communist country's maritime sovereignty, state media said.

The militia will "cooperate with border guards, navy, sea police and other forces to protect national border security and the sovereignty of Vietnam's sea areas," according to the draft text of the law obtained by AFPVietnam has a 3,200-kilometre (2,000-mile) coastline and wants to fully develop the potential of its marine territory despite long-standing disputes with neighbouring countries, especially China, over sovereignty in the South China Sea. China and Hanoi have a dispute over ownership of the Paracel islands, which Beijing has administered since 1974 when it overran a South Vietnamese outpost shortly before the end of the Vietnam War.

Separately, the potentially oil-rich Spratly island chain is claimed entirely or in part by Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam.

The marine militia will be set up "to protect our fishermen... in interest and sovereignty, not to oppose anyone" Le Quang Binh, chairman of the National Assembly's Defence and Security Committee, said in an earlier interview with the VietnamNet online news site. State media over the past few months have reported incidents where Vietnamese fishermen were robbed or attacked by "foreign vessels" while fishing in Vietnam's territory.

"In peace time, the marine militia may join sea rescue and relief works or other activities at the request of the state. Only when war occurs will they be armed and become fighting forces," the deputy head of the defence ministry, Senior Lieutenant General Nguyen Khac Nghien, said on VietnamNet.

- **Economic Front**
 - **Vietnam's electronics exports hit \$1.92 bln in first nine months**

Vietnam earned 1.92 billion U.S. dollars from exporting electronic products and computer components in the first nine months of this year, about the same as the same period of 2008, reported the General Statistics Office of Vietnam on Monday.

In September alone, the country gained 270 million U.S dollars, up 4.2 percent from August, according to the Ministry of Industry and Trade.

Vietnam's electronic products and computer components have been exported to more than 32 markets in the world, said the ministry. Vietnam's largest export market of electronics now is the United States, with the revenue for the first nine months approximately at 320 million U.S dollars, an increase of 59 percent year-on-year. The United States is followed by Japan, Thailand and China with the export value of about 266 million U.S dollars, 209 million U.S dollars and 182 million U.S dollars, respectively. Last year, Vietnam raked in 2.63 billion U.S dollars from exporting electronic products and computer components, said the office.

- **Vietnam wants to increase trade with Pakistan**

Vietnam Ambassador, Hguyen Quang Thuc has stressed the need for more frequent meetings of Joint Economic Commission and high-level bilateral exchanges to increase two-way trade between Pakistan and Vietnam.

The ambassador was speaking at the Lahore Chamber of Commerce and Industry on Tuesday. The LCCI President Zafar Iqbal Chaudhry, former president Mian Muzaffar Ali and executive committee members also spoke on the occasion.

The ambassador said that Vietnam was ready to begin negotiations for signing Free Trade Agreement (FTA) with Pakistan as it had already signed nine agreements and memorandum of understandings that are enough to ensure a solid base for the promotion of economic cooperation between the two countries. He said trade had emerged as one of the most outstanding fields of cooperation and was developing rapidly from less than \$10 million in 1999 to \$149.8 million in 2008 and \$135.82 million during the first nine months of 2009.

He said Vietnam Embassy had already done a lot of economic task for creating favourable conditions for Pakistan's business community so that they could visit Vietnam for having first hand knowledge about available business opportunities. He said that the volume of exchanging business visits were on the rise from 180 persons in 2006 to 590 in 2007 and nearly 1,000 in 2009.

In pursuing the foreign policy of independence, self-reliance, openness, diversification and multi-lateralisation of external relations and active international integration, the diplomacy has become an important front in time of peace and made important contribution to maintaining and securing the peaceful environment and creating a favourable international environment conducive to national construction and defence, thus enhancing the position and prestige of the country in the international arena.

Speaking on the occasion, the LCCI president said that Vietnam's market offers huge potential for Pakistani products like auto parts, pharmaceutical products, man-made filaments, knit fabrics, plastics and plastic products, fish, dairy products, surgical instruments, distillation products and handicrafts. Pakistan and Vietnam both being agricultural economies can also

collaborate in agricultural implements and machinery sectors and can share their agricultural experience.

He said that the software industry in Pakistan has set its feet firmly and is able to take the full advantage of exporting computer software to Vietnam. Pakistani IT engineers can play vital role to help Vietnamese acquire the basic skills in the field of IT. Likewise Vietnam has a great potential to export rubber & rubber products, particularly tyres and tubes, machinery, electric and electronic equipment and cinnamon.

- **Vietnam, China agree to further boost economic corridor**

Vietnam and China agreed in Hanoi on Friday to further strengthen the cooperation in the economic corridor involving China's Yunnan province and four Vietnamese localities of Hanoi, Lao Cai, Hai Phong and Quang Ninh.

The agreement was made in the minutes signed by the involved parties at the wrapping up of the fifth conference on Vietnam-China economic corridor. Under the minutes of the fifth conference, the Chinese Yunnan province and four localities of Vietnam reached a high consensus on drawing up a more effective and tighten cooperation mechanism in areas of trade and investment, transportation, tourism, education and training, culture, sports, health care, management of social order in the corridor, especially along the border areas, crime prevention, and human trafficking.

Speaking at the closure of the fifth conference, chairman of the Hanoi People's Committee Nguyen The Thao said that agreement reached at the conference represents a vitality of an active cooperation mechanism between the two countries in the coming time.

It will help each country navigate in the impacts of the global economic downturn, making contribution to peace and stability in the region and the world, said Nguyen The Thao. During the two-session conference, participants called on speeding up the construction of infrastructure at border gates including bridges, expressways and inland cargo depot to facilitate trade and investment among five localities of China and Vietnam. The participants also proposed measures to address shortcomings and differences in investment policies and regulations of the two countries which make the cooperation of the Vietnam-China economic corridor slow down. The sixth annual conference on Vietnam-China economic corridor will be held in northern Lao Cai province of Vietnam in 2010

- **Vietnam expected to import six tons of gold this month**

Vietnam is expected to import six tons of gold this month following the government's recent decision to import gold to stabilize domestic price, according to the information center of the Ministry of Industry and Trade on Monday. In early November, the gold price in the domestic market reached a record high of about 1,622 U.S. dollars a gold bar, weighing 37.5 grams. The price is higher than the gold price in the international market which was hovering at 1,122 U.S. dollars an ounce.

So far this month, three Vietnamese commercial banks namely Saigon Thuong Tin, Asia Commercial Bank and Vietnam Export Import Bank has imported 1.5 tons of gold, said the center. Currently, Vietnam's domestic gold price is still higher than the world price. However, it is forecast to equal to the price in the international market in the coming days, according to the center.

- **Vietnam approves first nuclear power plants**

Vietnam's parliament on Wednesday brushed aside criticism and approved building the country's first nuclear power stations, a project keenly watched by potential foreign partners.

The "draft law on nuclear electricity" was approved by 77 percent of deputies present in the single-chamber national assembly, said one deputy critical of the project, Nguyen Minh Thuyet. He described debate in the chamber as "lively" as some deputies preferred the idea of building just one power station, rather than the plan finally approved for four reactors at two sites. According to the government's plans, at least one reactor should be operational from 2020. Together, the four reactors should have a capacity of 4,000 megawatts. As Thuyet recognised, the project has supporters as there are fears the country will suffer energy shortages in future. With a booming economy, Vietnam's electricity needs are growing by an estimated 15 percent annually on average. Heavy industry, such as the construction sector, is an especially big energy consumer. The government plan is that nuclear should initially account for under five percent of Vietnam's electricity capacity, but by 2050 should meet as much as 30 percent of the country's power needs.

Critics have objected that the country lacks workers qualified to operate the plants, that legislation is not adequately developed and that there are holes in the planned security guarantees, notably relating to nuclear waste.

Some deputies have also objected on environmental grounds and particularly at the proposed siting of the plants in the southern province of Ninh Thuan, home to a nature reserve known for its sea turtles. "Vietnam is not yet ready" for a project that carries "significant risks" and for which "the economic rationale is weak," said Thuyet. According to the online daily VNExpress, the deputies also approved an initial budget of at least 11 billion dollars for the project. Several foreign countries have shown interest in participating, including Japan, France, Russia and China, and to a lesser extent South Korea and the United States.

Two weeks ago, French Prime Minister Francois Fillon and his Vietnamese counterpart, Nguyen Tan Dung, signed a nuclear cooperation pact. However Dung declined to say which nation would be selected as Vietnam's main nuclear partner.

- **Social Front**
- **Overseas Vietnamese to gather in Hanoi for first-ever conference**

About 900 overseas Vietnamese, or Viet kieu, from 101 countries and territories worldwide are expected to attend a three-day national conference starting this Saturday in Hanoi.

The first-ever conference of its kind, organized by the State Committee for Overseas Vietnamese at the Ministry of Foreign Affairs, hopes to act as a forum for the Vietnamese community abroad to contribute their ideas about socio-economic development back home. Sessions in the conference will deal with topics such as building a strong Vietnamese community abroad and encouraging young overseas Viet kieu to learn about the country. The conference also aims to discuss maintaining the traditional values and customs of Vietnam abroad, attracting educated overseas Vietnamese and overseas entrepreneurs to work in Vietnam.

According to an estimate by the State Committee for Overseas Vietnamese, nearly four million Vietnamese are living and working in 101 countries and territories abroad. The committee noted that only about 200 of these educated Viet kieu return home annually for training, teaching and researching purposes.

- **Environmental Front**

Cambodia

- **Political Front**
- **Geo-Strategic Front**
- **Thai PM: Thai-Cambodian relationship now stable**

The Thai-Cambodian relationship is currently stable and is not expected to deteriorate, Thai Prime Minister Abhisit Vejjajiva said Friday.

Thailand and Cambodia have downgraded their diplomatic relations due to conflict over an appointment of Thaksin Shinawatra as an economic advisor to Cambodia's government and Prime Minister Hun Sen on Nov. 4. A day after the appointment of the ousted former Thai premier Thaksin Shinawatra, the Cambodian government announced recall of its ambassador to Thailand in a move to respond to the Thai government's recall of its ambassador to Cambodia.

"The Thai-Cambodian relationship is now stable," Thai News Agency quoted Abhisit as saying. Also, both sides are ready to discuss as there will be a meeting of the Thai-Cambodian Joint Boundary Commission (JBC), said Abhisit. The JBC meeting will be co-chaired by Thai Defense Minister General Prawit Wongsuwan and Cambodian Defense Minister Tea Banh, he said. Thaksin was ousted by the military coup in September 2006, in accusation of corruption, and has been kept in exile since then.

He returned to Thailand in February 2008 to face corruption charges, but he later fled into exile again and was convicted in absentia.

- **If Thaksin quits, Thai-Cambodian standoff will be eased: Thai deputy PM**

The diplomatic tension between Thailand and Cambodia will be eased, if Thaksin Shinawatra resigns as an economic adviser to the Cambodian government, Thai Deputy Prime Minister Suthep Thaugsuban said Friday.

"The diplomatic tie will improve if Thaksin resigns," Thai News Agency quoted Suthep as saying.

Thaksin, the ousted Thai premier, has been appointed as the economic advisor to the Cambodian government and Cambodian Prime Minister Hun Sen since Nov. 4. A day after the appointment of Thaksin, the Cambodian government recalled its ambassador to Thailand in a move to respond to the Thai government's recall of its ambassador to Cambodia. The appointment has resulted in the diplomatic standoff between the two neighboring countries since then and it has remained uncertain how this conflict will end. Thaksin was ousted by the military coup in September 2006, in accusation of corruption, and has been kept in exile since then. He returned to Thailand in February 2008 to face corruption charges, but he later fled into exile again and was convicted in absentia.

- **Economic Front**

- **Cambodia and South Korea to sign oil and energy agreement**

Cambodia and South Korean governments will sign an agreement of oil and energy cooperation during the two-day official visiting by South Korean President Lee Myung-bak later this month, an official said.

"Both sides will sign the agreement on seeking mines, oil, gas, and energy cooperation to push the economic development in the country," Eang Sophalleth, spokesman for Cambodian Prime Minister Hun Sen told after the meeting between Cambodian Prime Minister Hun Sen and visiting Shin Jae Hyun, ambassador in charge of cooperation, natural resources and energy affairs to the South Korean President.

The bilateral cooperation will serve the mutual benefits, Eang said, adding that Prime Minister Hun Sen expressed his hope that it will help speed up the country's economic development.

Shin also expressed his sympathy and condolences to Cambodian victims who suffered from Ketsana storm and hoped the Ketsana-hit regions would be restored soon under the Cambodian government's leadership.

South Korea has contributed to building rural infrastructure, irrigation systems, and road restorations in Cambodia and has helped e-government, information technology in Cambodia.

Moreover, South Korea also joined to invest in a stock exchange which plans to open next year in Cambodia.

- **Cambodian PM meets with former Singaporean PM on global financial crisis**

Cambodian Prime Minister Hun Sen on Monday met with visiting Singaporean Senior Minister Goh Chok Tong and discussed the updated situation of the country and measures of dealing the global financial crisis, an official to Cambodian Prime Minister said

During the meeting, Hun Sen told Goh that the Cambodian government made the policies to keep the macro-economy stable, and the National Bank of Cambodia, together with other banks, also took some measures for the financial system, Eang Sophallet, an assistant to Hun Sen told reporters after about one-hour talking between the two leaders.

Eang said that the global financial crisis has affected the world and Senior Minister Goh wanted to know the measures and challenges Cambodia has taken to deal with the economic crisis, as well as the policy strategy to follow in the future. Hun Sen also said that Cambodian government has been boosting construction of infrastructure and strengthening agricultural sector for economic growth. Meanwhile, Goh told Hun Sen that Singaporean Prime Minister Lee Hsien Loong is inviting him to visit Singapore. Hun Sen accepted the invitation and agreed to pay an official visit with appropriate time in the future, Eang added. Senior Minister Goh Chok Tong visits Cambodia from Nov. 23-24 at the invitation of Prime Minister Hun Sen. In Cambodia, Goh will also be received in Royal audience by King Norodom Sihamoni, and meet with Senate President Chea Sim and National Assembly President Heng Samrin.

- **39th ASEAN bankers' council meeting held in Cambodia**

Senior officials from ASEAN nations' national and private banks gathered here on Friday to attend the 39th ASEAN banking council meeting.

The annual bankers' meeting focused on how to speed up the process of the integration of ASEAN financial services by 2015, and discussed on the cooperation in finance, investment, education and ASEAN inter-regional relations.

"The close cooperation among ASEAN banks will certainly help to speed up the process of the integration of ASEAN financial services by 2015," Neav Chanthana, deputy governor of the Central National Bank of Cambodia, said in her keynote address at the two-day meeting.

"Due to increasing regional integration, the banking industry and banking supervisors share a number of convergent priorities," She stressed, adding that "I am rather optimistic that rational dialog based on responsible and knowledgeable positions, between people acting professionally, is always a source of progress in the banking industry to support economic growth," she added.

As a member of the Association of Southeast Asian Nations (ASEAN), Cambodia enjoyed double digit economic growth over the past decade. In 2009, however, Cambodia is severely hit by the global financial crisis through the real sector, namely garments, construction, and tourism which had been the driving forces of Cambodian economy.

Neav Chanthana said that national bank of Cambodia will carefully follow the international developments and consider implementation in a progressive manner and in line with domestic market developments and priorities. Phung Kheav Se, chairman of Association of Banks in Cambodia, said at the meeting that "Our close association with the ASEAN organization and with its member countries has been of enormous benefit to Cambodia in many respects economic, social and political." According to a report from Association of Banks in Cambodia, Cambodia has six specialized banks and commercial banks and 20 microfinance institutions as its members. Founded in 1967, the ASEAN (the Association of Southeast Asia Nations) groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

- **Social Front**

Laos

- **Political Front**
- **Foreign Relations**
- **PM to visit Cambodia**

A high-ranking delegation of the Lao PDR led by Prime Minister Bouasone Bouphavanh will pay an official working visit to the Kingdom of Cambodia on 25-26 November.

The visit is in response to the invitation of Prime Minister Samdech Hun Sen of Cambodia.

- **Prime Minister receives Chinese delegation**

Mr Bouasone Bouphavanh, Prime Minister, received a courtesy visit from a Chinese delegation, led by Mr Lu Xin Xu, Deputy Minister of Natural Resource and Land in Vientiane on 20 November.

Prime Minister congratulated the Chinese delegation for making a working visit to Laos, thereby contributing to cooperation between Laos and China, especially in the two sectors, natural resources and land. Mr Lu Xin Xu, thanked the Prime Minister of Laos for the warm welcome extended to him and his delegation and he also informed him about his activities in Laos.

Chinese delegation had drawn up a schedule for their Laos visit, 19 to 22 November. During this four-day visit they attended a bilateral meeting with the National Land Management Authority of Laos, informed their Lao counterpart regarding assistance and cooperation in the past and suggested that there was a need for cooperation in the future.

The Chinese delegation also signed a MoU on assistance and cooperation between the National Land Management Authority of Laos and the Ministry of Natural Resource and Land of China.

- **Cambodia, Lao PMs hold talks on border demarcation, bilateral ties**

Cambodian Prime Minister Hun Sen and visiting Lao Prime Minister Bouasone Boupvanh on Wednesday held talks on the border demarcation for the two neighboring countries and bilateral ties.

"We have signed the agreement of border demarcation and we determined that the temporary demarcation markers that border committees from both sides already planted will become the real demarcation markers," Hor Namhong, Cambodia foreign minister told reporters after over two-hour talks between the two leaders at Ministry of Foreign Affairs and International Cooperation.

"We remained about 12 percent of planting border demarcation between the two countries and we are boosting for 100 percent for planting border markers to end it soon," he said.

Cambodia and Laos will exchange more students for scholarships respectively, and Lao Prime Minister also invited Hun Sen to attend the opening ceremony for upcoming SEA Game (South East Asian Games) in Laos, Hor said, adding that Cambodian Prime Minister Hun Sen would be attended that ceremony, set to officially start on Dec. 9.

Moreover, both sides are also expanding economic cooperation, and will hold the meeting on multi-cooperation between the two countries in the future, Hor added.

According to press release from Ministry of Foreign Affairs and International Cooperation of Cambodia, Bouasone pays the two-day official visit here and he will be received in Royal Audience by King Norodom Sihamoni and will also pay courtesy calls on Cambodian Senate President Chea Sim and National Assembly President Heng Samrin.

- **Economic Front**
- **Govt promotes private sectors electricity production**

A meeting on promoting the private companies to engage in developing the power production projects was held on 19-20 September with the sponsorship from the Asian Development Bank.

Due to the fact that the government finds it difficult to ensure the employment of technical workers and budget in implementing and developing the power production projects the government has urged private companies to participate in the development of such an energy production area.

The discussion at the meeting also focused on the implementation and development of electricity production projects of private companies and their cooperation with relevant organisations of the government, finding out the shortcomings and their resolutions for these projects to promote the electricity production of the private companies. The meeting was attended by Mr. Xaypaseuth Phomsoupha, Head of The Energy Development and Promotion Department, Ministry of Energy and Mining, relevant officials and representatives of private electricity production companies.

- **Laos, China cooperate on land and natural resource development**

The National Land Management Authority of Laos and the Ministry of Land and Resources of China have cooperated on sustainable development of land and natural resources in the Lao PDR.

Both sides signed a memorandum of understanding on the cooperation in Vientiane capital on 20 November. The signatories were Deputy Minister to the Prime Minister's Office and Vice-President of the Lao National Land Management Authority, Dr. Akhom Tounalom, and Deputy Minister of Land and Resource of China, Mr. Lu Xinshe.

According to the MOU, the cooperation between the bodies of Laos and China covers the improvement of land title management and registration in the Lao PDR, the employment of technology in land and natural resource survey and assessment, the analysis of the strategy on land and natural resources, and the development of database of land and natural resources.

The cooperation also includes the establishment and improvement of land market, land and natural resource allocation, the verification of land ownership transfer, the development of legal regulations, the exchange visit of government officials of both countries, the holding of bilateral meetings and training courses, and information exchange and dissemination

Social Front

- **40 million kip donated to flood victims.**

Lt. Gen. Douangchay Phichit, Deputy Prime Minister and Minister of National Defence, received a donation of 40 million kip from Mr. Somphoune Vilaylek, Director of the Lao Distribution, Co., Ltd. The donation is to relieve the suffering of typhoon Ketsana victims in three southern Lao provinces of Saravane, Sekong and Attapeu.

The typhoon hit the southern provinces of Laos in September and claimed 17 lives including 11 in Attapeu, two in Savannakhet, two in Saravane and the same number in Champassak. The storm also injured 91 people and affected 178,000 households. Mr. Douangchay Phichit who is also President of the National Disaster Prevention Committee assured the donor that the assistance will be distributed to the victims in the southern provinces.

Business and Politics in Muslim World

China

Fareeha Sarwar

22nd to 28th November 2009

Presentation Date: 2nd December 2009

REPORT PATTERN:

Outline

National report

Political front

- Senior leader urges to publicize experiences in tackling global financial crisis (22nd November)
- Top Chinese political advisor starts visit to Peru (23rd November)
- China's State Council appoints senior officials (23rd November)
- Senior Chinese official calls for greater efforts against commercial bribery (23rd November)
- Ruling parties of China, South Africa to further exchanges on governance (23rd November)
- Top Chinese political advisor starts visit to Ecuador (24th November)
- Mainland may pull some missiles: Expert (26th November)
- Participatory democracy crucial (28th November)

Foreign relations

- China, French Polynesia pledge to boost cooperation (22nd November)
- Defense minister arrives in DPRK (23rd November)

- Chinese, Albanian leaders exchange greetings on 60th anniversary of diplomatic ties (23rd November)
- Singapore PM calls for Singapore, China media cooperation (24th November)
- Canadian PM to visit China (26th November)
- Myanmar urged to protect detained Chinese fishermen: FM spokesman (26th November)
- Jia Qinglin meets Brazilian judicial chief on cooperation (27th November)
- Japan, China agree to defense exchanges (28th November)

Economic front

- Push for stronger Chinese yuan does no good now: U.S. expert (22nd November)
- Aim for China's second demographic dividend (23rd November)
- Revaluing yuan now would 'jeopardize' recovery: US expert (23rd November)
- Chip makers reach another court settlement (23rd November)
- ChiNext stock index up Monday (23rd November)
- Non-SOEs employ 80% of industrial workforce (23rd November)
- Chinese shares close higher Monday (23rd November)
- China's major commodity imports in October (23rd November)
- A stronger yuan in regional trade (23rd November)
- China's food industry expected to expand 16.7% this year (23rd November)
- Rally in B shares wins new attention (23rd November)
- Auto aftermarket attracts big players (23rd November)
- Economists warn of possible new flood of speculative capital (23rd November)
- China asks banks to avoid big fluctuations in lending (23rd November)
- China, Japan launch dialogue between young business leaders (23rd November)
- Foreign firms may sell bonds (26th November)
- Ship-equipment maker to raise 6.4b yuan through float (26th November)
- Sinopec, TPG considering joint bid for LyondellBasell (26th November)
- Gindalbie may get funding from CDB (26th November)
- Baidu to boost search engine market share with new services (26th November)
- China leads record iron ore spending (26th November)
- Conference delegates address global and local concerns (26th November)
- Steel firms blast US' latest levies (26th November)
- Efforts underway to cool hot money flow (27th November)
- China to maintain macro-economy in 2010 (27th November)
- No change in fiscal, monetary policies (28th November)
- China Pacific gets nod for public float (28th November)
- China trade delegation signs series of deals with French enterprises (28th November)

Social front

- Exhibits of mainland intangible cultural heritage to show in Taiwan (22nd November)
- Urgent need for rural doctors (23rd November)
- China launches program to aid jobless disabled persons (23rd November)
- HIV/AIDS stigma still exists, survey says (28th November)

- China upgrades first-aid squad for mine accidents to national emergency rescue system (28th November)

-

Ethnic issues

Environmental front

- Substantial climate deal sought after (26th November)
- Chinese Premier Wen to attend Copenhagen climate summit (26th November)
- Clean coal technology model enterprises announced (26th November)
- Hefty emissions cut signals China's resolve against common threat (27th November)
- Carbon-cut target a 'milestone' (28th November)

Regional report

North

Politics

Social front

- Mascot for Bird's Nest (23rd November)
- Tenants take charge, lower costly property fees (23rd November)
- Residents to pick building managers (23rd November)
- Taiwan to send record delegates to annual Beijing cultural, creative industry expo (23rd November)

Economic front

- BAIC may bid for select Saab assets, analysts say (26th November)

Northwest

Politics

- Targeting terror literature (23rd November)

Social front

- Death toll from NW China colliery explosion rises to 104 (23rd November)

Economic front

Northeast

Politics

Social front

Economic front

Southwest

Politics

Social front

Economic front

South central

Politics

Social front

- Incinerator plans on back burner until assessments OK (23rd November)
- Futuroscope theme park to be built in central China (23rd November)
- Protesters want compensation (28th November)
-

Economic front

- Guangzhou Auto Show opens to media (23rd November)
- Foreign insurers in JVs with local money managers (26th November)
- Guangdong Special: Province land reclamation program hailed as pioneering move in China (26th November)
- Guangdong slashes emissions despite renewed GDP growth (26th November)

East

Politics

- Lawmaker proposes to curb lavish banquets on public funds (23rd November)
- 12th China-EU summit to be held in east China's Jiangsu (23rd November)

Social front

Economic front

- Hi-tech home (26th November)
- Investment Special: German state launches Shanghai charm offensive (26th November)
- Peugeot to launch China car in 2011 (28th November)

HONGKONG AND MACAU

Politics

Social front

- H1N1 flu virus mutation detected in HK (24th November)
- More headed to HK for flu jabs (26th November)

Economic front

- Hong Kong stocks close 1.41% higher Monday (23rd November)

National report

Political front

- Senior leader urges to publicize experiences in tackling global financial crisis (22nd November)

A senior Chinese leader has called on the publicity and ideological sectors to vigorously publicize the success and fresh experiences in tackling global financial crisis and promoting industrial upgrading.

Li Changchun, a member of the Standing Committee of the Communist Party of China (CPC) Central Committee Political Bureau, made the remarks during an inspection tour to southern Guangdong Province between Wednesday and Sunday.

Li urged the sectors to work hard to further boost confidence of the cadres and people, and step up support for achieving the goals of economic and social development this year.

During the inspection, Li called on the province to lay a solid foundation for its sounder and long-term development by unswervingly implementing the CPC Central Committee's policies on promoting economic growth, improving people's livelihoods and safeguarding social stability.

Li also expected the province to be a pioneer in shaping outstanding companies in the cultural sector.

In addition, Li stressed schools should play a vital role in ideological and moral education among the minors. He called for more efforts to crack down on illegal information on the Internet and mobile phones and create a healthy environment for the teenagers.

- Top Chinese political advisor starts visit to Peru (23rd November)

China's top political advisor Jia Qinglin arrived in Lima on Sunday, kicking off his official good-will visit to this South American country.

Jia, chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee, delivered a written speech upon his arrival at the airport of the Peruvian capital.

In the speech, Jia hailed the traditional friendship and sound development of bilateral ties, highlighting the fruitful cooperation in various fields and close coordination on international and regional affairs since the two countries established diplomatic ties in 1971.

The China-Peru relations entered a new phase of development when the two states established a strategic partnership in 2008, Jia said.

China always attaches importance to the relations with Peru and will work together with Peru to promote the partnership in a bid to benefit the two peoples, he noted.

Jia is paying a two-day visit to Lima, which is expected to further friendship, mutual respect and cooperation, at the invitation of the Peruvian government.

- China's State Council appoints senior officials (23rd November)

The State Council, China's Cabinet, on Monday appointed Zhu Min as vice president of the People's Bank of China, the country's central bank.

Huang Shouhong was appointed deputy director of the State Council Research Office, according to a statement released by the State Council.

The cabinet also ended Cai Mingzhao's term as deputy director of the State Council Information Office and Jin Renqing's term as deputy director of the State Council Development Research Center.

- Senior Chinese official calls for greater efforts against commercial bribery (23rd November)

A senior official on Monday called for greater efforts against commercial bribery.

He Yong, deputy secretary of the Central Commission for Discipline Inspection of the Communist Party of China (CPC), made the remarks at a meeting on battling commercial bribery.

He said, though the campaign launched in 2005 to crack down on commercial bribery had been fruitful, the task ahead was still arduous.

He called on governments at all levels to work harder to investigate bribery cases involving public servants and family members of leading officials.

Special attention should also be paid to transnational bribery cases, the act of offering bribes and the supervision of Chinese enterprises running business abroad, He said.

- Ruling parties of China, South Africa to further exchanges on governance (23rd November)

Ruling parties of China and South Africa on Monday pledged to learn more from each other on running their states.

"I hope both parties will make best of this workshop to deepen our exchanges on governance and serve bilateral relationship," Li Yuanchao, head of the Organization Department of the Communist Party of China (CPC) Central Committee, told a visiting South African delegation.

Li made the remarks in a meeting with Cyril Ramaphosa, member of the National Executive Committee of African National Congress (ANC) of South Africa.

Ramaphosa and his delegation arrived in Beijing on Sunday for a workshop of the ANC National Executive Committee that will last two weeks in China.

Top CPC and ANC leaders have agreed on the South African workshop in China, which is of importance for both parties to improve the ability of administration, said Li, also member of both of the Political Bureau and Secretariat of the CPC Central Committee.

Ramaphosa conveyed the greetings of the ANC leaders to the CPC leaders. He said his delegation came to China to learn and to absorb as much information as possible from the CPC.

Ramaphosa said his delegation saw the workshop as a process of deepening and broadening the relationship between the two parties.

The delegation will travel to the western metropolis of Chongqing and the country's financial powerhouse Shanghai at the end of the workshop.

- Top Chinese political advisor starts visit to Ecuador (24th November)
China's top political advisor, Jia Qinglin, on Monday arrived in Quito, kicking off his official goodwill visit to Ecuador.

Jia, chairman of the National Committee of the Chinese People's Political Consultative Conference, delivered a written speech at the airport of the Ecuadorian capital.

In the speech, Jia hailed the steady development of bilateral ties since the two countries established diplomatic relations in 1980, highlighting the enhanced mutual political trust, fruitful cooperation in trade, economy, culture, education and science, and close coordination on international and regional affairs.

China attaches great importance to its relations with Ecuador and will work together with the South American country to further expand the cooperation in various fields to benefit the two peoples, Jia said.

Jia is paying a two-day visit at the invitation of President of the National Congress of Ecuador Fernando Cordero.

Jia will meet with Ecuadorian leaders and attend the opening ceremony of a China-Ecuador business forum on Monday.

Jia has visited the Philippines and Peru. He will also visit Brazil as the last leg of his four-state trip.

- Mainland may pull some missiles: Expert (26th November)
Beijing might consider removing a portion of its missile arsenal in South China, a long-held precondition by Taiwan officials for peaceful cross-Straits ties, a mainland expert said yesterday.

The possibility of the mainland's missile removal should not be excluded, according to Li Jiaquan, a senior researcher with the Institute of Taiwan studies at the Chinese Academy of Social Sciences, ahead of new round of talks next month between the two sides.

"(Removing the missiles) would be a goodwill gesture by the mainland toward Taiwan," Li said.

But he emphasized that the missiles are not targeting Taiwan and are positioned at their current location to safeguard national safety. It is thus impossible for the mainland to remove them all, he added.

According to the island's defense officials, the mainland has nearly 1,500 missiles pointed at Taiwan.

Li's remarks come after two key instances in the past days. Yang Yi, spokesman of the Taiwan Affairs Office of the State Council, gave a positive response to the mainland's reported plan to remove regional missiles at a press conference yesterday.

On Tuesday, Raymond Burghardt, chairman of the Washington-based American Institute in Taiwan, said the United States plans to resume arms sales to Taiwan.

Yang expressed firm opposition to US arms sales to Taiwan.

"We strongly oppose US arms sales to Taiwan and our stance is consistent, clear and resolute," Yang said.

Cross-Straits relations have improved since Taiwan leader Ma Ying-jeou of Kuomintang came into power in May. Both sides have established closer economic and cultural exchanges. But Ma has said the missiles remain a big hurdle to warmer relations.

Yang's overture, however, signaled a departure from Beijing's practice of shunning the issue of removing missiles from South China.

At the press conference, Yang did not attempt to deny the media that the mainland plans to remove "one-third of the missiles targeting Taiwan" before next March or April and said: "We hope both sides can make joint efforts to get prepared for addressing political difficulties in the future."

The mainland has recently expressed a strong desire to open political talks as soon as possible, but Taipei has backed off from discussions and has said "the time is not ripe".

"The mainland could accept the present cross-Straits status quo, but if it remains so in the long term, it will divide China," said Wu Nengyuan, director of the Institute of Taiwan Studies at the Fujian Academy of Social Sciences.

He added that it seems that Ma is delaying political and military talks indefinitely in a compromise with the opposition pro-independence Democratic Progressive Party to stabilize his power on the island.

"So there is a possibility that the mainland is making some concessions, including removing some missiles, to show its sincerity of pushing forward peaceful negotiations," he said.

Li said removing the missiles could also serve as a signal to the US, which is pushing with its plan to resume arms sales to Taiwan.

- Participatory democracy crucial (28th November)

For years, free elections have seemingly been used as the only yardstick to measure a country's democracy. So long as a country has general suffrage, it is considered democratic.

Suffrage, or the right to vote, is certainly an important political and human right, and it is often hard won in any society.

But, two elements are essential to this matter: One, it must be based on the nature of power, which is required to be independent of external coercion and internal inequity as a prerequisite for democracy. Two, it is only one of the many aspects of democracy and attention to electoral democracy should not detract from attention to other aspects of democracy, such as public participation.

Take China's case, for example. This year marks the 60th anniversary of the founding of the People's Republic of China. Before the People's Republic was founded in October 1949, Chinese people suffered either from imperialist aggression or from civil wars.

China was threatened with partition by imperialist powers, and the ruling government then suppressed any attempt to mobilize the masses. So, there was no chance for a suffrage at all.

With the founding of the People's Republic of China, people stood up, and became masters of their own destiny, enjoying unprecedented rights. Ordinary farmers and workers, who had no right at all in old China were elected deputies to the National People's Congress, the top legislature, for the first time in history.

The people's congress is one of the major channels through which the people participate in State affairs and politics. This electoral democracy, however, is not all mighty, nor is it the only form of democracy.

Election is a means to vote someone to represent a group of people to a body with power. Once the person is voted into that body, it is up to him or her to execute the power. His or her decision can be beyond the control of those who have elected the person into that position.

For instance, George W Bush was elected as the US president. But, was the decision to invade Iraq representative of any democracy? I should say not. And, the process of decision-making on that matter was not democratic at all.

On the other hand, the election campaign, in typical Western style, can well be manipulated by people with money and power. Individuals without due resources are unlikely to get anywhere in the power echelon unless they are well established among the political elites with considerable financial backing.

Therefore it is misleading to pin democracy on free elections. More importance, instead, should be attached to a popular form of democracy - participatory democracy featuring public

participation. Without full and democratic public participation, free election can be superficial and showy.

Participatory democracy is concerned more about fairness in the process of decision-making. And such processes can be more relevant to people's daily life.

For instance, a planned hydropower project on a river in Southwest China will compensate the to-be-displaced local farmers 200 yuan (\$29) for each mango tree that will be inundated.

Yet, from each mango tree the local farmers could earn 400 to 500 yuan a year. Such compensation would hardly sustain the displaced farmers' currently living standards. That is the reason for the conflict between local farmers and hydropower developers, which could lead to social unrest, or even riots.

Here, public participation in the process of decision-making would be essential to guaranteeing equity for all the stakeholders, and prevent possible social unrest.

In fact, participatory democracy is nothing new to the Communist Party of China (CPC). It managed to grow from just dozens of members in the early 1920s to leading the people in overthrowing the seemingly much more powerful reactionary regime and became the ruling party of China within merely 28 years of its birth because of the democracy it tried to execute within its organization and army.

One of the winning tricks of the CPC over the far better armed enemy were the Three Democracies it had resolved to implement since the Red Army days in the 1920s, namely political democracy featuring equality between officers and men and soldiers' capacity to criticize the officers; military democracy embodied in every soldier being encouraged to make proposals or suggestions on tactics to win a battle; and economic democracy which allowed soldiers to have a say in the economic management of the company.

Before Chairman Mao Zedong declared the founding of the People's Republic on Oct 1, 1949, he was challenged by Huang Yanpei, a well-known non-Communist educator. Huang asked Mao: Throughout Chinese history, no dynasty could survive the historical cycle, in that every dynasty was vigorous in its initial years and became prosperous, but then declined and finally collapsed. Can you Chinese Communists manage to move beyond this cycle?

Mao was confident and told Huang, "Yes". Because, "We have an advanced political regiment, we have democracy which allows the people to supervise the government," Mao said.

There have been zigzags in the exploration to realize this democracy in Mao's mind, and there were even deviations from that goal when efficiency was emphasized. But democracy has become the commonly accepted value of younger generations of CPC leaders.

In 2006, the 6th Plenary Session of the 16th Central Committee of the Communist Party of China summarized the participatory democracy into the following four rights: Right to know, right to

participate, right to expression and right to monitor or supervise. These four rights can be regarded as the cornerstone of China's participatory democracy.

Of course, there have been obstacles in the course of people's enjoyment of these rights. There have been cases of abuses of power. But we have been moving to improve our system to honor these rights, and we also see encouraging signs that ordinary people and individuals are acting to practice these rights.

By all means, more and more people in China have come to realize the significance of participatory democracy. Extensive participatory democracy can benefit individuals and society at large better than free elections.

The author is a guest professor of journalism with the Beijing Foreign Studies University.

Foreign relations

- China, French Polynesia pledge to boost cooperation (22nd November)

China's top political advisor, Jia Qinglin, met with President of French Polynesia Oscar Temaru here Saturday and they pledged closer cooperation.

During the meeting, Jia, chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), hailed the long friendly exchanges and cooperation between the two sides.

Jia said French Polynesia is known as the "Pearl of the South Pacific" and has a long history of friendly contacts with China.

In as early as the 19th century, there were Chinese settling on Tahiti, the most famous island among the Polynesian islands, who integrated themselves into the local society and actively participated in local economic development. They have served as a bridge linking the friendly and cooperative ties between French Polynesia and China, Jia said.

Both sides have seen more frequent exchanges and enhanced cooperation in the fields of economy, culture and tourism since the Chinese Consulate in French Polynesia opened in 2007 and the Chinese government granted the islands the status of designated tourist destination last year, Jia added.

Jia further thanked his host for supporting the Chinese scientific research vessel "Yuanwang" which has made many stopovers at the island.

The China-France ties now face new opportunities of development, which has created favorable conditions for developing local cooperation and exchanges between the two countries, Jia said.

Jia went on to say that French Polynesia has unique geographical advantage and rich marine and tourism resources. China is willing to work with French Polynesia to boost cooperation in such fields as trade and tourism, in which there is great potential for cooperation.

For his part, Temaru said his government is willing to forge a candid, friendly and close relationship with China in the era of globalization.

The top Chinese political advisor arrived at the South Pacific island Friday for a technical stopover in the midst of his four-state tour.

He has visited the Philippines and will continue his trip to Peru, Ecuador and Brazil.

- Defense minister arrives in DPRK (23rd November)

Defense Minister Liang Guanglie arrived in Pyongyang yesterday for the latest high-level visit between China and the Democratic People's Republic of Korea (DPRK). International pressure mounts on the DPRK to return to Six-Party Talks.

- Chinese, Albanian leaders exchange greetings on 60th anniversary of diplomatic ties (23rd November)

Chinese President Hu Jintao and his Albanian counterpart Bamir Topi exchanged congratulatory messages on Monday to mark the 60th anniversary of the establishment of diplomatic relations between the two countries.

In his message, Hu said the past 60 years have witnessed the continuous development of China-Albania relations in line with the Five Principles of Peaceful Coexistence.

At present, bilateral ties have maintained a sound momentum for further development and shared a broad prospect, he said.

The Chinese government has always attached great importance to China-Albania relations, regarded Albania as a good friend in southeastern Europe and respected Albanian people's choice of their own path for development, Hu said.

China is ready to join hands with Albania, on the occasion of the 60th anniversary of their diplomatic ties, to strengthen political mutual trust, deepen traditional friendship, expand pragmatic cooperation, and create a bright future for the friendly and cooperative relations, he said.

Topi said that the friendly and cooperative relations between the two countries had continuously consolidated and strengthened in the past 60 years.

He said sincere friendship between the two countries served as an important foundation for the development of bilateral ties.

The Albanian side is proud of its friendship with China and confident that their bilateral ties will further deepen and develop.

- Singapore PM calls for Singapore, China media cooperation (24th November)
Singapore Prime Minister Lee Hsien Loong on Monday called on media both from Singapore and China to enhance cooperation and communication to make Asia's voice better heard around the world.

During a meeting here with He Ping, editor-in-chief of China's Xinhua News Agency, Lee said that the recent successful state-visit by Chinese President Hu Jintao to Singapore has boosted bilateral ties between the two Asian countries, and also established a platform for collaboration between their media.

Lee said that media from both countries could learn from each other as to meet the challenges brought by the evolving communication technology. He also urged media to make continuous efforts to promote the political, economic and social development in both countries, as well as the friendship and understanding between their people.

He Ping said that emerging economies in Asia have played increasingly important roles on the world stage, however, there is an "information gap" between the image of a real Asia, progressing and open, and what is described by some western media.

He added that it is a common task by the Asian media, especially those in China and Singapore, to tell our own stories to the world in a truthful, accurate, comprehensive and objective way. He added that Xinhua has been strengthening in both traditional and multi-media coverage to improve its influence and adapt to the trend of media's development.

He Ping also briefed Lee on the result of the World Media Summit co-sponsored in last October by Xinhua and some other world famous news organizations, and Xinhua's latest collaboration with Singapore media. The two sides also exchanged views on issues such as the ongoing world financial crisis.

He Ping, who arrived here on Sunday for a four-day visit, also met later on Monday with senior management of Singapore Press Holding Limited, and its two prestigious daily newspapers, the Chinese language Lianhe Zaobao and the English language Straits Times.

- Canadian PM to visit China (26th November)

Canadian Prime Minister Stephen Harper will pay an official visit to China from Dec. 2 to 6 at the invitation of Chinese Premier Wen Jiabao, Chinese Foreign Ministry spokesman Qin Gang announced here on Thursday.

Harper said in a press release announcing his China visit on Oct. 28 that Canada is "committed to a strong relationship with China that reflects our mutual respect and the need for practical cooperation."

"Our two countries enjoy a growing partnership, sharing significant interests in trade and investment, the environment and regional security," he said.

This will be Harper's first visit to China after he came to power in 2006.

- Myanmar urged to protect detained Chinese fishermen: FM spokesman (26th November)
China has urged authorities in Myanmar to protect the safety and legal rights of the detained Chinese mainland and Taiwan fishermen, said Foreign Ministry spokesman Qin Gang Thursday.

According to Taiwan media reports, two Taiwan fishing boats have been detained by the Myanmar military.

Asked to confirm the reports at a routine press conference, Qin said the Myanmar authorities informed the Chinese Embassy in Myanmar on Tuesday evening, that they had detained 10 foreign fishing vessels and 128 foreign fishermen for alleged illegal fishing activities.

They detained crews included four seamen from Taiwan and one from the Chinese mainland.

He said the embassy was checking the information and had asked the Myanmar authorities to allow them to visit the detained fishing crews.

The Foreign Ministry and the embassy had also requested the Myanmar authorities properly deal this matter according to law, and protect the safety and legal rights of those detained, he said.

He said the Chinese government had always attached high importance to protect the security and legal rights of all Chinese, whether they were from the mainland, Hong Kong, Macao or Taiwan.

- Jia Qinglin meets Brazilian judicial chief on cooperation (27th November)
China's top political adviser Jia Qinglin on Thursday met Brazil's judicial chief, with both sides pledging more efforts to boost cooperation.

During the meeting with Gilmar Mendes, president of the Supreme Federal Tribunal of Brazil, Jia hailed the 35 years of amicable bilateral relations, established in 1974 and enriched in 1993 when China and Brazil established a strategic partnership.

Such friendly cooperation between the two countries has contributed to enhancing contact of the judicial sector and to creating opportunities for legal collaboration, said Jia, chairman of the Chinese People's Political Consultative Conference (CPPCC) National Committee.

Jia said China has been making remarkable progress in the construction of democracy and justice, which has energetically promoted the economic and social development of the Asian country.

Brazil has accumulated valuable experience on how to improve its legal system, for which Jia hoped the judiciary departments of both countries could continue to intensify the communication and exchange and learn from each other to provide a vigorous legal guarantee for development, stability and prosperity of each nation.

Mendes said Jia's visit to Brazil will promote the cooperation between the judiciaries of both sides.

China and Brazil devote similar efforts to building a modern legal system of stability, high efficiency and authority, he said.

He suggested that exchange should be reinforced to broaden collaboration in bilateral or multilateral framework, so as to enrich the China-Brazil strategic partnership.

Jia also met with Brazil's Federal Senate President Jose Sarney on Thursday, shortly before he delivered a speech on China-Latin America relations at the Brazilian Congress.

On Wednesday, he held talks with Brazilian Chamber of Deputies Speaker Michel Temer, and is scheduled to meet Brazilian President Luiz Inacio Lula da Silva on Friday.

Jia arrived in Brasilia on Wednesday for an official good-will visit to Brazil, the last leg of his four-nation tour which has taken him to the Philippines, Peru and Ecuador.

- Japan, China agree to defense exchanges (28th November)

Japan and China have agreed to conduct joint exercises and expand their exchanges on defenses issues, the defense ministers from the two countries said on Friday in Tokyo.

China's Defense Minister Liang Guanglie and his Japanese counterpart, Toshimi Kitazawa, met for about two hours on Friday and agreed on a range of exchanges to deepen their ties and improve communication.

They also agreed to conduct joint exercises "at an appropriate time" to prepare for natural disaster relief and at-sea rescues.

Liang said the two ministers discussed regional security issues and said they "have a great deal in common".

"We intend to continue strengthening our ties," he said. "Our relations are very important, as is our mutual growth and prosperity."

Kitazawa said Tokyo sees relations with Beijing as crucial on both the security and economic fronts.

"The status quo of Sino-Japan defense exchanges doesn't meet the requirement of an expanding bilateral relationship," said Meng Xiangqing, a professor at the Beijing-based National Defense University. "China and Japan should work together upon their common concerns."

Japan's relations with China have been improving lately, particularly on the economic front, but the two have been at odds over territory to Japan's south, where rich fishing areas and natural resources are located and the border between the two nations remains in dispute.

Liang also met with Japanese Prime Minister Yukio Hatoyama on Friday.

Hatoyama said he has met with Chinese leaders Hu Jintao and Wen Jiabao in less than two months after his inauguration, and both the Chinese foreign minister and defence minister have paid visits to Japan. All of these show the commitment of the two countries to intensifying their bilateral relations, he said.

Economic front

- Push for stronger Chinese yuan does no good now: U.S. expert (22nd November)
Nobel economics laureate Paul Krugman's recent push for a stronger Chinese currency "was wrong," and such a move currently does no good to the U.S. and Chinese economies, a U.S. expert said recently in an article on Forbes' website.

Shaun Rein, founder and managing director of the China Market Research Group, a strategic market intelligence firm, said that revaluing the Chinese yuan right now would "jeopardize the world's fledgling economic recovery."

Krugman, who is also The New York Times columnist, wrote recently in an article headlined "World Out of Balance" that China severely undervalued renminbi, and he called on the U.S. government to push for a stronger Chinese currency.

Citing Krugman's view that China needed to strengthen the yuan to reduce America's trade deficit and spur worldwide recovery, Rein argued that "it is better for American businesses for China to maintain current yuan rates until the worldwide recovery is on a firmer footing."

He stated that if the renminbi were to appreciate, billions of dollars of purchasing power would be taken from American consumers, which he said satirically would not make the upcoming holiday season "such merry time."

With the U.S. unemployment rate standing at 10.2 percent, the worst in more than 26 years, American consumers are already stretching their shopping dollars farther than they have in a longtime, he wrote.

Regarding the impact of a stronger yuan on China, which is not immune from the ongoing global financial crisis, Rein said that even a small currency appreciation would cause thousands more factories to shut down and leave millions more unemployed.

"That wouldn't be good for China or anybody else," he said, warning that the possible crisis in the Chinese economy would affect American exports to China.

"Even if China's currency were to appreciate, production would just move to cheaper countries like Vietnam, not back to America," he added.

"Unless there are structural reforms to America's economy, a stronger renminbi will not lower the trade surplus in any meaningful way," he stressed.

Rein further pointed out that the biggest currency problem in the world right now "is not a weak yuan but a weak dollar".

A weak dollar is dangerous "because it means countries will be less likely to buy Treasury bills and finance America's recovery," Rein said.

"A weaker dollar won't help create more exports. It will just make things more expensive for Americans," because he said that foreign companies would turn to other low-cost labor markets like Vietnam.

In his article, Rein also urged the administration of President Barack Obama to focus on how to strengthen the dollar by paying down debts, instead of "wasting time" on the renminbi issue.

The U.S. deficit hit a record 1.42 trillion U.S. dollars in the 2009 fiscal year.

Coincidentally across the Atlantic Ocean, a business commentator from British renowned newspaper Daily Telegraph wrote an article on the Chinese currency, expressing a view similar to that of the U.S. expert. The article was headlined "It's time to stop beating China up over its currency" and posted last Wednesday on the website of the Daily Telegraph.

Jeremy Warner argued against the Western press which he said unites against China's approach to currency reform and showed much sympathy for the Chinese point of view.

Regarding the revaluation of the renminbi, Warner said it is perfectly reasonable for China to do it at its own pace. "Beijing dare not go faster to appreciate its currency because the internal demand is sharply growing."

"The West has enjoyed a free ride off the developing world for an awfully long time," he said, calling for rebalancing geo-political and economic power for the sake of the whole world and the next generation.

- Aim for China's second demographic dividend (23rd November)
China should make greater efforts to transform its huge population from a quantitative to a qualitative advantage to cement a foundation for lasting economic prosperity.

The "demographic dividend" has long been thought an important source of China's remarkable economic performance. According to World Bank estimates, China's advantageous

population age structure brought about by such a dividend has contributed more than 30 percent to the country's economic growth over the past decades.

However, with the transformation of its population structure, the country's traditional economic development model has come under severe pressure. As its economic growth experiences profound changes, catalyzing the second "demographic dividend" and creating a sustainable development formula is a pressing task for the world's most populous nation.

Over the past decades, China enjoyed a productive population age structure, with working-age people making up a large part of its population while retired and pre-working-age people were a relatively small fraction. As a result, the country enjoyed an endless supply of labor and also carried a comparatively light pension burden. Such a productive population age structure, characterized by abundant labor forces and a high savings ratio, proved to be a dynamic source of economic growth and consequently took the country into a long "golden period" of economic and social development.

International experiences also indicate that most developed countries and regions have more and less benefited from similar demographic dividends in their development. In what Rand, a non-profit American think tank that provides policy and decision-making consultations on global issues and challenges, describes as an "East Asian miracle", a high proportion of the working-age population contributed to their gross domestic product by a third and even as high as half from 1970 to 1995. This is also the case in parts of North America. In the initial development of the "New Land" of the continent, 90 percent to 100 percent of their development advantage over the "Old Land" was attributed to their more productive population age structure.

Nevertheless, the demographic dividend that bolsters economic growth does not last forever. All countries, developed or developing, eventually face an aging population. An aging society inevitably results in the disappearance of high productivity and high savings of the special population age structure in a particular period of time. According to United Bank of Switzerland studies, the growth of China's population would be on a decline after 2015, which means the benefits the country has long enjoyed from its demographic dividend would be on the wane. Sample survey showed people aged 60 and above took up about 13 percent of the Chinese population by 2007.

The gradual disappearance of the country's "demographic dividend" means that the injection of production elements alone would not maintain much-needed sustainable economic growth. It also means that the country should make some tangible adjustments in all fields related to human resources, in particular in division of labor, industrial and employment structures, as well as in savings, consumption, investment, income distribution and social security policies.

For a long period, China's abundant and inexpensive labor force played a positive role in helping domestic enterprises gain a sharp edge over foreign counterparts in manufacturing inexpensive and labor-intensive products for domestic and overseas markets and enjoy a comparatively long period of growth. That also helped make up for the country's capital

insufficiency and contributed much to its economic advancement. However, such a low-end production model has also added to domestic enterprises' dependence on increased injection of labor forces, capital and other factors of production for growth.

Under these circumstances, China should try to transform its quantitative demographic dividend to a qualitative one that is based on accumulation of human capital, full-fledged development of manpower and improved efficiency in all factors of production. To this end, China should cultivate the concept of placing development of human resources in paramount position and develop them into the driving force of the country's economic and social development to avoid the vicious "low income-low educational input-low productivity-low income" cycle.

The country should focus on developing the manufacturing and service sectors that help increase employment quality and improve human resources development in the effort to promote employment expansion in the process of sustainable economic growth.

In addition, concrete efforts should be made to push forward long-overdue reforms on education, employment, residence and pension systems to remove institutional obstacles in the way of human capital development.

The long-anticipated second demographic dividend, which is to be realized by the accelerated formation of human capital, upgrading of industrial structure, technological progress and social security changes will help the country's transformation from an extensive to an intensive economic model.

The author is an economics researcher with the State Information Center.

- Revaluing yuan now would 'jeopardize' recovery: US expert (23rd November)
Nobel economics laureate Paul Krugman's recent push for a stronger Chinese currency "was wrong," and such a move currently does no good to the US and Chinese economies, a US expert said recently in an article on Forbes' website.

Shaun Rein, founder and managing director of the China Market Research Group, a strategic market intelligence firm, said that revaluing the Chinese yuan right now would "jeopardize the world's fledgling economic recovery."

Krugman, who is also The New York Times columnist, wrote recently in an article headlined "World Out of Balance" that China severely undervalued renminbi, and he called on the US government to push for a stronger Chinese currency.

Citing Krugman's view that China needed to strengthen the yuan to reduce America's trade deficit and spur worldwide recovery, Rein argued that "it is better for American businesses, for China to maintain current yuan rates until the worldwide recovery is on a firmer footing."

He stated that if the renminbi were to appreciate, billions of dollars of purchasing power would be taken from American consumers, which he said satirically would not make the upcoming holiday season "such merry time."

With the US unemployment rate standing at 10.2 percent, the worst in more than 26 years, American consumers are already stretching their shopping dollars farther than they have in a long time, he wrote.

Regarding the impact of a stronger yuan on China, which is not immune from the ongoing global financial crisis, Rein said that even a small currency appreciation would cause thousands more factories to shut down and leave millions more unemployed.

"That wouldn't be good for China or anybody else," he said, warning that the possible crisis in the Chinese economy would affect American exports to China.

"Even if China's currency were to appreciate, production would just move to cheaper countries like Vietnam, not back to America," he added.

"Unless there are structural reforms to America's economy, a stronger renminbi will not lower the trade surplus in any meaningful way," he stressed.

Rein further pointed out that the biggest currency problem in the world right now "is not a weak yuan but a weak dollar".

A weak dollar is dangerous "because it means countries will be less likely to buy Treasury bills and finance America's recovery," Rein said.

"A weaker dollar won't help create more exports. It will just make things more expensive for Americans," because he said that foreign companies would turn to other low-cost labor markets like Vietnam.

In his article, Rein also urged the administration of President Barack Obama to focus on how to strengthen the dollar by paying down debts, instead of "wasting time" on the renminbi issue.

The US deficit hit a record \$1.42 trillion in the 2009 fiscal year.

Coincidentally across the Atlantic Ocean, a business commentator from British renowned newspaper Daily Telegraph wrote an article on the Chinese currency, expressing a view similar to that of the US expert. The article was headlined "It's time to stop beating China up over its currency" and posted on the website of the Daily Telegraph.

Jeremy Warner argued against the Western press which he said unites against China's approach to currency reform and showed much sympathy for the Chinese point of view.

Regarding the revaluation of the renminbi, Warner said it is perfectly reasonable for China to do it at its own pace. "Beijing dare not go faster to appreciate its currency because the internal demand is sharply growing."

"The West has enjoyed a free ride off the developing world for an awfully long time," he said, calling for rebalancing geo-political and economic power for the sake of the whole world and the next generation.

- Chip makers reach another court settlement (23rd November)
Taiwan Semiconductor Manufacturing Co Ltd (TSMC) reached an out-of-court settlement valued at \$290.2 million with the Chinese mainland's biggest computer chip maker after a courtroom victory in a case concerning allegations of theft of trade secrets, patent infringement and breach of contract over a prior settlement between the two companies.

As part of the settlement, Semiconductor Manufacturing International (SMIC) will pay TSMC \$200 million in cash, as well as stock and warrants that could allow TSMC to take up to a 10 percent stake in SMIC

The stock and warrants were valued at around \$90.2 million by Steve Chang, a stock trader at Taishin Securities in Taipei.

A jury at the Superior Court of Alameda County, California, earlier this month ruled in favor of TSMC, the world's largest contract chip maker, in the case against SMIC, the biggest contract chip maker in the mainland. The court had already started proceedings to determine damages.

The settlement ends all outstanding court actions between the two companies, including a remaining \$40 million payment that SMIC owes TSMC from a previous case. The deal will also allow SMIC to continue to use TSMC trade secrets and technology disputed in the case.

"SMIC believes this settlement is a win-win for the parties, resolving uncertainty for their employees, mutual customers and other stakeholders," SMIC said in a statement to the Stock Exchange of Hong Kong.

But the settlement could lead to new problems for TSMC with the authorities of Taiwan.

Regulations on the island prohibit certain technology transfers and investments in the mainland.

A TSMC spokesman said that regulatory authorities will have to change rules to permit the ownership of stock offered by SMIC as part of the settlement. "This would be a passive ownership of shares," said J.H. Tzeng, a TSMC spokesman.

TSMC will not be allowed to vote for members of SMIC's board of directors with its shares, SMIC said in the statement. TSMC's voting rights will also be restricted to a vote in favor of actions recommended by the board.

SMIC will issue 1.79 billion new shares, or 8 percent of the company, of its Hong Kong-listed stock to TSMC as part of the settlement, after new shares are issued.

SMIC will also give TSMC warrants to buy an additional 696 million shares for HK\$1.30 (17 cents) a share. Should TSMC opt to exercise the warrants, it would gain another 2 percent of SMIC, for a total ownership of 10 percent of the Chinese chip maker.

The two chip makers first went to court in December 2003 in a patent infringement and trade secrets theft case. That case was ultimately settled in 2005 with a \$175 million payment to TSMC and a cross-licensing deal. But the relationship turned sour soon afterward, and TSMC filed the current case just a year later.

- ChiNext stock index up Monday (23rd November)

The ChiNext Index rose on Monday as 24 out of the 28 shares at China's start-up board for small and medium-sized enterprises were up.

The board, which is based in Shenzhen and started trading on October 30, 2009, is tailored to the needs of enterprises engaged in independent innovation and other enterprises with great growth potential.

- Non-SOEs employ 80% of industrial workforce (23rd November)

Non-State-owned enterprises (non-SOEs) employed 70 million people, or 80 percent of China's total workforce in the industrial sector in 2008, the National Bureau of Statistics (NBS) said in a statement Monday.

Despite the global economic downturn, non-State-owned industrial firms still hired 15 percent more people in 2008 than the previous year, the NBS said on its website.

Profits of these enterprises jumped 31.4 percent from 2007 while the figure for State-owned industrial firms dropped 16 percent.

There were 28 percent more non-State-owned industrial enterprises in 2008 than 2007.

The NBS gave no further details about the figures.

The non-public economy has developed rapidly since the State Council promulgated the first governmental document in 2005 to support and facilitate the growth of non-public enterprises.

According to the document, non-public enterprises enjoyed the same kind of market access with foreign capital and the same kind of treatment in project approval, financing, taxation, land use, foreign trade and economic cooperation as other businesses.

The number of people working in non-State-owned industrial firms had reached 70.4 million in 2008, a rise of 40 percent from 2005, said the statement.

Profits of non-State-owned industrial firms were up 160 percent in the four years to 2008. They represented more than 70 percent of the total profits created by Chinese industrial enterprises, up from 56 percent in 2005.

The number of non-SOEs in the industrial sector was up 65.7 percent from 2005 to 404,800 in 2008, accounting for 95 percent of the country's total industrial enterprises.

The statistics were based on industrial enterprises with annual sales revenue of more than five million yuan (\$732,064), said the statement.

- Chinese shares close higher Monday (23rd November)

Chinese equities closed higher in the first trading day of the week, with the benchmark Shanghai Composite Index up 0.92 percent, or 30.32 points, to close at 3,338.66.

The Shenzhen Component Index rose 1.16 percent, or 159.52 points, to close at 13,854.66.

Combined turnover jumped to 327.91 billion yuan (\$48 billion) from 325.66 billion yuan on the previous trading day.

Twenty four out of the total 28 shares in the ChiNext market for start-up stocks were up.

Gainers outnumbered losers by 726 to 148 in Shanghai and 654 to 141 in Shenzhen.

- China's major commodity imports in October (23rd November)
the General Administration of Customs (GAC) on Monday released data of major commodities imported by China in October and the first ten months.

Coal imports jumped 220 percent year-on-year to 11.1 million tons in October. For the first 10 months, China imported 96.87 million tons, 170 percent higher compared with the same period last year.

China imported 169,374 tons of refined copper in October, up 31 percent from a year ago. The first 10 months saw total imports of refined copper at 2.75 million tons, up 148.97 percent year-on-year.

Crude oil imports climbed 20 percent from a year ago in October to 19.3 million tons. The figure for the first 10 months stood at 165 million tons, up 9.4 percent from a year ago.

The GAC also said European Union continued to be the largest trade partner with China and the country's largest export destination, with bilateral trade totaling \$292.42 billion in the first 10 months, down 18.7 percent from a year earlier.

The United States was the second largest trade partner with bilateral trade down 14.9 percent from January to October to \$239.36 billion.

- A stronger yuan in regional trade (23rd November)

China's yuan is expected to play a bigger role in regional trade with the China-ASEAN Free Trade Area (CAFTA) becoming effective on Jan 1, 2010.

"The upcoming CAFTA, which boasts the largest population among all the world's FTAs (free trade areas) and allows zero tariff on 90 percent of products traded between China and ASEAN (Association of Southeast Asian Nations), will quicken the process of renminbi regionalization," said Xu Ningning, executive secretary general of the China-ASEAN Business Council.

Free trade demands a free flow of currency, making possible the regional use of renminbi, he said.

Alongkorn Ponlaboot, Thailand's deputy minister of commerce, said he believes the renminbi will play a more important role in bilateral trade between China and ASEAN in the future.

The messages of Xu and Ponlaboot came from the annual China-ASEAN Expo in Guangxi Zhuang autonomous region late last month.

Ponlaboot said the yuan was a very stable currency and expanding its use could help reduce risks faced by the ASEAN countries in using the US dollar, which has become highly volatile as a result of the global financial crisis.

Pung Kheav Se, general manager of Canadia Bank Plc of Cambodia, echoed Thailand's deputy minister, saying trade between China and ASEAN was growing and the use of renminbi would benefit both sides.

Data from China's General Administration of Customs showed trade between China and ASEAN totaled \$105.88 billion in 2004, and rose to \$231.07 billion in 2008. China and ASEAN are currently each other's fourth-largest trade partner.

Challenges

However, the use of yuan in ASEAN countries fell far short of the trade growth between China and ASEAN members. Currently, renminbi settlement is mainly adopted in border trade, which

accounted for only 10 percent of China-ASEAN bilateral trades, said Teng Chong, board chairman of Guangxi Beibu Gulf Bank.

Pung Kheav Se said renminbi, US dollars, Thai Baht and Vietnamese Dong currently are in circulation in Cambodia, but that the amount of yuan is small, mainly used for tourism and small commodity business. He did not give specific figures.

The main reason was that Cambodia is not a developed economy, and some people have inadequate knowledge about the yuan, he said.

He suggested that China should gradually establish a credit system and settlement mechanism for yuan in ASEAN, and then expand its use globally.

Su Ning, vice governor of China's central bank, said financial cooperation between China and ASEAN members was still at the initial phase, and added that financial markets were not open enough. But the potential for cooperation is huge, as finance in China and ASEAN is seeing fast development, he said.

China has launched pilot renminbi programs over the years, but the pace has obviously quickened since the onset of the global financial crisis as the US dollar has been getting weaker, arousing concerns that an unstable dollar would lead to increased costs and risks for traders.

- China's food industry expected to expand 16.7% this year (23rd November)
Output value of China's food industry is expected to grow 16.7 percent year-on-year, according to China National Food Industry Association (CNFIA).

Liu Zhi, CNFIA executive vice chairman, told the Seventh China Food Safety Annual Meeting held on Saturday, that output value of the country's food industry was expected to top 4.9 trillion yuan (\$717 billion) this year.

In the first five months of this year, output of the country's food industry was 1.82 trillion yuan, an increase of 14.6 percent over the same period last year.

China's food industry grows fast these years, while food safety situation is continually improved, said Xiang Yuzhang, chief inspector of General Administration of Quality Supervision, Inspection and Quarantine.

According to Xiang, the country's food safety watchdogs at all levels launched inspections to one million food producers this year, registered and investigated 70,000 cases.

Rate of qualified food products was 98.5 percent in the first half of this year, according to the country's food safety inspection departments nationwide, said Xiang.

- Rally in B shares wins new attention (23rd November)

The B-share market has enjoyed several robust rallies in its relatively brief history.

The first time was from March 1999 to May 2001, when the main index increased as many as 10 times in 27 months.

The second time was between January 2006 and October 2007, when B shares climbed as much as five times their value during the period.

The third time, beginning last year, B shares almost doubled in the last 12 months, including a newer round of market rallies since the end of 2008.

This round of growth finally evolved into a blowout two weeks ago. Since November 13, all B shares had gained 15 percent percent by Nov 19.

Anticipation

The sharp rally in B shares in the last two weeks came after the People's Bank of China made a rare change of wording on its exchange rate policy, saying it will consider upward pressures on the yuan from surging capital inflows and a weakening US dollar.

The US dollar's depreciation and US President Barack Obama's visit to China last week is adding to investors' anticipation.

The topic of renminbi appreciation gained greater prominence in recent days, based on expectations that Obama might raise the issue during his China visit last week.

In meeting with Chinese government officials, Obama did press complaints that China's yuan is set too low, hurting US business and exports.

Dominique Strauss-Kahn, managing director of the International Monetary Fund, also called for a stronger yuan when speaking at the International Finance Forum at the Diaoyutai State Guesthouse in Beijing last week.

The yuan climbed 21 percent in value over three years after the Chinese government scrapped a fixed exchange rate in July 2005.

"An appreciation in the yuan would make the foreign currency-denominated B shares cheaper for Chinese investors," analyst Zhang Qi from Haitong Securities said.

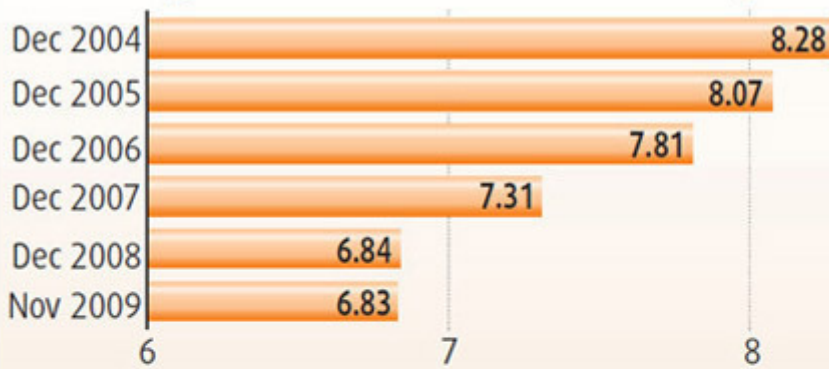
Valuations

Zhang said the average price of a company's B shares accounts for merely half or one-third the price of the same company's A shares due to a long time illiquidity of the market.

"Attractive valuations of some companies with good fundamentals may trigger share-price increases," he added.

B shares, as foreign currency-denominated shares, were first listed in 1992 as a way for companies to raise funds from foreign currencies.

Exchange rate of one US dollar vs yuan



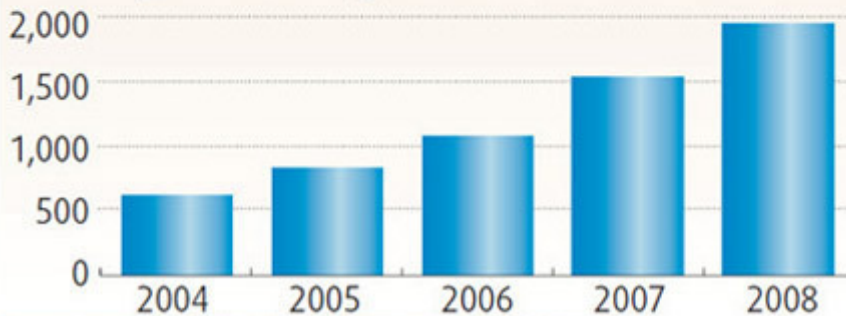
Shanghai Stock Exchange B-share index



China's GDP growth



Foreign exchange reserves



Source: People's Bank of China, National Bureau of Statistics, Reuters Graphic by Shen Wei

- Auto aftermarket attracts big players (23rd November)

Fei Manqing realized early that a partnership with a leading global brand can be a shortcut for Chinese small business owners. Fei also entered a market that is attracting many leading multinational companies - China's booming automotive aftermarket sector.

Fei signed a contract with ExxonMobil Corp, the world's largest publicly traded oil and gas company, in 2004 to become a member of the ExxonMobil Esso Oil Change Center and then joined its Mobil 1 Car Care network in 2006.

She received hundreds of thousands of yuan to redecorate her stores, as well as management and training support from ExxonMobil.

"Now we have unbelievable monthly revenues of more than 500,000 yuan, four times the figure in 2004 before we joined hands with ExxonMobil," said Fei, general manager of Shanghai Chejie Automobile Technical Service Co, which has 60 auto service stores in Shanghai.

Like ExxonMobil, rival Shell Oil Co also is expanding its aftermarket presence in China.

"Although the 3S (sales, service and spare parts) and 4S (sales, service, spare parts and survey) stores are still the major distribution network for Shell lubricants, we see a bright future in China's emerging auto fast-service industry," said Shen Jian, general manager of Shell Lubricant China.

In July, Shell celebrated the opening of its 100th high-end auto service store. Now Shell has 1,200 chain stores in China.

ExxonMobil last month opened a new Mobil 1 Car Care Outlet, bringing to 1,000 the number of the company's professional car maintenance outlets in the country.

"The opening of the 1000th outlet affirms the expansion of the Mobil 1 Car Care Outlet network and brings ExxonMobil a significant step closer to its commitment of enabling trouble-free driving nationwide," said James Hennessy, vice president of ExxonMobil Lubricants & Petroleum Specialties Co.

- Economists warn of possible new flood of speculative capital (23rd November)

China should allow an immediate one-off appreciation in the yuan's value and widen the currency's trading band to stem inflows of speculative capital that might fuel inflation, said UBS AG economist Wang Tao.

"China's economic fundamentals mean that the yuan should strengthen," Beijing-based Wang told Bloomberg. "The central bank will find it harder to manage liquidity and inflation when a flood of speculative funds returns, betting on the yuan's appreciation."

The Chinese economy grew at the fastest pace in a year in the second quarter and export declines slowed in September, fueling speculation that policy makers will let the yuan resume appreciation against the dollar.

China's cabinet, the State Council, said last month that managing liquidity is increasingly difficult and signaled that inflation concerns will play a greater role in setting policy.

Policy makers should do "the unexpected", countering perceptions that the currency is a one-way bet, before expectations for gains strengthen, Wang said. She didn't say how much the currency should immediately appreciate.

Yuan forwards, which rose to a 14-month high late last month, suggest the currency will gain 2.3 percent against the dollar in the coming year. The yuan climbed 21 percent over three years after the government scrapped a fixed exchange rate in July 2005.

Yuan convertibility

Stephen Roach, chairman of Morgan Stanley Asia, recently predicted that China will "ultimately" allow the yuan to be freely convertible to other currencies.

While Chinese officials, including Central Bank Governor Zhou Xiaochuan, have called this year for an alternative to the dollar as the world's main reserve currency, they maintain controls on the yuan that prevent it for now from becoming a competitor.

In an interview with Bloomberg Television in Hong Kong, Roach added that the Hong Kong dollar's peg to the US currency "will relax" after China makes the yuan convertible. The unpegging of the Hong Kong dollar is out of the question for now, he said.

Russian Finance Minister Alexei Kudrin said last month that the yuan could become a global reserve currency in about 10 years should China make it convertible. A change in Chinese policy would make the yuan a "notable and weighty" reserve unit, Kudrin said in an interview on the state-run Vesti television channel.

China will likely seek to slow capital inflows by convincing speculators they don't stand to make large returns, rather than allowing a one-off appreciation, said Mitul Kotecha, head of global foreign exchange strategies at Calyon in Hong Kong.

"China will need to be very careful," he said. "It needs to communicate to the market that yuan appreciation will be limited to about 5 percent to 6 percent a year. The danger in the past was that expectations of appreciation attracted hot money."

China's financial system is already flooded with cash from a record \$1.27 trillion in new lending this year, the trade surplus, foreign direct investment, and inflows of speculative capital, or so-called hot money, adding to the risk of bubbles in stocks and property.

The nation's foreign exchange reserves rose \$141 billion in the third quarter to a record \$2.273 trillion, following an unprecedented \$178 billion increase in the previous three months.

Central bank

"Foreign exchange inflows will force more liquidity into the financial system, making it more difficult for the central bank to manage inflation and control asset bubbles," Wang said.

The yuan is allowed to trade 0.5 percent on either side of a daily reference rate against the dollar set by the central bank, a limit that could be raised to 1 percent or 3 percent to increase uncertainty, the economist said.

China's currency has stayed at about 6.83 per dollar for the past 15 months as the government shields exporters from a slump in world trade. In September, exports fell by the least in nine months, suggesting that demand is starting to revive.

Wang said she doesn't expect policy makers to take her advice. She sees the yuan staying pegged to the US currency for six to nine months as the government continues to protect exporters, then rising to as much as 6.4 per dollar by the end of 2010.

US treasury

A more flexible Chinese currency is needed for "a stronger, more balanced global economy," the US Treasury said in a report to Congress, released Oct 15. That report called the yuan "undervalued".

Asian Development Bank economist Yolanda Fernandez Lommen cautioned last month that excessive gains by the currency could lead to instability in the world's most populous nation.

The Ministry of Commerce said recently that the government would stick to a "gradual" approach to currency reform.

Central Bank Vice-Governor Ma Delun warned on Oct 20 that policy challenges will increase as expectations for a stronger yuan boost inflows of capital.

The State Council said on Oct 21 that the policy focus in coming months will need to "balance" the need to aid growth with "the need to better manage inflationary expectations".

Consumer prices gained for a second month in September from August, rising 0.4 percent. Year-on-year, prices slid for an eighth month.

- China asks banks to avoid big fluctuations in lending (23rd November)

China's banking regulator on Monday asked the country's commercial banks to better manage risks and avoid year-end volatility in lending.

Commercial banks should ensure that lending increase was kept in a stable and sustainable pace, the China Banking Regulatory Commission (CBRC) said.

Financial institutions with low capital adequacy ratio and no practical remedy plans would face restrictions in various sectors such as overseas investment, branch increase and business expansion, it said.

The CBRC called for enhanced inspections in financial system to detect problems after surging loan extends between the fourth quarter last year and the second quarter this year.

In October, new yuan-denominated loans in October were down 51 percent from September, according to statistics from the People's Bank of China, the central bank.

China's yuan-denominated loans in the first 10 months this year totaled 8.92 trillion yuan (1.31 trillion U.S. dollars), far exceeding the government's target of 5 trillion yuan for this entire year.

The CBRC denied media reports which claimed that the banking regulator would impose lending controls on commercial banks and require big lenders to increase the capital adequacy ratio to 13 percent, compared with the current 11 percent on average.

"There is no such requirements from the CBRC," it said in a statement on its website.

- China, Japan launch dialogue between young business leaders (23rd November)

Li Jianguo, vice chairman and secretary-general of the Standing Committee of the National People's Congress (NPC), met here Monday with a delegation of young business leaders of Japan.

The delegation was visiting China to attend the first China-Japan Youth Business Leader's Forum, which was a cooperative mechanism initiated at the second China-Japan high-level economic dialogue in June this year.

Addressing the opening of the forum, Li said that as two major economies in the world, China and Japan should enhance dialogue and cooperation against the backdrop of uncertain prospect of global economic recovery.

He said the forum provided a new platform for the young business elites of the two nations to communicate and cooperate, and it was also a new attempt for the non-governmental forces to participate in and boost bilateral economic and trade cooperation.

Japanese Ambassador to China Yuji Miyamoto called on the two countries to expand domestic demand and develop their national economy, and cooperate effectively in the fields of energy conservation and environment protection.

The forum, gathering about 60 representatives from both major enterprises, was co-hosted by All-China Youth Federation, Japan Junior Chamber and the Mainichi Daily News of Japan.

- Foreign firms may sell bonds (26th November)

Foreign companies may be able to sell bonds in China within a year as the government expands its domestic capital markets, according to China International Capital Corp (CICC), the No 2 underwriter of yuan debt this year.

"The first group of future international issuers is likely to be blue-chip companies," John Cheng, CICC's investment banking managing director, said in an interview on Tuesday.

Overseas "firms will increase their presence in China and they'll need to match their growing yuan assets with instruments in yuan, be it debt or equity," he said.

China is urging domestic companies to tap bond and equity markets for funding and reduce reliance on banks after regulators said record loan growth poses risks. Authorities will consider allowing sales of high-yield corporate bonds to provide new sources of funding, People's Bank of China Deputy Governor Hu Xiaolian said on Nov 18.

Outstanding corporate debt rose almost threefold to 2.1 trillion yuan at the end of October compared with 2006, Hu said at a forum in Beijing.

The government has encouraged a \$1.3 trillion credit boom this year to complement its monetary and fiscal stimulus plans, propelling the economy last quarter to its fastest pace of expansion in a year.

The government may need to rein in loan growth to "prevent the emergence of inflationary pressures and asset bubbles", the Organization for Economic Cooperation and Development said on Nov 20.

The five biggest banks - Industrial & Commercial Bank of China Ltd, China Construction Bank Corp, Bank of China Ltd, Agricultural Bank of China and Bank of Communications Ltd - extended a record 4.7 trillion yuan of loans in the first nine months. They submitted money raising plans to regulators after that record lending eroded their capital, people familiar with the matter said.

Domestic debt sales almost doubled to 1.8 trillion yuan this year, according to data compiled by Bloomberg. Beijing-based CICC underwrote 174 billion yuan of transactions, ranking second after ICBC, the world's biggest bank by market value.

Minor modifications to regulations would be required for foreign companies to be able to tap the market, Cheng said. Some "companies have expressed interest but no formal applications have been made", he said, declining to name any companies.

Coca-Cola Co, the world's largest soft-drink maker, said on Nov 23 it plans to more than double bottling plants in China over the next decade, aiming to triple sales.

Inter IKEA Center Group, a developer of shopping malls that have an IKEA store as an anchor tenant, plans to invest as much as \$1.2 billion in the world's fastest-growing economy over the next five years, it said on Tuesday.

Coca-Cola Hong Kong-based spokesman Geoff Walsh wasn't available for immediate comment. Kastrup, Denmark-based Inter IKEA Center didn't respond to e-mails to its Shanghai office.

The Manila-based Asian Development Bank and the World Bank's International Finance Corp unit are among supra-nationals that have sold so-called panda bonds, or yuan-denominated notes issued by foreign entities in China, Bloomberg data show.

Domestic sales by overseas companies would probably differ from the panda market in that they wouldn't be coordinated by the Ministry of Finance, Cheng said.

HSBC Holdings Plc's China unit joined a group managing a bond sale for Bank of Shanghai Co, becoming the first foreign lender to participate in the underwriting of a yuan-denominated financial bond in China, it said on Nov 17. A unit of the London-based bank sold yuan bonds in Hong Kong in June.

As China's corporate bond market develops, so will its fledgling derivatives market, according to Cheng.

"When you buy bonds in China now you cannot lay off different risk components," he said.

"In order to do this, domestic derivatives instruments are needed. For a full market to develop, you need these auxiliary tools."

- Ship-equipment maker to raise 6.4b yuan through float (26th November)

China Shipbuilding Industry Co, the nation's largest maker of vessel equipment, plans to raise at least 6.4 billion yuan selling shares as China tries to pare its reliance on Japanese and South Korean marine engines.

The company will use the Shanghai IPO funds to build or expand 22 projects, boosting its capacity to make engines and other parts, according to a stock exchange statement yesterday. The price range for the sale, comprising as many as 1.995 billion shares, or a 30 percent stake, will be announced on Dec 3.

Chinese companies have raised 141.5 billion yuan in mainland initial public offerings this year, 37 percent more than in the whole of last year, as a State stimulus helps the nation's economy weather a global recession.

The government wants locally made components to account for 80 percent of Chinese-made vessels by 2015, as part of a wider drive to surpass South Korea as the world's biggest shipbuilding nation.

"In the mid and long-term, China Shipbuilding will benefit from the government's push to develop the local industry," said Zhou Fengwu, an analyst at Orient Securities Co.

"At present though, the ship-equipment industry is in the same boat as the shipbuilders, which are all suffering from falling orders."

The nation's new-ship orders fell 70 percent to 16.9 million deadweight tons in the first nine months, according to the China Association of National Shipbuilding Industry, as the global recession and slumping trade damped demand. The total backlog stood at 192.4 million deadweight tons at the end of September, down 6 percent from the beginning of the year, according to the group.

Calls to China Shipbuilding went unanswered. China International Capital Corp will manage the stock offering. The shares will be sold to institutional investors on Dec 4 and retail investors on Dec 7.

Chinese shipbuilders delivered 23 million tons in the first nine months, compared with 20.7 million tons for the whole of 2008. China's ship-equipment makers reported a 43 percent increase in industrial output to 43.8 billion yuan in the period, according to the association.

China Shipbuilding has benefited from government subsidies, which accounted for 21 percent of profit in the first half. Last year, net income rose 52 percent to 1.22 billion yuan, the statement said. Sales jumped 41 percent to 16.1 billion yuan.

Global shipbuilding contracts fell 85 percent in the first nine months, according to Clarkson Plc, the world's largest shipbroker. South Korea and China won 88 percent of those orders.

The two nations hold 73 percent of the total global ship-order backlog, according to Clarkson.

- Sinopec, TPG considering joint bid for LyondellBasell (26th November)
China Petroleum & Chemical Corp (Sinopec), the nation's biggest oil refiner, and US buyout firm TPG have weighed a bid for bankrupt chemicals company LyondellBasell Industries AF that could challenge Reliance Industries Ltd's offer of about \$12 billion, said two people familiar with the matter.

Sinopec and TPG reviewed LyondellBasell's finances and discussed making a joint bid, said the people, who asked not to be identified because the negotiations are private. It was unclear whether one or both of the parties will proceed with an offer, and the sale process remains fluid, the people said.

A buyer would gain US chemical assets that use natural gas as a raw material, which is cheaper than the oil-based ingredients mainly used in Europe and Asia, said Mark W. Connelly, an analyst at Sterne Agee & Leach Inc in New York. LyondellBasell collapsed less than two years after it was created in a \$12.7 billion buyout led by billionaire Len Blavatnik's Access Industries Holdings.

"It's a good company that had a bad balance sheet at the wrong part of the business cycle," Carl Blake, a Washington-based analyst at Gimme Credit LLC, said in a telephone interview. "It was over-leveraged and got caught in a commodity cycle that went to hell in a hand basket."

Bonds of LyondellBasell's Arco Chemical Co unit climbed to an 18-month high on the news. Arco's \$225 million of 9.8 percent senior secured bonds due in 2020 rose 2.5 cents to 83.5 cents on the dollar as of 4:23 pm yesterday, the highest since May 21, 2008, after gaining 8.875 cents the previous day, according to Trace, the bond-price reporting system of the Financial Industry Regulatory Authority.

Any bids for Rotterdam-based LyondellBasell, which filed for bankruptcy in April, may compete against a reorganization plan including a rights offering backstopped by Access, Apollo Management LP and Los Angeles-based Ares Management LLC, the people said. TPG, the Fort Worth, Texas-based buyout firm founded by David Bonderman, made an earlier bid to backstop the offering that was rejected, the people said.

Representatives at TPG, Access and Apollo declined to comment. Sinopec's Beijing-based spokesman Huang Wensheng also declined to comment. Bill Mendel, an Ares spokesman, confirmed the investment firm is part of a group backstopping the rights offering.

LyondellBasell is being advised by Evercore Partners Inc, according to a person familiar with the matter. An Evercore representative declined to comment.

Reliance, the oil refiner and explorer controlled by Indian billionaire Mukesh Ambani, on Nov 21 said it offered an undisclosed amount of cash for a controlling stake in the company. Perella Weinberg Partners is advising Reliance on its bid and JPMorgan Chase & Co is helping arrange financing, according to people familiar with the matter.

Officials at Perella Weinberg and JPMorgan declined to comment. Reliance spokesman Manoj Warrier declined to comment on its advisors or the value of its bid.

LyondellBasell was formed in December 2007 when Basell AF bought Houston-based Lyondell Chemical Co. About 55 percent of sales last year were in North America and 38 percent in Europe.

The company has \$7.06 billion in bonds and loans maturing next year and an additional \$20 billion due through 2027, data compiled by Bloomberg show. It is asking creditors to forgo about \$18 billion of that under the reorganization plan filed with a US court, Somshankar Sinha and Vikash Jain, analysts at CLSA Asia-Pacific Markets, said in a note.

- Gindalbie may get funding from CDB (26th November)

Western Australian iron ore producer Gindalbie Metals Ltd and Chinese steelmaker Anshan Iron & Steel Group Corp (Angang Group) are planning to invest A\$1.8 billion to develop the Karara iron ore mine in Australia and expect to obtain loans amounting to \$1.2 billion from China Development Bank by early next year.

The Australian miner said it has got a letter of commitment from China Development Bank (CDB) and is discussing the detailed term sheet, according to the company's Chief Executive Officer Garret Dixon.

The accord may be signed by the end of this year, though more likely early next year and the terms of the loan are "very competitive", Bloomberg quoted the company chief as saying.

Work on the Karara project estimated to have a production capacity of 8 million tons of magnetite and 2 million tons of hematite annually started in November this year.

Analysts said Chinese steelmakers have not been successful in buying high-grade iron ore mines, as the Australian government is not keen on selling high quality assets.

But the quality of Australian iron ore is generally better than that in China, said industry analyst Zeng Hai with Guolian Securities.

Angang and Gindalbie hold 50 percent each in the Karara project, located 225 km east of the Geraldton Port in Western Australia. It is expected to start production in 2011 and would supply iron ore concentrates of at least 8 million tons per year to the Chinese steelmaker.

Angang Group imports only 20 percent of its iron ore requirements from abroad and is less reliant on foreign resources compared to other steelmakers. Baoshan Iron & Steel Co, China's largest steelmaker, imports 95 percent of its raw material requirements from other countries, according to a research note by China Chengxin International Credit Rating.

Chinese steelmakers will have stronger bargaining power in price negotiations only if they have access to more iron ore reserves, Zeng said.

Angang Group holds 36.28 percent stake in Gindalbie Metals and is the majority shareholder in the Australian miner after two share placements in June 2007 and early 2009.

- Baidu to boost search engine market share with new services (26th November)

Chinese search engine Baidu Inc yesterday launched two services for mobile users, in an effort to gain an edge and market share in the world's largest mobile market.

Baidu launched its client software that combines search and other functions it offers on the PC Internet. With this software, mobile users can access search services much faster than WAP browsers, Baidu said.

The company has also come out with a new mobile software input method. Baidu had earlier acquired Shanghai-based DayHand Networks Co Ltd, a mobile software company. DayHand is the developer of the input method.

"Input method may not be a profit-generator, but users tend to have high loyalty to software of this kind, and companies are able to segmentalise customers better," said Fang Li, an analyst with research firm Analysys International.

Earlier this month, Baidu's major rival Google launched a Chinese-language voice search service, which can help Chinese users use Google's existing search services via mobile phones. Google said it expects its mobile search business to surpass the PC-based Internet search business.

"Google has two main mobile services, Web search and Google Maps. It is trying to improve its brand recognition among users by perfecting its main services," said Fang.

"Baidu, as a home-grown company, has already made its mark and is now focusing on diversified mobile services," Fang said. "That's why it has come out with its own input method."

Baidu said it was going to continue its cooperation with telecom carriers and other players.

Last month Baidu signed a partnership with China Unicom to provide wireless search for the carrier's 3G mobile subscribers.

According to Analysys International, Google is still lagging market leader Baidu, which had 63.9 percent of the search market share during the third quarter of this year. But in China's mobile search market, Google's share reached 26.6 percent in the second quarter of this year, higher than Baidu's 26 percent.

Mobile Internet users in the country reached 192 million by the end of September this year, an increase of 62.7 percent year on year, and the number of computer-based Internet users grew to 360 million during the same period, according to the Ministry of Industry and Information Technology.

- China leads record iron ore spending (26th November)

CITIC Pacific Ltd, an arm of China's biggest State-owned investment company, is leading record spending on low-grade iron ore mines in Australia to profit from surging demand as well as to diversify supply.

As much as A\$18 billion (\$16.6 billion) is being spent on so-called magnetite iron ore projects, 36 percent more than a year ago, according to data from the Australian Bureau of Agricultural and Resource Economics. CITIC Pacific this month said it signed sales accords for its \$4 billion project.

China is pumping cash into developing the mines as its steel mills are forecast by Rio Tinto Group to consume more iron ore during the next five years than Australia has shipped throughout history.

Bankrolling rival suppliers will help counter the market dominance of Rio and BHP Billiton Ltd who are forming a production joint venture in Australia.

"If this BHP-Rio joint venture goes ahead, the Chinese will feel even more under threat," said Peter Chilton, who holds BHP and Rio shares at Constellation Capital Management Ltd in Sydney.

"There are a lot of small projects on the go. If China takes more direct control of these and promotes them with an Australian partner or on their own, at least it guarantees them extra supply."

CITIC Pacific gained 0.47 percent to HK\$21.5 yesterday in Hong Kong trading. The stock has more than doubled this year.

Rio declined 0.26 percent to A\$71.7 on the Australian bourse. BHP gained 2.4 percent to A\$41.19. London-based Rio is the world's second-largest exporter of iron ore and Melbourne-based BHP is the third-largest.

China mills

Baosteel Group Corp and Anshan Iron and Steel Group are among steelmakers helping develop projects to mine the lower-grade ore, shunned by Rio and BHP, who ship higher-grade hematite from Australia, the world's biggest exporter. Prices have more than tripled this decade as demand for steel used in construction, cars and washing machines surged.

"The Chinese are prepared to invest in longer-term projects that otherwise would never be built," Evy Hambro, who helps manage BlackRock Investment Management Ltd's flagship \$11.6 billion World Mining Fund, said in an interview in Melbourne.

"Projects that would not necessarily get banking finance from Australian or European or US banks might now get project finance from Chinese customers or Chinese banks."

Australia has two operating magnetite projects at Grange Resources Ltd's Savage River in Tasmania and OneSteel Ltd's Whyalla Steelworks in South Australia. They each produce less than 2 million tons a year, compared with CITIC Pacific's 28 million-metric-ton Sino Iron project. That mine at Cape Preston, 100 km southwest of Karratha in Western Australia's Pilbara region, is scheduled to start in the fourth quarter next year.

"It's only the Chinese who can make the magnetite make sense to them at the moment," said Romano Sala Tenna, who helps manage A\$35 million at Perth-based Katana Capital Ltd. "They do see the long-term need."

Magnetite has higher production costs than hematite because it needs more processing. Hematite ore accounts for about 96 percent of Australia's output, according to Gindalbie Metals Ltd.

To drive the processing plant at its project, CITIC is building a 450-mW power station. That capacity is equivalent to the current energy needs of the entire Pilbara region, which hosts 18 iron ore mines operated by Rio and BHP as well as other mines and towns.

The Sino Iron magnetite project "clearly must be seen as a test case for the whole of the industry and Australia," Barry Fitzgerald, chief executive officer of CITIC Pacific's Australian unit, said in an interview. "There's a specific need for our product. China demand will continue."

Ore imports reached a record in September and prices may rise 5 to 10 percent next year as suppliers have more pricing power, Nanjing Iron & Steel United Co said on Nov 19.

- Conference delegates address global and local concerns (26th November)

The third International CEO Roundtable of Chinese and Foreign Multinational Corporations was held in the China World Hotel, Central Business District (CBD), from Nov 14 to Nov 15, 2009.

The conference was co-sponsored by the China International Institute of Multinational Corporations, the UNCTAD, UNDP, UNIDO, UNEP and the Organization of the United Nations Global Compact. It was co-hosted by the Beijing Municipal People's Government of Chaoyang District and the China International Institute of Multinational Corporations.

With regard to strategies for coping with the global financial crisis and promoting economic recovery, the conference adopted "Through Joint Efforts, Bridging Difficulties and Promoting Development" as its theme. It staged a number of high profile forums, including discussions on transformation and transition during the financial crisis, finance and capital, a roundtable of industrial and commercial leaders regarding clean coal development and a session entitled "Bring in" and "Go Global" for development.

Some ministerial level speakers gave memorable addresses during the conference.

They all shared the view that the conference provided a unique platform for Chinese and overseas businesses to enjoy a frank and free exchange of views.

China's steel exports to the US and Europe have been priced three times higher than they have been domestically.

GONG HONGLIANG
Shanghai Steel Pipe Industrial Association

It played a positive role for both Chinese and foreign multinational companies in promoting market development and seeking out business opportunities. Lu Wei and Liao Wei covered the event.

- Steel firms blast US' latest levies (26th November)

China railed against the United States' decision to slap anti-subsidy duties on Chinese-made steel pipes for the oil industry, the latest trade dispute between the two nations.

The taxes imposed range from 10-16 percent and will impact \$2.7 billion worth of Chinese steel pipe exports, making it the largest trade measure the US has ever launched against China.

"The ruling is discriminative. China is strongly against it," said Yao Jian, spokesman for the Ministry of Commerce, in a statement yesterday.

Yao contends that the US incorrectly calculated the market value of the pipes, relying on information from other nations to evaluate the subsidy instead of using price figures from Chinese producers.

Beijing will likely appeal to the World Trade Organization, said Wu Xinchun, deputy secretary-general of China Iron & Steel Association.

The taxes from the US Commerce Department are down from its preliminary evaluation in September, when possible duties were as high as 30.69 percent. US officials said the plan counteracts China's improper loans and tax breaks to Chinese steel pipe companies.

And the ruling comes days after US President Barack Obama wrapped up his four-day China visit, during which he and President Hu Jintao agreed to resist protectionism.

Zhejiang Jianli Enterprise Co Ltd was slapped with the highest duty of 15.78 percent, followed by Wuxi Seamless Pipe Co (duty of 14.61 percent) and Jiangsu Changbao Steel Tube Co (duty of 11.98 percent).

Tianjin Pipe Group Co faces a levy of 10.36 percent. Other producers will have duties of 13.20 percent.

The controversial issue moves next to the US International Trade Commission, which has by Jan 7 to decide whether the exports hurt the US domestic industry.

The decision to impose anti-subsidy tariffs will hold if the commission rules that damage does exist.

"The US move is neither fair nor reasonable," said He Weiwen, a council member of China Society for American Economy Studies.

He said Chinese companies are the victims of trade protectionism. Since the US doesn't recognize China as a market economy, it chose a third country, whose costs could be higher than China, to evaluate the costs of Chinese goods.

"The US only have one thing in mind, and that is, protecting its industry," he said.

Wu agreed in a report by Bloomberg. He said that the US' decision is "pure trade protectionism".

A Chinese steel pipe producer said the US move has no basis and hurts its business.

"We did not dump goods. China's steel exports to the US and Europe have been priced three times higher than they have been domestically although the cost has been reduced by 20 percent in the past few years," said Gong Hongliang, vice-director of Shanghai Steel Pipe Industrial Association.

In April, major US steel makers represented by the US Steel Corp and the United Steelworkers Union filed the complaint to the US Commerce Department on anti-dumping and anti-subsidy duties against Chinese exports. The two bodies said they were hurt by a 358-percent surge in pipe imports from 2006 to 2008.

The anti-subsidy tariffs were only part of the punishment the US has imposed on Chinese steel pipes.

Earlier this month, the US announced its preliminary ruling on imposing anti-dumping tariffs ranging from 36.53-99.14 percent on 37 Chinese exporters of steel oil pipes. The case affects \$3.2 billion worth of Chinese exports, which account for 50 percent of Chinese steel exports to the US last year.

The cases are among a rising number of trade disputes for China with not only the US but with many other nations.

Although leaders from both China and the US have vowed to combat trade protectionism, Washington this year launched 14 probes into Chinese exports.

From January to September, 19 economies launched 88 probes into Chinese products, involving more than \$10 billion in exports. These included 57 cases of anti-dumping, nine of anti-subsidy, 15 of safeguarding measures and seven cases of special protection.

- Efforts underway to cool hot money flow (27th November)

After a string of emerging countries - including India, Indonesia, Thailand and Brazil - began to target the flow of short-term speculative capital, many experts believe China will step up its efforts to control the flow of so-called hot money.

The deputy governor of China's central bank, Yi Gang, said on Wednesday Chinese authorities will increase surveillance on flows of speculative money. And on the same day, the State Administration of Foreign Exchange tightened rules on individuals transferring yuan and foreign exchange between bank accounts.

Many analysts interpreted the rules as a way to control cross-border transfers, an important channel for hot money flowing into China.

Under the rules, individuals and companies from overseas can no longer send foreign currency to five or more Chinese individuals for conversion into yuan on a single day or on consecutive days.

In addition to more scrutiny of cross-border fund flows, China's policymakers are "likely to increase support for outbound investments", said Jing Ulrich, chairman of China Equities and Commodities at JPMorgan.

However, Liu Yuhui, director of the Center for Chinese Economic Evaluation at the Chinese Academy of Social Sciences, warned that the rule may have limited impact on the influx of hot money, because there are other ways speculative capital can enter China - including through current accounts.

Although there is no official data on how much hot money flows into China, Liu and other economists believe it is substantial.

"Since the second quarter of this year, there has been a mysterious infusion of about \$30 billion poured into the nation's already huge foreign exchange reserves each month," said Liu.

Wang Yuanhong, senior economist with the State Information Center, said China is attractive to speculators because equity and property prices are at a relative low level and because there are fewer risks of policy tightening this year than next year.

Hot money has already helped fuel bubbles in the equity and property markets and added inflationary pressures.

Shanghai's dollar-denominated B-share index plunged 7.3 percent on Tuesday, after surging 26 percent earlier this month. Analysts blamed the rise on hopes that China would allow the yuan to appreciate. They suspect Tuesday's fall was down to a cooling off of such talk.

Li Wenjie, general manager of property agency Centaline China (North China region), told China Daily there had been a strong speculative sentiment in China's property market since mid-2009 and confirmed that many foreign investors were buying apartments in China, betting on surging property prices.

Chinese authorities will soon find themselves in a trap. Once the country starts to see inflation in 2010, the obvious response will be to appreciate the currency or raise interest rates, both of which will attract more hot money and fuel inflation.

The dilemma is deepened by recent indications that the US Federal Reserve may hold its rates steady until 2011.

- China to maintain macro-economy in 2010 (27th November)

China will continue the proactive fiscal policy and moderately easy monetary policy next year, the Political Bureau of the Communist Party of China (CPC) Central Committee agreed Friday.

Bureau members at a meeting chaired by President Hu Jintao, also general secretary of the CPC Central Committee, agreed the government would maintain continuity and stability in its macroeconomic policies.

More efforts would be made to improve the quality and efficiency of economic growth, to promote the transformation of the economic development pattern and structural adjustments, according to a statement released after the meeting.

The meeting vows to enhance the focus and flexibility of economic policy in the following year according to new situations. It urges to further carry out and enrich the economic stimulus package to make the economy grow in a more stable, balanced and sustainable way.

China's economy grew 8.9 percent year on year in the third quarter this year, accelerating from 7.9 percent in the second quarter and 6.1 percent in the first quarter.

The statement also said that more efforts would be made to promote reform and opening up and innovation, enhance the vigor and momentum of economic growth, improve people's livelihood and maintain social stability.

During next year's economic work, the government would improve policies to spur consumption and ensure investment grow at a reasonable pace, it said.

The government aims to boost domestic demand, especially the sustainable increase in consumption next year. It also vows to improve policies to stabilize external demand, actively increase imports and encourage companies to invest overseas, said the statement.

The statement called for improvements and implementation of policies to encourage private investment as well as increasing support to sectors including agriculture, science and technology, education, public health, culture, social security, energy saving and environmental protection.

The government pledged to "actively" deal with climate change next year by implementing measures to cut its carbon intensity and improve energy efficiency, according to the statement.

The government would step up construction of major projects related to energy conservation and environmental protection in 2010, it said.

Other issues on the 2010 economic work agenda included enhancing efforts to boost employment, promoting development in rural areas and increasing farmers' earnings, implementing stimulus plans to support key industries, and deepening the reform of medical and health system, according to the statement.

- No change in fiscal, monetary policies (28th November)

China's top decision-making body on Friday pledged to maintain its pro-growth fiscal and monetary policies next year amid growing concerns that rising prices could create an asset bubble.

"We will maintain the continuity and stability of the macro-economic policy," Xinhua News Agency said, quoting the Political Bureau of the Communist Party of China (CPC) Central Committee.

The Political Bureau meeting, chaired by CPC Central Committee General Secretary Hu Jintao, on Friday used the exact wording - "active fiscal policy and relatively loose monetary setting" - which it adopted a year ago for its pro-growth policy.

The decision comes after Dubai's debt crisis, which came to light a few days ago, renewing worries that the global financial meltdown was not yet over.

The announcement is supposed to set the tone for the upcoming central economic work meeting, where next years' economic growth policies will be decided.

Jia Kang, director of the Research Institute for Fiscal Science, affiliated to the Ministry of Finance, said the message from the meeting was that China would not adopt the exit strategy now. Instead, the policies would be "adjusted" according to the demand of different sectors.

The meeting also said there was a need to make the policies more flexible, especially to change the GDP growth's focus from quantity to quality.

Many economists have been criticizing the country's imbalanced and unsustainable nature of growth, which is driven by high investment, heavy industry and exports.

Analysts and investors had been looking closely at the meeting for clues of policy changes because the government's \$586-billion stimulus package had succeeded in boosting growth and helping overcome the impact of the global downturn.

"I think it may be a prelude to exit strategy. The economic policies need to be changed gradually instead of a sudden reverse," said Han Qi, a professor of Chinese economy at the University of International Business and Economics.

Liu Junyu, China Merchants Bank macroeconomics analyst, said that the government might switch to neutral wording on economic policies in mid-2010, and its exact timing would depend on the strength of the recovery against the risks of bad loans, asset bubbles and resurgent inflation.

"We believe the government will maintain the pace of bank lending, although it may not be as massive as this year's," Liu said. The total lending next year could be between 6 and 8 trillion yuan.

Morgan Stanley analyst Wang Qing believes it is too early for the country to adopt tightening measures because the recovery is still in the early stage and there are still a lot of uncertainties.

Wang said he feared a slump in China's stock market after Dubai's attempt to reschedule its debt amid signs of fragile market sentiment.

- China Pacific gets nod for public float (28th November)

China Pacific Insurance Co Ltd on Friday got the green light from Hong Kong Stock Exchange for its \$3.4 billion share float in Hong Kong.

The company has wrapped up the regulatory inspection process and is likely to launch the road show as early as next week in order to get listed before the end of the year, the Shanghai-based Oriental Morning Post reported.

The nation's third largest life insurer received approval from China's top securities regulator on Wednesday and would list no more than 990 million shares in the overseas market, it said in a statement filed to the Shanghai Stock Exchange.

"The Hong Kong listing will help the company step up its business expansion and compete with bigger domestic rivals like China Life and Ping An," Zhao Xinan, a Shanghai-based analyst with Northeast Securities said.

The Shanghai-listed shares of China Pacific closed at 23.84 yuan on Friday, down 4.3 percent from the last trading session, mirroring the recent bearish trend of the Shanghai bourse.

"It is understandable that the insurer's A shares danced with the general downtrend of the stock market, as investors have largely priced in the IPO news," Zhao said.

China Pacific, partly owned by American private equity firm Carlyle Group, said in August that it expected to price its H share at around 23.5 yuan, and plans to raise around 23.5 billion yuan from its Hong Kong listing.

In the first three quarters, the insurer reported a net profit of 4.1 billion yuan, up 4.8 percent from a year earlier, while revenue reached 81.4 billion yuan, down 1.1 percent from a year ago.

The insurer, which had suspended its Hong Kong IPO plans last year due to the depressed stock market, has joined a number of other domestic companies in pursuing fundraising opportunities in Hong Kong stock market this year, which rallied nearly 50 percent since the beginning of 2009.

China Minsheng Banking Co, which saw its shares become tradable on Thursday, raised about HK\$30 billion in Hong Kong's biggest IPO since April 2007. However, its shares fell 4.5 percent after its debut, beating market expectations.

The stock market has shown signs of strain due to the massive fund raising activities this year, analysts said.

- Appliance Special: BSH China commits to build bigger presence on mainland (28th November)

"Our company has done well in China over the years and will continue to build a bigger presence in the Chinese market," said Roland Gerke, CEO and president of BSH China.

Joining Bosch-Siemens Home Appliances Ltd shortly after graduation from Freie Universitaet Berlin in 1985, Gerke has worked his way up - he has been a sales manager, a senior sales manager, a general manager (sales) before taking up his present position in 2002.

As one of the founders of BSH China, he has witnessed the company's rapid development since it first entered the Chinese market in 1994.

He said: "We have four companies in China now and around 6,500 employees. We also have a complete sales and after-sales service network in 30 provinces, covering 600 cities and 1,900 counties."

After years of development, BSH China has become one of the most successful international players in China's highly competitive marketplace.

It has now successfully established the brands "Siemens" and "Bosch" in the premium segment. Its product portfolio ranges from locally manufactured cooling, laundry and cooking products, as well as electric water heaters, small consumer appliances, to imported high-end kitchen appliances, including dishwashers and ovens, to match the changing needs of Chinese consumers.

The company aims to be the industry benchmark in the areas that have become its hallmarks - innovation and quality, environmental protection and social responsibility.

The company has generated healthy profit margins over many years, which it attributes to its continuous efforts in seeking out innovative solutions.

As a result, it has introduced many breakthrough technologies and cutting-edge products, including refrigerators, washing machines and kitchen appliances.

Social responsibilities

Whilst manufacturing quality products, the company has always put environmental protection high on its agenda. It regards it as a key part of its sustainable development program and its commitment to social responsibility.

All its production sites are equipped with environmental management systems to ensure compliance with both statutory and internal regulations. It also strives for continual improvements to the company's environmental performance.

Out of strong sense of social commitment, BSH China has made a considerable number of donations in the field of disaster relief, as well as supporting social and cultural activities, over the years.

It has launched projects making enormous contributions to raising people out of poverty, including staging an exhibition of "arty" refrigerators - many of which were auctioned and all the funds raised donated to improve the medical and nursing conditions of mothers and infants in underdeveloped areas.

When the major earthquake hit Wenchuan county in Sichuan province last year, affecting millions of people, BSH China not only donated money, but also sponsored an educational training program for the teachers from the disaster-stricken area in December 2008, alongside the China Youth Development Foundation.

Quick recovery

When asked about the impact the global financial crisis on the company, Gerke is confident that business did not really suffer as much as a number of others in the sector.

Explaining its success, he said: "The local government has been very supportive and helpful, as they have always been since the day we first came here. It is also partly due to the central government's stimulus policies."

Gerke said: "The period from last October to April this year was rather hard for us, but our business has witnessed a quick recovery since May and yielded an increase of 41 percent in June, compared with that of last year.

"We have every confidence in the Chinese market and have continuously expanded our investment over the years."

In March 2008, its new "side-by-side" factory, representing an investment of 250 million yuan, was opened in Chuzhou in Anhui province. Later that same year, in October, the new BSH electric water heater factory, an investment of some 65 million yuan, began production in Nanjing.

"We have invested another \$90 million in China this year, mainly in the refrigerator factory in Chuzhou and more investment will follow next year," said Gerke.

Turning to discussing day-to-day life in Nanjing, Gerke confesses he is more than comfortable with his living environment. He said: "Nanjing is a nice place to both work and live. The city has a rich culture, a good natural environment and a convenient transport system

"It will surely become more prosperous with further improvements to its infrastructure and the addition of more international company headquarters."

- China trade delegation signs series of deals with French enterprises (28th November)
Visiting Chinese Commerce Minister Chen Deming and French Finance Minister Christine Lagarde oversaw the signing of more than 40 contracts between a Chinese business delegation and French enterprises here on Friday.

The Chinese procurement team, led by Chen, participated the economic and trade cooperation forum and talks with French enterprises at the French Ministry of Economy, Finance and Employment.

The delegation, including representatives from over 140 Chinese enterprises, signed series of agreements with their French counterparts, covering various fields including automobiles, machinery, aviation, nuclear energy, transportation, electricity, telecommunications and service industries.

Largard spoke highly of the Chinese delegation in her address to the opening ceremony of the forum. French Prime Minister Francois Fillon sent a letter in the morning to Chen to expressed his welcome.

France attached high significance to this forum, through which the enterprises of two countries can exploit new cooperation areas and reach fruitful agreements, so that Sino-France relations can also gain energy for further development, Fillon said in the letter.

Chen affirmed the importance of China-France cooperation in his speech on the forum.

The impact of the finance crisis is still being felt and there are still uncertainties and destabilizing factors in the world economy, in this context, to promote exchanges between Sino-France enterprises at all levels has great significance for deepening bilateral cooperation and transferring crisis into opportunity, Chen remarked.

The value of the contracts signed on Friday is not known. French State Secretary for Foreign Trade Marie Idrac said some of the contracts have been prepared for a long time, while some others are still under negotiation, .

Cooperation between middle and small-sized enterprises and in field of service industry will be discussed during this forum, Idrac added.

Trade between China and France has experienced a slump since late last year. According to China's customs data, for the first three quarters of this year, the two countries' trade volume stood at about 24.6 billion U.S. dollars, down 15.6 percent from the same period last year. It was the first year-on-year decline since 1996.

Last month, Lagarde visited China with a delegation of leaders from 25 large business group, and on Friday, Idrac has confirmed Fillon's visit to China before Christmas.

With Serbia, Netherland and Ireland also on agenda, the Chinese delegation to France is the tenth and last procurement team to Europe in 2009. Since this February, hundreds of Chinese entrepreneurs and their European counterparts have talked directly and inked series of deals worth around 15 billion U.S. dollars.

Social front

- Exhibits of mainland intangible cultural heritage to show in Taiwan (22nd November)

More than 230 precious exhibits of Chinese mainland intangible cultural heritage including costumes of late Beijing opera artist Mei Lanfang will be displayed at an exhibition in Taipei on Nov. 27, the program organizer said Sunday.

A spokesman with the organizer, the Chinese National Academy of Arts, said the exhibition would help Taiwan audience to appreciate spiritual treasures owned by the Chinese.

Part of the exhibits include Tibetan Tangka, or scroll painting, works related to acrobatics, traditional Chinese medicine and folk customs. The show will also feature folk literature, music, dancing, opera and sports events.

Performances of puppet troupes from southern Fujian Province will be staged in Taipei and public will have chances to attend workshops by mainland craftsmen, according to the spokesman.

- Urgent need for rural doctors (23rd November)

About 60 percent of new medical clinics in Tongzhou district have closed because of a lack of medical staff, a new report shows.

The report on rural medical construction work was presented to a meeting of the standing committee of the city's people's congress on Thursday.

The report found that 67 of the 111 clinics that opened in 2008 had stopped operating.

Of the 44 that remained open, most employed only one medical worker. The report found that Tongzhou has lost about 40 medical professionals from its community health service stations to other counties and districts in the past two years.

"It is hard to hire and keep medical professionals in rural areas, where life could be pretty hard due to unfriendly living conditions, lower incomes and limited career development possibilities," said Fang Laiying, head of the Beijing municipal health bureau.

"Preferential policies should be made to attract college graduates and retired professionals to work at rural health service stations. Moreover, the government would sponsor professional medical education for high school graduates who are willing to work at village clinics.

Li Xu, who lives close to Huoying, Tongzhou district, said patients were unsatisfied with medical services in rural areas.

"I will go to hospitals instead of health service clinics because I can get better treatment in a hospital. According to my experience, doctors in health service stations are not so professional," Li said.

"Treatment in health service stations is not cheap, especially if you received improper treatment. You will pay more for your illness."

A doctor surnamed Yan in Yunjingli residential area of Tongzhou district said: "It is really hard to run a health service station here. People with medical insurance are more willing to go to hospitals instead of small health service stations."

According to the report, most rural areas in Beijing, including Huairou county and Mentougou district, also lack doctors.

At the First Hospital in Huairou, there are only 538 beds for patients but the hospital needs 145 medical workers to appropriately staff medical services.

The report found seven township health centers in Mentougou district need a total of 72 medical workers and Yongding township health centers need 44 doctors.

The report said many medical professionals had gone to other districts for better career development.

"About 35 percent of doctors in rural areas are taking the job as part-time work. This makes the medical service even worse," Fang said.

The exodus of medical staff also means that existing rural doctors are not being replaced when they retire.

The report found that 132 of the 319 rural doctors in Huairou district are aged over 60, meaning 41.4 percent are soon to retire and just 9 percent are under the age of 35.

Similarly, 62 percent of the 427 registered rural doctors in Haidian district are aged over 50.

- China launches program to aid jobless disabled persons (23rd November)

The China Disabled Persons' Federation (CDPF) and the Ministry of Finance on Sunday jointly launched a plan to finance the service toward the jobless with mental and serious physical disabilities.

According to the "Sunshine Home" plan, starting from this year, the central government will earmark 600 million yuan (\$87.8 million) in three years to boost the building of a system caring the disabled people in the country.

Care homes, built either by local governments or by non-profit organizations or individuals, are eligible for the subsidy if they meet the requirements, including facilities and personnel.

Poor families with members who have mental and severe physical disabilities also can apply for the aid if the disabled person is jobless and needs care.

China currently has more than 83 million disabled persons. About 18 million of them suffer mental and severe physical disabilities, and are jobless, said Cheng Kai, vice chairman of the CDPF. Most of them are taken care of by relatives and their families are usually poor.

The latest statistics show that institutions catering to the disabled persons across the country can only house up to 100,000 people.

The plan is a step to guide the government at all levels in further developing service toward the disabled, and build a caring system based on professional institutions, communities and neighborhood, Cheng said.

- HIV/AIDS stigma still exists, survey says (28th November)

Discrimination and stigma against people living with HIV/AIDS is still rife in China despite constant top-down efforts addressing the issue, according to a survey released on Friday.

More than 40 percent of the total 2,096 respondents, all HIV positive, said they had suffered HIV-related discrimination. Also, 12 percent had been denied medical treatment due to their

HIV status, according to the survey, called the China Stigma Index, conducted by the Chinese Ministry of Health, UNAIDS and Chinese civil societies.

The survey is reportedly the first evidence-based report on discrimination in China.

"Eliminating discrimination and stigma, still serious problems in China today, is crucial for an effective AIDS response," said vice health minister Huang Jiefu.

He also conceded that it would take a long time to thoroughly remove discrimination and stigma among all Chinese due to the country's vast territory, diversified social mores and different levels of awareness.

Laws must secure the rights of HIV victims and their families to privacy, marriage, employment, medical care, education and social welfare, Huang stressed.

The government has made great steps in fighting discrimination, which matters to both the sufferers and the healthy, said Michel Sidibe, executive director of UNAIDS.

China has an anti-AIDS discrimination law, which many countries do not have. Also, State leaders have visited AIDS patients every year since 2003 to show their strong anti-discrimination commitment.

However, HIV-related discrimination still exists, "and the lack of public health education - such as people still believing they can get HIV through shaking hands and dining together - is mainly to blame," Huang said.

HIV-positive Yu Xuan (not his real name) echoed these thoughts and shared the experience of a friend, who also has HIV.

"My friend felt hurt when a woman refused to take the seat offered by him after he happened to mention to me his HIV status on a crowded bus," Yu said.

Worse, sometimes the discrimination even kills, he said.

Last spring, a 23-year-old girl, who was HIV positive, died of a gastric perforation as the hospital denied her the operation after learning of her infection, according to Yu, who was a friend of hers.

"Under such circumstances, it's hard for the sufferers to come out fully in public," said Yu Xuan.

Currently, an estimated 740,000 HIV positive people live in the country, while another 50 million are considered at high risk of the disease, official statistics showed.

- China upgrades first-aid squad for mine accidents to national emergency rescue system (28th November)

China's Ministry of Health and State Administration of Work Safety have agreed to upgrade the country's mine medical rescue center to part of the national emergency rescue system.

After the incorporation, the two authorities will both directly command the rescue center and dispatch first-aid experts when mine accidents and health emergencies happen.

Wang Xiaoming, director of the mine medical rescue center, told Xinhua on Friday that the center would expand its first-aid experts pool to about 1,500 members.

The government would also organize more professional trainings for the experts to deal with medical emergencies in other industries, said Wang.

The rescue center for mine accidents was set up in 2003 and now has 42 sub-centers, which have helped saving more than 2,500 lives in more than 5,400 mine accidents.

Mine accidents have been a major threat to work safety of China. The latest coal mine blast in Hegang City of northeast Heilongjiang Province killed 108 miners.

Ethnic issues

Environmental front

- Substantial climate deal sought after (26th November)

Chinese negotiators have started a new round of campaigning in their battle to secure a meaningful climate change deal at the upcoming Copenhagen summit.

The nation's top climate change negotiators said Beijing will not accept an empty political declaration at the summit next month. Instead, the country will settle for nothing less than a global deal with "substantial content".

Yu Qingtai, China's climate ambassador, said any deal should lock in achievements already made during the two years of negotiations that have already taken place in the run-up to the Copenhagen conference.

Following Yu's lead, China's climate change special envoy, Xie Zhenhua, and Su Wei, climate change department director with the National Development and Reform Commission (NDRC), both plan to hold press conferences this week on the issue.

Yu said the international community has agreed that rich countries should set a significant target for carbon emissions reduction, and he said nations have already decided that an effective mechanism should be formed to transfer capital and technology to poorer countries.

Meanwhile, under agreements reached so far, developing countries should take proper steps to mitigate global warming after receiving aid and technical assistance.

"The consensus can enrich the deal," said Yu, who told China Daily his team had been burning the midnight oil prior to their departure for Copenhagen next week.

However, Yu said China will not set a binding carbon reduction target at the summit, despite pressure from many countries for Beijing to accept such a goal.

It is not yet known who will lead the Chinese delegation at the summit, which will take place Dec 7-18 in the Danish capital. The UN has said more than 40 heads of state have indicated they will attend. The White House has said Barack Obama will also attend.

On Tuesday, Li Gao, a division director with the NDRC's climate change department, said China will "help bring about a meaningful result and try to make the summit successful".

"We hope the Copenhagen summit will become a milestone in mitigating global warming, and China has always been playing an active role in the process," said Li. "China will try everything possible to make the Copenhagen summit a success and will not end the summit with an empty political declaration."

But Li did not elaborate on what China might be able to do to make the meeting a success.

Yang Fuqiang, director of global climate change solutions at WWF, said the comments from the top negotiators show China will be pushing for a legally binding document that includes progress already made.

"For instance, Japan has pledged to lower the country's greenhouse gas emissions by 25 percent by 2020 from 1990 levels. Similarly other countries have also made some proposals," Yang said.

According to unnamed analysts, China may accept the latest proposal from rich countries on emissions targets, even though they fall short of the earlier suggestion that developed countries should cut carbon emissions by at least 40 percent by 2020 from its 1990 baseline.

"China has demanded that the international community does not backtrack from what has been agreed," Yang said.

European countries were blamed for backing away from earlier commitments during the previous round of climate change talks in Bangkok. During those negotiations, Europe sided with the US in calling for a separate mechanism away from the Kyoto Protocol, according to Li Gao.

He added that China will try to coordinate its stance with the EU during the Sino-EU summit at the end of this month.

The document that will be drafted at the Copenhagen summit may also include mitigation plans from developing countries, Yang said.

Yu Qingtai said China's hopes before Copenhagen are uncomplicated.

"Our demand and expectation for the conference in Copenhagen is very simple. We hope everyone will do a good job in meeting the commitments that they have already made," Yu said. "As long as the countries fulfill their respective commitments and take due actions, based on the principle of common but differentiated responsibilities, the Copenhagen summit should be, and must be, successful."

- Chinese Premier Wen to attend Copenhagen climate summit (26th November)
Chinese Premier Wen Jiabao will attend the climate summit in Copenhagen, Denmark, next month, according to the Chinese Foreign Ministry.

"The Chinese government has decided Premier Wen will attend the 15th Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC) from Dec. 7 to 18 in Copenhagen," ministry spokesman Qin Gang told a regular news briefing.

The conference is also the 5th signatories' meeting of the Kyoto Protocol.

"Wen's presence at the meeting fully embodies the Chinese government's great attention to the issue and its political willingness to address the issue with international cooperation," Qin said.

The conference is expected to renew greenhouse gas emissions reduction targets set by the UNFCCC Kyoto Protocol, the first stage of which is to expire in 2012. It is also expected to outline the post-2012 negotiation path.

Qin said China had actively engaged in international cooperation, and regarded the UNFCCC and the Kyoto Protocol as the major channels and basic legal framework for the international community to deal with climate change.

Qin reaffirmed China's adherence to the principle of "common but differentiated responsibilities."

"We hope the Copenhagen conference will make fair and reasonable arrangements following the mandate of the Bali Road Map and strengthen the comprehensive, effective and sustained implementation of the UNFCCC and the Kyoto Protocol," said Qin.

- Clean coal technology model enterprises announced (26th November)
The first Chinese companies to be designated as UN Clean Coal Technology Model Enterprises were announced during the third International CEO Roundtable of Chinese and Foreign Multinational Corporations last weekend.

The companies selected were Shaanxi Yanchang Petroleum Group Co, Shanxi Jinmei Group Co, Inner Mongolia Taixi Coal Group Co Ltd, Shanxi Xishan Coal and Power Group, Shanxi Lu'an

Group, Shaanxi Shanxian Coal Co Ltd, Shanxi Shanchang Mineral Group, Huangling Mineral Group Co Ltd, Yingkou-Tiangang International Chemistry Co Ltd, and Shenmu Jiujiang Trade Co Ltd.

The evaluation process and honors were administered as part of a sub-program of the China-UN climate change partnership framework project, jointly organized by the UNDP, National Development and Reform Commission, the Ministry of Commerce and the China International Institute of Multinational Corporations (CIIMC). The research was undertaken by the CIIMC.

A total of 27 large-sized energy companies in China have now taken part in the program, with the successful businesses being evaluated and examined by five academics and 20 experts in the sector.

The research lasted for nearly two years and has been hailed as a remarkable achievement and one gaining high recognition throughout China. A commemorative guide on the clean coal development in China will also be published as part of the initiative.

The program was aimed at implementing Chinese President Hu Jintao's commitment to promoting the utilization of clean energy in a bid to mitigate climate change.

- Hefty emissions cut signals China's resolve against common threat (27th November)
Days after the United States announced to cut its carbon dioxide emissions by 17 percent from 2005 levels by 2020, China promised to slice carbon intensity in 2020 by 40 to 45 percent compared with 2005 levels.

The respective policy movements of both China and the U.S., the biggest two emitters in the world, won global attention, if not instant applause.

The early signs of the concerted efforts could be sensed after the two countries, the biggest developed and developing economies, released a joint statement on Nov. 17 during U.S. President Barack Obama's first China visit.

The two sides, according to the joint statement, had a "constructive and fruitful dialogue" on the issue of climate change.

It also said that the two sides were determined, in accordance with their respective national conditions, to take important mitigation actions.

The policy announcements from the two countries came just as the international community was worried about a possible stalemate at the United Nations Climate Change Conference in December in Copenhagen, Denmark.

Although not required by the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol for quantitative greenhouse gases (GHGs) emissions cut, China, defined by the United Nations as a developing country, still puts a drastic slash of its GHGs emissions in the coming ten years, even at cost of lowering its own economic development speed.

Economists estimated that China might double its current gross domestic product (GDP) by 2020. A 45-percent reduction of carbon emissions per unit of GDP means China would emit slightly more carbon dioxide than current levels.

At the same time, the Chinese government voluntarily set "the binding goal," which is to be incorporated into China's mid- and long-term national social and economic development plans.

It's much more than a developing nation is expected to offer, out of responsibility of and sincerity to addressing the common challenge faced by the international community.

Held by the UNFCCC accountable for contributing most of the total global carbon dioxide emissions, which were assumed to warm the planet and consequently result in natural disasters, many industrialized countries dodged their responsibilities of cutting emissions to levels that meet requirements of the Kyoto Protocol and the Bali Roadmap.

The United States, in spite of announcing a meaningful emissions cut of 17 percent, still lags far behind what the UNFCCC requires developed countries to behave.

In the Sino-U.S. joint statement, the two sides were committed to reach a legal agreement at the Copenhagen conference, which includes emissions reduction targets of developed countries and appropriate mitigation actions of developing countries on the basis of the principle of common but differentiated responsibilities and respective capabilities.

The U.S. and China also agreed substantial financial assistance to developing countries on technology development, promotion and transfer, which was largely invalid in the past years.

As China takes the lead to exemplify how a developing country, with the world's biggest population, could do to a better future of the world, it is now the developed world's turn to show their sincere care for a greener Earth.

- Carbon-cut target a 'milestone' (28th November)

A high-ranking United Nations official said China's decision to make a 40 to 45 percent cut in carbon intensity by 2020 is "a milestone" leading up to the Copenhagen summit, which opens Dec 7.

On Friday, UN Development Program (UNDP) administrator Helen Clark downplayed the potential of the Copenhagen summit, predicting that leaders will have a tough time reaching a global alliance next month.

She urged closer cooperation in mitigating climate change between China and the UN in a speech she made in Beijing on Friday at the 30th anniversary celebration of her organization's presence in China.

"The Chinese government's decision is more of a milestone announcement on the way to Copenhagen and it is one of the big moves forward," Clark said in her remarks at the ceremony.

But she is cautious about the outcome of the Copenhagen summit.

"It may be difficult to reach a high-quality, new climate agreement in Copenhagen," said Clark. "But such a deal is urgently needed."

Clark did not elaborate on her statement.

Premier Wen Jiabao held talks with Clark on Thursday when China announced its plans to reduce carbon intensity by 2020.

Clark said the UN will strengthen cooperation with China in tackling climate change, together with reducing poverty and increasing the country's global presence.

"Three such areas in particular merit attention but the first is tackling climate change," Clark said. "This is one of the most pressing development challenges our world faces."

She expressed delight that UNDP and China are already working closely together as China takes steps towards becoming a lower-carbon economy.

Experts estimate that by 2030, some 350 million more people will live in Chinese cities as compared to 2005. "Accommodating them presents a unique opportunity to build green, urban communities from the start," Clark said.

UNDP was one of China's first development partners after the 1978 reform and opening up. Khalid Malik, UN resident coordinator and UNDP resident representative in China, described the evolution of UNDP's work in China since 1979, stressing that it has been "complementary to the government's changing development goals and priorities".

Chen Zhili, vice-chairwoman of the 11th Standing Committee of the National People's Congress and President of the All-China Women's Federation, said at the event: "The partnership between China and UNDP has greatly contributed to the progress of China's social and economic development."

Regional report

North

Politics

Social front

- Mascot for Bird's Nest (23rd November)

In the latest bid to boost the popularity of the Bird's Nest, owners of the Beijing Olympic icon rolled out a top prize of 40,000 yuan (\$5,800) for a global campaign to select an official mascot and logo for the 3.6-billion-yuan showpiece.

There are no detailed requirements for the bids, other than the designs "combining regional characteristics and Chinese cultural elements", said owners of the Bird's Nest, or National Stadium.

Participants should submit their work before Jan 19 and a panel composed of at least nine members will pick six designs each for the mascot and logo by next April.

There will be one winner chosen for both the mascot and the logo.

- Tenants take charge, lower costly property fees (23rd November)

The first group of Beijing residents to take control of their building management is calling on other communities to follow their lead.

Shao Liting, general manager of Beijing Sanzi Pingge Community Service Center Corporation, said residents saved money and felt more responsible for their neighbors after deciding to self-manage their 16-floor building in Haidian district in 2006.

"It's our company, so we try every method possible to save on management fees," said Shao.

"We are capable of operating and maintaining the community by ourselves. We should not push the management problem on to local government."

Shao said residents currently pay just 1.6 yuan per sq m in management fees, which is down from 2.74 per sq m in 2007.

Residents also saved money through hiring fewer employees to maintain the property, recycling rainwater for use on gardens and restricting the number of working elevators during off-peak periods.

"We used to pay 200,000 yuan for the electricity of the elevators and now we only pay 45,000 yuan," said Shao.

"More than 90 percent of home owners are paying management fees now, whereas only 41 percent paid them before 2007."

Under the current system in Beijing, the developer hires a management firm to handle security, cleaning and other issues associated with the daily management of a residential building. Residents pay a fee to the management firm, but have no control over the selection of the company.

In some instances, resident committees can try and find a new management company but it is a slow and difficult process.

Since Pingge community took control of its management in 2006, more than 140 community groups including 38 from outside Beijing have traveled to the area to see how it operates.

Wu Gang, a professor of Beijing Administrative College, said small communities of less than 200 households could easily self-manage, but it would be more difficult for communities containing thousands of families.

Shao said the former management company left because of a financial conflict with the developer.

The residents then organized a meeting to discuss a solution and selected Shao, the former general manager of a sugar plant with 60,000 employees, to take control of the building management.

"As we needed receipts and official seals to collect management fees, I decided to register a company that was owned by all the residents," said Shao.

In 2007, he registered Beijing Sanzi Pinge Community Service Center Corporation, the first property management company owned and managed by owners in Beijing.

Guo Rongjie, an elderly resident who has lived in Pinge community since 2005, said: "We pay less but get better service now and residents are more responsible for our community."

Zhang Daling, a property owner of Yiran Jiayuan or Happy Homestead in Fengtai district said his community was not satisfied with its property management firm and hoped to copy the Pinge experiment.

- Residents to pick building managers (23rd November)

Property owners in Beijing might soon receive the legal right to select their preferred management company and take control of their community, local government said recently.

Under a new draft legislation, homeowner committees - an elected group of representatives that liaise with their property management company - would be registered as legal companies.

The draft was jointly created by the legal affairs office of the people's government of Beijing municipality and the Beijing municipal commission of housing and urban-rural development.

"The legal affairs office's website is asking the public for its opinion on the draft between Nov 18 and Dec 7," Zhang Tong, a spokesman for the office, told METRO without commenting on when the draft might become law.

"The idea to create the draft began early this year. Local government undertook surveys with property owners, heads of owner committees, municipal people's congress members and management companies," said Yu Liang, a section chief of management administration of the Beijing municipal commission of housing and urban-rural development, Beijing Youth Daily reported recently.

The draft quickly seized public attention on the Internet as a cure to conflict between homeowners, management companies and developers.

It also proposes that developers of newly developed communities must hire and pay for a management company before property owner committees have had time to register themselves as legal companies.

Previously, homeowners were stopped from collecting the keys to their already purchased homes until they paid one year in management fees in advance.

Experts said the new draft should urge developers to help set-up owner committees in order to release them of the financial burden.

The legal status of the committee as a company will also enable shared properties such as garages, clubhouses and other public areas to be registered. Experts say this is a breakthrough for homeowner rights.

"The billboards in public areas belong to the owner committees. However, because they were not legally recognized in the past, the management companies usually collected the ad revenue instead," Shu Kexin, an expert on social communities, said last week.

"There are more than 5,700 communities in Beijing and only 20 percent of them have owner committees. I hope the new draft can change this," said Zhang Daxian, director of the property owner and management office of the China Association of Social Workers.

Zhang added that individual owners often have difficulties suing the developer and management companies for issues relating to publicly owned areas. He said if the draft becomes an official measure, the committees would have more power.

The draft also stipulated that if the original management company refuses to leave the community when the contract expires, it can be fined 30,000 yuan and blacklisted in the management credit system.

However, some residents believe this is not a big enough deterrent.

"The fine is still too little," said Xu Yan, 31, living in Chaoyang district. He said the management company of his 5,000-household community can earn 15 million yuan per year from fees. The huge profit greatly outweighs a comparatively tiny penalty.

- Taiwan to send record delegates to annual Beijing cultural, creative industry expo (23rd November)

The 4th China Beijing International Cultural and Creative Industry Expo (ICCI) opening on Wednesday is expected to attract a Taiwan delegation consisting of 73 exhibitors, the most in history.

It will be third time for the Taiwan exhibitors to come to the annual event. The exhibitors from the island harvested orders worth 80 million New Taiwan Dollars (TWD) (about 2.5 million U.S. dollars) in last expo.

The themed pavilion, titled "Fine works of Taipei Cultural and Creative Industry," will cover a total of 4,000 square meters. It will be divided into 12 parts, showcasing creative works of fashion design, derivatives of museums and works designed by students.

The island's National Palace Museum debuted at last expo and will exhibit products inspired by antiques this year. Institutions including Taipei Fine Arts Museum and Taipei's Museum of Contemporary Art will also bring works to the exhibition.

In addition, a trade fair will be held to promote Taiwan products and increase the cooperation between exhibitors on both sides of the Taiwan Strait.

The 5-day event has been organized by the Ministry of Culture, the State Administration of Radio, Film and Television, the General Administration of Press and Publication and the Beijing Municipal government.

Economic front

- BAIC may bid for select Saab assets, analysts say (26th November)
China's BAIC, part of a group that abandoned its bid to buy General Motors' Saab unit, could still bid for some Saab assets on its own but is unlikely to try for the whole company, analysts said.

Beijing Automotive Industry Holding Corp (BAIC) must decide its next move after its consortium, led by tiny Swedish luxury car maker Koenigsegg, pulled out of talks to buy Saab, putting in doubt the future of the loss-making GM unit.

BAIC said yesterday it was reviewing its options and reaffirmed its commitment to become more global.

"Beijing Automotive Industry Holding Corp states that becoming more international... has always been our strategic focus," it said in a statement.

"With regard to Koenigsegg's withdrawal, we will carefully evaluate this project anew and make appropriate arrangements," BAIC said.

Sweden effectively ruled out a state bailout of Saab, saying a private owner was the company's only chance to survive.

BAIC has been in the market for foreign car brands and intellectual property, but is less interested in the more complex proposition of running a loss-making manufacturing operation outside its home market, analysts said. Accordingly, it is unlikely to come back and make a solo bid for all of Saab.

"The pullout of Koenigsegg may not be a chance for BAIC as it seems to be," said Zhang Xin, an analyst at Guotai Junan Securities. "It's true that BAIC does not have its own car brand and it's desperate to get the technology, but it might not get it."

BAIC could still return to the table if it sees a chance to selectively buy some of the Saab assets it wants, in particular some of its older product designs, said Boni Sa, an analyst at CSM Worldwide.

"I think BAIC might give it a try if it has a chance to get the old Saab 9-5 and 9-3 platforms," Sa said. "Even though the technologies are a bit outdated, they're better than nothing."

- Commercial zone set for major 100 billion yuan expansion initiative (26th November)
Unlike the Forbidden City or the Summer Palace, the twin hearts of Beijing's cultural heritage and its imperial past, the city's Central Business District (CBD) is the place to feel the pulse of its contemporary commercial ascendancy.

Back in the 1990s, Beijing CBD was just an idea in the minds of urban planners. Fast forward 20 years and the 3.99 sq km plot of land is now a thriving center of business activity, a window on China's economic emergence and a testament to the country's integration into the wider 21st century world.

The area has the greatest concentration of financial institutions in the city. Deutsche Bank, Citi Bank, Standard Chartered Bank, HSBC, Swiss Reinsurance, Munich Re Group, SCOR all these global names have gathered in the steel and glass high-rises of the CBD. The NASDAQ Stock Exchange, as well as the stock exchanges of New York, Tokyo and Korea, all have offices in the CBD - a clear indication of Beijing's newfound status among the world's financial markets.

The media industry, too, has gravitated toward the CBD and is now one of the fastest growing sectors in the area. In total, the CBD is now home to an astonishing 167 international media organizations - including the Associated Press, AFP, Time Warner, Walt Disney, Time Magazine, the Wall Street Journal, as well as many leading domestic media, notably the People's Daily, China Central TV and Beijing TV.

Professional service providers have proved another major contributor to the CBD's prosperity. More than 200 world-class high-end companies in this sector have come to the CBD. Names

such as PricewaterhouseCoopers, Mckinsey & Company, Paul Weiss Edelman PR, Korn/Ferry International, Ogilvy & Mather and CB Richard Ellis are now ubiquitous on signage throughout the district.

Through the presence of these leading companies, the mass influx of a gifted new business elite and the provision of a world-class commercial infrastructure, the CBD has established itself as one of the most modern and cosmopolitan areas in Beijing. It is now the second home of a raft of transnational companies, as well as an ideal community for commerce and cultural exchange.

Construction

Back in 1993, the Beijing municipal government first committed itself to establishing a multifunctional central business district, with specialties in finance, insurance, information, consultancy, commerce and culture. The chosen location was in the Chaoyang district in the east part of the city, sandwiched between the East 2nd Ring Road and the East 3rd Ring Road, with Jianguomen to the south and Chaoyangmen to the north.

Five years later, planners outlined more precise boundaries for the CBD - a 3.99 sq km area delineated by Dongdaqiao Road on the east, Xidawang Road on the west, Tonghui River on the south, Chaoyang Road and Chaoyang North Road on the north.

In 2000, the municipal government elected to include the CBD construction plan in the city's 10th Five-Year Plan (2001-05). In the same year, local policy makers successfully promoted the "CBD" concept to the public during the international Chaoyang business festival and officially announced plans to accelerate its construction.

This commitment became a reality in 2001, when firm plans were announced for the project's accelerated development. These fast-tracked proposals identified the CBD as key part of the capital's economic layout, together with its counterpart on the west side, Zhongguancun.

In the same year, the Beijing CBD administrative committee was established, the body that was to take charge of the planning and management of the district's development.

Work began immediately on the first CBD construction project - the Beijing Fortune Center. Twelve month later, work also began on Guandongdian South Street, the first road within the CBD to be commissioned.

In 2005, underground construction work was initiated, ensuring the area would have the vital subway link it would need in order to thrive.

Along with its infrastructure development, the CBD's administrative capacity has also been hugely enhanced. In 2008 and 2009, several commercial taskforces were established, including the CBD coordination group and the Beijing high-end industry function area development and coordination lead group, in a bid to provide more professional management and offer improved services.

In May this year, the local government announced a proposal to expand the district to the East 4th Ring Road. The added area spans around 3 sq km and effectively doubles the size of the CBD. The expansion project is expected to be completed within six to eight years at a cost of some 100 billion yuan.

In line with the city's commitment to environmental improvement, the new construction phase has been undertaken in line with the latest "low carbon" guidelines. According to local officials, the Beijing CBD has both the capability and the obligation to be a pioneer in the development of a low carbon economy.

Northwest

Politics

- Targeting terror literature (23rd November)

The government of the Xinjiang Uygur autonomous region launched the "Tianshan Project" on Saturday to stop the distribution of illegal and reactionary publications produced by terrorists, separatists and extremists within the region.

Xinjiang's neighboring provinces of Qinghai, Gansu and Shaanxi, as well as the Ningxia Hui autonomous region, will also join the project.

Social front

- Death toll from NW China colliery explosion rises to 104 (23rd November)

The death toll from the deadly coal mine blast in northeast China's Heilongjiang Province has risen to 104, said local authorities early Monday morning.

Another four are still trapped in the shaft.

The blast happened at around 2:30 a.m. Saturday at the Xinxing Coal Mine under the state-owned Heilongjiang Longmei Mining Holding Group's subsidiary in Hegang City. A total of 528 miners were working underground when the blast happened.

Economic front

Northeast

Politics

Social front

Economic front

Southwest

Politics

Social front

Economic front

South central

Politics

Social front

- Incinerator plans on back burner until assessments OK (23rd November)
Construction of a major garbage incinerator in this southern metropolis will not begin until environmental assessments of the project are approved, officials said yesterday.

The decision followed public feedback on the project.

"We will also organize a series of activities to promote awareness of the incinerator," Ye Zhiwen, deputy director of the Panyu district urban landscape bureau in Guangzhou, capital of Guangdong province, told a press conference yesterday.

The plant is expected to take the place of two small landfills at Huijiang village in the city's Panyu district and handle 2,000 tons of trash a day.

The project will meet the rising demands of garbage treatment in Panyu, Ye said.

Panyu, which has a population of 2.5 million, produced about 600,000 tons of garbage last year, or 1,640 tons a day, he said.

"We expect some 2,200 tons of garbage a day by 2010. We could not find a large landfill to deal with the rising garbage due to limited land resources," Ye said.

"Facing the rising demand of garbage treatment, the incinerator is currently the right option for us."

Following a wide range of opposition from nearby residents, the Panyu urban landscape authority issued a notice at the end of last month to solicit public opinion and organized a team of experts to conduct environmental assessments of the project.

Ye did not reveal when the environmental assessments would be completed.

"If we do not introduce new ways to deal with garbage, Guangzhou will be surrounded by piles of garbage in the years ahead," Ye said.

The Panyu district urban planning authority issued a selection paper about a site for the project in August 2006, but it was only approved by the local land resources bureau in April this year.

Residents only learned in September that the project might be built in their neighborhood.

"Government authorities never asked for our opinion about the project before September," said Chen Qi, a resident in the Star River community, which is about 5 km away from the proposed site. Residents like Chen have opposed the construction of the incinerator.

About 92 percent of respondents believe the project would seriously harm their health and the natural environment and more than 97 percent oppose the construction, a recent survey by the Guangdong provincial social research and study center showed.

"How can operators and government authorities ensure less pollution after this project is put into operation?" asked Chen.

Lu Zhiyi, deputy secretary-general of Guangzhou government, said authorities would introduce state-of-the-art technology from overseas in order to minimize pollution.

- Futuroscope theme park to be built in central China (23rd November)

A French Futuroscope theme park is expected to be built in central China's Hubei province, said local authorities on Sunday.

According to a letter of intent on cooperation, signed in Wuhan on Saturday between the provincial capital Wuhan and the French company, Futuroscope intends to invest 180 million euros (\$ 268.2 million) on the project.

The project is expected to cover 100 to 180 hectares of land.

It is not yet known when the park will be completed.

- Protesters want compensation (28th November)

Ministry of Health officials are open to petitions from the people and are always concerned about the citizens' needs, said vice health minister Huang Jiefu on Friday.

He made the remarks in response to a small-scale protest for better medical treatment in front of the ministry on Wednesday. The people demanded more financial aid and free medical care from the government.

The 38 protesters were reportedly HIV/AIDS sufferers from Henan province, most of whom got infected from tainted blood transfusions.

"The local government would definitely be held accountable for this if we can verify the complaints of the petitioners," Huang said.

An investigation by the ministry is underway, he said.

In the 1990s, many villagers in Henan got HIV through tainted blood transfusions while selling blood or plasma for financial reasons. This caused blood transfusions to become one of the major HIV transmission modes in the nation.

In response, the government introduced policies for the victims including giving them free medications and financial aid, and shutting down illegal stations that were collecting blood and plasma.

The problem is under control now, Huang said.

Economic front

- Guangzhou Auto Show opens to media (23rd November)

The annual China (Guangzhou) International Automobile Exhibition (GIAE) opens to media and professionals today. About 70 manufactures are showing over 700 vehicles, and more than 600 parts and accessory manufacturers are participating.

The theme of GIAE 2009 is "Technology, Trend, Lifestyle". Visitors can find international automakers including Mercedes, BMW, Volkswagen and General Motors, as well as Chinese manufactures MG, Chery, Lifan, Changfeng Motor and Dongfeng Motors.

Shu Qi, a Chinese celebrity, turned up for a Subaru new car release, and Infinity has Mo Wandan, a well-known Chinese model, as its celebrity representative.

GIAE began in 2003 and is now one of the most comprehensive auto shows in China. It is organized by the Guangzhou city council and the China Association of Automobile Manufacturers.

Last year, it attracted 467,000 visitors.

- Foreign insurers in JVs with local money managers (26th November)

Aviva, the world's fifth-largest insurance group, has inked an agreement with Henan-based Central China Securities to set up a joint-venture asset management company, sources told China Daily yesterday.

"Aviva will hold a 49 percent stake in the joint venture, while the remaining 51 percent would be held by Central China Securities," the sources said. "The new company will apply for regulatory approval soon."

Aviva has a 50-50 joint venture life insurance company with China National Cereals, Oils & Foodstuffs Corp (COFCO) Ltd. The insurer started operations in 2003.

Kathleen Jiang, head of the strategic planning sector at Aviva China, told China Daily in an earlier interview that setting up a new firm would make the structure clearer, although it will be more time-consuming compared with acquiring an existing company.

Canada's top life insurer Manulife Financial Corp, however, has chosen the latter path. It said late on Monday that it would buy a 49 percent stake in ABN AMRO TEDA Fund Management Co for \$156 million in cash, from Fortis Bank SA, which is in turn controlled by France's largest bank BNP Paribas.

"This accelerates our expansion in China's huge growth market by several years," Donald Guloien, Manulife's chief executive, said in a statement.

The ABN AMRO TEDA Fund Management Co deal is expected to close in the first quarter of 2010, and the new joint venture will be called Manulife TEDA Fund Management Co Ltd. The company said the acquisition is expected to boost Manulife Financial's earnings in the first year and have a negligible impact on capital levels.

Established in 2002, ABN AMRO TEDA Fund Management Co currently has \$3.8 billion assets under management.

According to Manulife's estimate, the asset management industry in China is poised for rapid growth over the next decade, with assets under management slated to exceed \$1 trillion from \$338 billion now.

"China has one of the highest savings rates in the world at 51 percent of GDP and to date, a very high proportion of household wealth is held in the form of deposits," Manulife said.

More than 30 foreign institutions, including JP Morgan, Credit Suisse and Morgan Stanley, have formed fund ventures in China, while more companies are seeking access to the Chinese fund market.

- Guangdong Special: Province land reclamation program hailed as pioneering move in China (26th November)

The South China province of Guangdong is making considerable efforts to reclaim land from the sea and convert hillsides into arable land as a way to use its agricultural resources more efficiently and intensively.

The province aims to reclaim sufficient land to boost its arable land banks by 2.5 million mu (15 mu=one hectare) over the next few years. The government has earmarked 4 billion yuan for the project.

The province is aiming to reclaim land covering 500,000 mu this year, 230,000 mu of which was reclaimed in the first half of this year. The figure for last year was 210,000 mu.

Zhao Yufang, director of the provincial land resources department of Guangdong, said: "Reclaiming land is an important part of the province's joint efforts with the Ministry of Land Resources. The aim is to establish Guangdong as a pilot province for the efficient and intensive use of land. It will be strategically significant for Guangdong to solve its land shortage problem as part of its sustainable development."

The State allows Guangdong to use no more than 290,000 mu of new land for industrial development each year. The actual demand for land for industrial development is estimated at about 400,000 mu for each of the next 15 years, according to official statistics.

The province has only 0.45 mu of arable land per capita, less than a third of the national average and less than a 10th of the world average. This is far below the warning level of 0.8 mu agreed by the Food and Agriculture Organization of the United Nations

Zhao said: "Guangdong must make efficient and intensive use of every inch of its land. Whilst guaranteeing sufficient land is available for key projects that will play a role in boosting the local economy, we will continue a strict watch on the approval of new land for industrial development. We will also keep a close eye on land that has been leased and take drastic action against illegal land use."

Guangdong's target for 2012 is to generate 293 million yuan per sq km from its manufacturing and tertiary industries, a growth of 80 percent over 2007.

The target, once secured, will establish the province as a leader for efficient and intensive use of land across China.

Every 100 million yuan's growth in GDP in the province last year consumed 4.58 hectares of land, down 11.8 percent from 5.19 hectares in 2007.

Land available for industrial development has shrunk significantly in recent decades, the result of rapid industrialization and economic development. The same is also true for the province's arable land resources.

Guangdong has been the number one region nationwide for annual GDP for 23 consecutive years and has maintained a year-on-year GDP growth of over 13 percent for 30 years, since the nation implemented its "opening-up" policy in 1978.

According to Zhao, the province has designated the coastal cities of Zhuhai, Shantou, Jiangmen, Zhanjiang and the county of Huilai in the city of Jieyang as the sites for the pilot program of reclaiming land from the sea. The initiative began at the end of last year, when the provincial government signed an agreement with the Ministry of Land Resources for joint efforts on the project.

The cities of Yangjiang, Shaoguan, Zhaoqing, Zhanjiang and Meizhou are said to have already made rapid headway in their land reclamation programs.

The five cities reclaimed land of 192,000 mu and converted it for arable usage in the first six months of this year, accounting for 83 percent of the newly increased arable land in the province, official statistics indicate.

The province has now chosen the Pearl River Delta cities of Foshan and Dongguan for a pilot program of reclaiming land from old townships, old villages and oil factory properties. The delta cities of Dongguan, Huizhou and Zengcheng have also been selected for a pilot program of reclaiming land that has been leased but as yet undeveloped.

The cities of Guangzhou and Shenzhen have now been briefed to carry out a pilot program on the intensive use of land in their own development zones.

- Guangdong slashes emissions despite renewed GDP growth (26th November)

Guangdong, one of the nation's economic powerhouses, has seen a steady decline in the emission of pollutants over recent years.

In 2008, the province's emission of chemical oxygen demand (COD), the main indicator of water pollution, saw a fall of 5.58 percent from 2007. Its emission of sulfur dioxide, a main indicator of air pollution, also dropped by 5.28 percent, according to statistics from the Ministry of Environmental Protection.

COD refers to the quantity of oxygen required to decompose all organic matters. In total, the province emitted 1.14 million tons of COD and 963,600 tons of sulfur dioxide in 2008.

The COD emission in the first half of this year fell 3.71 percent over the comparable period in 2008, whilst the emission of sulfur dioxide dropped 8.22 percent, despite a sustained GDP growth of 7.1 percent during the period.

Li Qing, director of the provincial environmental protection department of Guangdong, attributed the progress the province has made in environmental protection to its investment in infrastructure for sewage disposal and desulphurization. It has also made significant progress in closing down small iron and steel firms, small cement firms and small thermal power plants, as well as in relocating major energy-consuming plants, especially those located along the banks of the Pearl River.

According to Li, a total of 32 new plants for sewage disposal became operational in the first half of this year, creating an additional sewage handling capacity of 1.18 million tons daily. The new plants have enabled the province to dispose of 11.12 million tons of domestic sewage per day.

Thermal power generating units, with a capacity of 2.6 gigawatts, were equipped with desulphurization facilities in the first six months of this year. In total, thermal power generating units with a combined capacity of 30.4 gigawatts across the province have now been installed with desulphurization facilities.

Li said: "The province needs to have the capability to dispose of 14 million tons of sewage daily by the end of 2010 in order to fulfill the target imposed by the state. Each county in the underdeveloped regions in the north, east and west of the province and each township in the better-developed Pearl River Delta region must have at least one sewage disposal plant by the end of this year."

In 2006, the province signed a state commitment to reduce COD emissions to 940,000 tons by 2010, a fall of 12 percent from 2005.

Li said the province will close down all of its small iron firms, which currently have a combined annual production capacity of 10 million tons. The policy will also result in the closure of a number of small thermal power generation units, with a capacity of 9.66 gigawatts; and several small cement firms, responsible for the production of 38.04 million tons during the 11th Five-Year Plan (2006-10).

Since 2008, the province has shut down more than 1,000 polluting businesses and urged more than 12,000 lesser polluters to improve their measures for alleviating pollution.

According to Chen Guangrong, deputy director of the provincial environment watchdog, the province will seek to integrate its efforts to combat air pollution in the Pearl River Delta region, with a clear focus on the cities of Guangzhou, Shenzhen, Dongguan and Foshan.

The province will no longer permit any application for the expansion of businesses in the cement, ceramics and plate glass sectors, three of the major polluting industries in the delta region.

Other measures include efforts to improve the environmental monitoring system, lower the pollution of vehicle emissions by promoting more environmentally-friendly fuel and banning vehicles with substandard exhausts from the roads.

The local government is also seeking to promote clean energy in the catering industry and to deal with the residue of oil and gas from filling stations, tankers and storage depots.

East

Politics

- Lawmaker proposes to curb lavish banquets on public funds (23rd November)

A Chinese lawmaker has proposed to hold people who use public funds on lavish banquets legally accountable so as to curb the widespread practice.

Zhao Linzhong, deputy to the National People's Congress, the top legislature, was quoted by Sunday's Workers' Daily as saying that social engagements in which dining and drinking is a must seriously undermined the work style of the government and social morals.

Zhao, also board chairman of Furun Holding Group Co. Ltd. in east Zhejiang Province, said some government officials and entrepreneurs had their health and work affected by excessive dining and wining and their health and work.

It is a common practice for Chinese to have banquets or drinking parties when treating important guests, on major occasions and during festivals. Some Chinese have taken advantage of drinking and wining opportunities to seal business deals or seek political favors.

A modest reception could make visitors think that they are not important to the host.

Zhao blamed the social tradition as part of the reason, but added that the lack of supervision and legal loopholes had made the practice continue to prevail.

China has no laws governing the excessive drinking and wining at public expenses.

In October, Fu Pinghong, head of a hospital at Gaoting township in east Zhejiang Province, was sentenced to 11 years in prison on corruption and bribery charges. He had allegedly spent 440,000 yuan (64,433 U.S. dollars) of public funds on drinking, wining and entertaining guests.

Zhao believed that lavishing public funds equalized to embezzlement of state assets and laws should be amended to add the criminal offence of extravagant and wasteful spending.

Laws should be established to regulate banquets at public expenses and the local governments' budgets on banquets should be approved by legislatures, he said.

- 12th China-EU summit to be held in east China's Jiangsu (23rd November)

The 12th China-EU summit is to be held on Nov. 30 in Nanjing, the capital of east China's Jiangsu province, according to an agreement reached by the two sides, Chinese Foreign Ministry spokesman Qin Gang announced here on Monday.

Chinese Premier Wen Jiabao, European Commission President Barroso and Swedish Prime Minister Fredrik Reinfeldt, whose country currently holds the rotating EU presidency, will co-chair the summit.

Initiated in 1998, the summit is the highest-ranking dialogue platform between China and the EU. Premier Wen attended the 11th China-EU summit with European leaders in Prague in May.

Social front

Economic front

- Hi-tech home (26th November)

E-commerce giant Alibaba and 11 other hi-tech companies became on Tuesday the first batch of enterprises to call the Intellectual Valley in Jiangsu province's Yangzhou city home.

Aiming to become China's Silicon Valley in the Yangtze Delta by the year 2020, the Intellectual Valley is a hi-tech and innovation base located in Yangzhou's Hangjiang district.

Marketed as a convenient location with tax incentives offered by local government, the Intellectual Valley has reportedly attracted much interest from both start-ups and established hi-tech enterprises like Alibaba.

- Investment Special: German state launches Shanghai charm offensive (26th November)
Shanghai: As part of his trip to China, Jrgen Rttgers, minister-president of North Rhine-Westphalia (NRW), Germany most-economically powerful state, presented a destination marketing campaign on behalf of his home region. The presentation took place in Shanghai on November 19.

Using "We love the new..." as its positioning statement, the campaign aims to convince investors of the advantages of North Rhine-Westphalia's as a business location. Rttgers said: "North Rhine-Westphalia is situated at the very heart of Europe. With 18 million people, our innovative strengths, creative environment and high quality of life all serve to distinguish us as a business location."

The focus of the campaign has been to introduce North Rhine-Westphalia through two new advertisements, developed specifically for the Chinese market. The first features Werner Wenning, chairman of the management board of Bayer AG, based in Leverkusen in North Rhine-Westphalia. In 1899, Bayer invented the Aspirin, the world's most popular painkiller.

The second execution features Timo Boll, a professional table tennis player for the Borussia Dsseldorf team. Boll also traveled to Shanghai as an ambassador for the region. Whilst visiting the Shanghai World Financial Center, Boll competed in a table tennis match against students from Shanghai's Tongji University and exchange students from Germany's Ruhr University Bochum.

The State-owned economic development agency, NRW.INVEST, is to market North Rhine-Westphalia as an investment location and is looking to secure foreign direct investment from Shanghai. The services offered by NRW.INVEST range from comprehensive information about the region as an investment location to tips regarding tax and legal aspects on the state's economic structure and sectoral clusters. It is looking to work closely with Chinese businesses interested in settling in the federal state and also to accompany them on trade missions to the state.

In recent years, North Rhine-Westphalia has become one of the preferred investment locations in Europe for Chinese businesses. More than 600 Chinese companies, including several well known businesses, such as Evoc, Feida Tools, Genertec, Huawei, Lifan Europe, Midea, Minmetals, Sany and ZTE, have already established a presence in NRW.

China is now one of North Rhine-Westphalia's main economic partners. On the list of the most important export nations for NRW, China ranks at number nine, making it the federal state's most significant trade partner in Asia.

"In 2008, the number of Chinese businesses in NRW increased by 30 percent in comparison to the previous year, which is also six times the number in the region in 2003," according to Petra Wassner, CEO of NRW.INVEST.

- Peugeot to launch China car in 2011 (28th November)

SHANGHAI: French automaker PSA Peugeot Citroen expects to steal a march over its rivals in the Chinese market by launching its first exclusively 'made-for-China' car in 2011, according to company officials.

The company will also introduce 10 new models in the country over the next five years, to cash in on the burgeoning domestic demand, said Eric Apode, vice president of PSA's China Tech Center on Friday in Shanghai.

"We believe that the cars of the 21st century will be born in China, the cradle of the future automobile industry. So it's vital and important to undertake research and development of car models in China," said Apode.

"When Japanese carmakers established design centers in California 25 years ago, who would have imagined that they would go on to become the market leaders in the US," said Oleg Son, design director of PSA's China Tech Center.

PSA has been the first international automaker to have a wholly-owned research and development center in China. It set up the China Tech Center in Shanghai with an initial investment of 1 billion yuan and the facility commenced operations in September 2008.

The center develops cars directly for Chinese consumers without adapting existing products from its headquarters. It also has a global level functional design studio and is also PSA's first such facility outside France.

The center will launch its first locally designed model styled exclusively for domestic customers in 2011.

The Shanghai center currently employs 200 engineers and PSA plans to boost the strength to 550 by 2012. It would also design car models for other markets like Russia and Argentina.

"We believe the future trends in the automobile industry would depend largely on the Chinese market and consumers. That was what prompted us to set up such an important R&D facility in Shanghai," said Apode.

Statistics from JD Power show that during the first nine months, PSA sold 108,854 units of Citroen-brand vehicles in China, up 39 percent over last year. The sales of Peugeot vehicles increased 24 percent to 78,938 units during the same period.

PSA had earlier set a mid-term sales target of 1 million units in China by 2015 and a market share of 5 to 6 percent.

German luxury carmaker Mercedes-Benz has also set up a design studio in Beijing this year to collect information about China's automart and other facets like drivers' tastes and habits to support its global car design.

The world's largest carmaker Toyota Motor Corp is planning to spend 30 to 40 billion yen to establish a R&D center in Shanghai early next year, to strengthen its R&D capabilities in China.

Their rivals, like Volkswagen AG, General Motors and Hyundai Corp, already have R&D centers in the country. But all of these are under their joint ventures and responsible for adapting existing models for Chinese consumers.

HONGKONG AND MACAU

Politics

Social front

- H1N1 flu virus mutation detected in HK (24th November)

Hong Kong's Department of Health announced Monday that it had found the same mutation in a H1N1 flu virus sample as the one detected in Norway recently.

The department said that it had examined the genetic sequence of H1N1 flu viruses in its monitoring system. Out of the 123 sequences studied, one sample showed the same mutation as the Norway strain.

The virus was taken from a year-old boy who developed flu-like symptoms July 22. He was admitted to Prince of Wales Hospital July 25 and discharged three days later. He has recovered.

Mutations are frequently encountered in influenza viruses. According to the World Health Organization, the same mutation of the virus has been found on the Chinese mainland and in other countries, including Brazil, Japan, Mexico, Ukraine and the United States.

The virus with this mutation remained sensitive to antiviral drugs, Tamiflu and Relenza. No evidence suggests these mutations are leading to an unusual increase in the number of H1N1 flu infections or a greater number of severe or fatal cases.

- More headed to HK for flu jabs (26th November)

The worsening H1N1 flu situation is prompting some local residents to pay for vaccines in the neighboring city of Hong Kong when they become available next month.

So far, Shenzhen's free H1N1 flu vaccine program, which was launched at the end of last month, only covers medical staff and frontline workers in the fields of quarantine, immigration, customs, public security and transportation, as well as teachers and students.

Everyone else might be able to benefit from the free program by next April, but that is heavily dependent on the supply of the vaccine, government sources have said.

Zhong Ming, a 35-year-old bank clerk, said he plans to get vaccinated in Hong Kong with his wife as long as the price is acceptable.

"The idea of getting vaccinated became more urgent when one of my colleagues was infected last week," Zhong said.

He consulted a private hospital in Hong Kong about the vaccine but was told to wait. "The vaccine has not arrived yet and doctors said the price might be between HK\$150 to 200 (\$20 to \$25)."

The health authority of the Hong Kong Special Administrative Region said two weeks ago that it placed orders for 3 million doses of H1N1 flu vaccines from France and the first batch of 500,000 would arrive in December.

While the government would provide free vaccination to five categories of high-risk groups, including medical staff, children, senior citizens, pregnant women and livestock and slaughterhouse workers, it would also supply vaccines to private doctors at cost so others can get the vaccines.

Xie Ruosi, a senior official with the Shenzhen health authority, also advised local residents to wait for the free vaccines.

"The country will allocate more vaccines to Shenzhen. There's no need to get them in Hong Kong," he said.

However, some residents still remain cautious about the effect of vaccines given that two people died after being vaccinated.

"We don't plan to take the vaccine even if it's free," said Ye Xue, a 33-year-old office worker and mother of a 4-year-old boy.

"We believe it's better to pay more attention to personal hygiene and stay away from crowds," she said.

The local disease control center said all flu samples in Shenzhen have had the H1N1 virus in the past two weeks, up from 70 percent to 80 percent before.

Economic front

- Hong Kong stocks close 1.41% higher Monday (23rd November)
Hong Kong stocks jumped 315.55 points, or 1.41 percent, to close at 22,771.39 on Monday.

Turnover continued to shrink, totaling HK\$51.9 billion (\$ 6.71 billion) from 60.50 billion HK\$ of the previous trading day.

