

Report # 98

BUSINESS AND POLITICS IN THE MUSLIM WORLD

East Asia, Central Asia, GCC, FC, China & Turkey

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Weekly Report from 12 December 2009 to 18 December 2009

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This report is based on the review of news items focusing on political, economic, social and geo-strategic developments in various regions namely; East Asia, Central Asia, GCC, FC, China and Turkey from 12 December 2009 to 18 December 2009 as have been collected by interns.

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INDIA

Political Front:

Rahul Gandhi paid visit to Aligarh University and talked against communal discrimination. He further claimed that any one could become Indian PM despite belonging to any religion. Though issue of seats distribution in East Bengal has apparently resolved yet Congress seems dissatisfied with the behavior of Trinamool Congress. Moving towards Liberhan Commission report, BJP has expressed dissatisfaction over the report. Meanwhile moderate parties have strongly condemned BJP for her involvement in the demolition of Babri Mosque. Hindu Extremist parties seem satisfied with their involvement in Ayodhya movement. Muslim communities have asked government to implement Liberhan Commission report and to give compensation to the affected families.

The CBI report of Shopian murder case again disturbed security situation in Kashmir. Report said casualties of two women were the result of an incident as both women drowned to death. But people of Kashmir refused to accept the result of CBI report.

Regional front:

Phase three and fourth assembly elections successfully ended in Jharkand with 55 and 58% turnout respectively. Meanwhile Andhra Pradesh's unity seems to be in danger as demand for separate Telangana state by TRS caused serious concerns for the state and centre. TRS' chief's hunger strike till death made government segments worried and finally he ended strike after the confirmation of government to initiate the bill for a separate Telangana state.

Geo-strategic Front:

India along with other developing countries opposed any move from developed world regarding introduction of bill to restrict gases emission. India criticized the developed world attitude towards saving the planet.

Social Front:

8 lakh Indians are becoming cancer affected every year. In the meantime 37.2% Indians are below poverty line in accordance with consumption criteria.

Economic Front:

India has announced plan to increase its bilateral trade with Russia up to \$20 billion. India has also made plan to extract energy from underground Coal reserves to fulfill its energy needs in environment friendly way.

EAST ASIA

Political Front:

MALAYSIAN PM Najib seems keen to accelerate his country's economic growth in order to regain people's confidence. Former THAI PM Thaksin landed in CAMBODIA in tight security. This would probably mount tension between the neighboring countries. Thai government has claimed that it would submit an extradition request to Cambodia for Thaksin.

Geo-strategic Front:

THAI government has recently detained five foreigners and their foreign registered aircraft loaded with war weaponry that flew from North Korea and was probably heading towards Iran. Investigations would reveal the truth.

Social front:

Religious authorities in the North Sumatran Province of Aceh attempted to pass a law according to which Muslim adulterers would be stoned to death. In response to that government of INDONESIA and Aceh Province refused to impose such law. Meanwhile at environmental front Indonesia has announced to cut carbon emissions upto 26% by 2020. MALAYSIAN government has recently unveiled its plan to combat corruption. The Malaysian Islamic Party (PAS) has assured its support to the Catholic Church's fight to overturn a government ban on the use of the term 'Allah' to describe God in Christian texts. Malaysia has expressed her willingness to provide assistance to the Muslim community in southern THAILAND in the interest of restoring peace and harmony in the restive region.

Economic Front:

MALAYSIA has expressed willingness to send financial and banking experts to help Thailand set up an Islamic bank in the three provinces in the south for the benefit of Muslim residents. THAILAND has cancelled an eight-year-old Memorandum of Understanding (MoU) with CAMBODIA on the oil and gas-rich overlapping area in the Gulf of Thailand. The PHILIPPINE central bank kept its benchmark interest rate at a record low to boost economic growth from near a decade low. The Asian Development Bank (ADB) has forecasted a 2.3 per cent growth for BRUNEI next year after it contracted by 1.2 percent in 2009.

CENTRAL ASIA

Political Front:

Political parties represented at the Azerbaijani Parliament addressed the U.S. embassy in Baku voicing protest against the U.S. Congress financial aid to Nagorno-Karabakh separatists from the budget bill 2010. KAZAKH court has rejected the appeal made by detained Journalist. The Supreme Court of Kyrgyzstan has announced its plan to improve image of the judicial system. A criminal case has been opened against 49 associates of late Tajik Emergency Situations Minister Mirzo Ziyoev. An investigation by the National Security Committee has shown that Ziyoev and 49 others were plotting an armed operation to release some of their supporters from jail. The Central Commission for Elections and Referenda (CCER) has been trying its best to ensure holding of

parliamentary elections in the spirit of democracy and transparency. 600 observers are expected to monitor upcoming parliamentary elections in TAJIKISTAN. Bakhodir Choriev, the emigrant and the leader of Birdamlik (Solidarity) Uzbek opposition movement, which had recently returned home, was sent back to USA.

Geo-strategic Front:

Inter-parliamentarian meeting between Korea and AZERBAIJAN was held last week. Rights groups have criticized the West for allowing Kazakhstan to assume the rotating chair of the Organization for Security and Cooperation in Europe (OSCE) in 2010, saying the nation is unfit to lead a group devoted to promoting democracy. The United States in this regard urged Kazakhstan to use its chairmanship of Europe's main rights and security watchdog to improve its own record. Germany has allocated Kyrgyzstan €8million for housing development. Uzbek border guards have shot and wounded two Tajik citizens along Tajikistan's border in the northern Panjakent district. Uzbek President Islam Karimov and Turkmen President Gurbanguly Berdymukhammedov have signed an agreement to ease cross-border transit for people living along their common frontier. President of Turkmenistan and Vice Prime Minister of Russia discussed cooperation in the energy sphere and promotion of the most important joint projects aimed at the intensification of partnership at a meeting. President of Turkmenistan and President of the Republic of Kazakhstan held talks in Ashgabat on December 13. The Turkmen-Japanese and Japanese-Turkmen economic cooperation committees held a joint meeting in Tokyo on December 16. On December 16 the Swiss government announced that it has agreed to accept on Uzbek Guantanamo detainee for resettlement.

Social Front:

The European Parliament has adopted a resolution critical of what it calls the deterioration of media freedom in Azerbaijan. The State Committee for Work with Religious Associations has registered 30 religious communities more apart from 100 religious communities that have already been registered. Almaty police detained 29 people for a disturbance during demonstrations on Kazakhstan's Independence Day. A reporter for the Russian *BaltInfo* news agency was beaten in Kyrgyzstan's capital. A World Health Organization (WHO) official has reported 14 swine-flu cases in Tajikistan. Dozens of Uzbek refugees held a protest in Stockholm to support jailed Muslim women in Uzbekistan. A prominent Uzbek photographer/video-grapher has been charged with defamation and damaging the country's image because of the content of her photos and video

Economic Front:

SOCAR (State Oil Company of Azerbaijan) and the National Iranian Gas Export Company have signed an agreement on supply of Azerbaijani gas to the northern provinces of Iran during the winter. The leaders of Kazakhstan and China jointly unveiled the Kazakh section of a natural gas pipeline that would tap into Central Asia's vast energy riches and loosen Russia's influence over the region. Employees of Tajik Embassy in Beijing have given up their three-day's wages to help implementation of the Roghun hydroelectricity project. In Tajikistan, gross domestic product (GDP) rose 3.1 percent in the year to November 30, 2009, reaching 18.3879 billion somoni (equivalent to

4.1 billion U.S. dollars). The international Turkmenistan - China gas pipeline was officially launched at Samandepi field in Lebap province of Turkmenistan on 14 December. China has signed the intergovernmental framework agreements on granting two soft loans to Turkmenistan. Both countries have also agreed to develop cooperation in non-energy sectors.

GCC

Geo-strategic Front:

A Gulf monetary council would be tasked to decide the peg of a proposed single currency among Saudi Arabia, Bahrain, Qatar and Kuwait and timeline to launch the currency. UAE and Oman are the two countries who have abandoned the plan to join monetary union. Kuwait has claimed that it would take all possible measures to convince UAE and Oman to be part of Monetary Union. Gulf leaders have agreed to set up a rapid intervention force that will help states to deal with any aggression against their territories, such as the Yemeni rebel incursion into Saudi Arabia. The leaders of Gulf Cooperation Council (GCC) have reaffirmed the right of the UAE over the three islands, occupied by Iran. The Saudi navy has set up a blockade off Yemen's northern Red Sea coastline, in an effort to keep fresh supplies from reaching the rebels, who have engaged in a five-year insurgency in the north of the country to win autonomy. Kuwait has reiterated full support for Saudi Arabia in its fight against infiltrators. While talking about Tehran's failed talks with the West about its nuclear program, Bahrain considered absence of Gulf countries to be the reason behind. Kuwait has regarded the Afghan war and the Iran nuclear crisis as potent threats to security in the Gulf region. Lastly the landmark 123 Agreement between the UAE and the US for the peaceful development of nuclear energy came into force last week.

Social Front:

The Gulf Cooperation Council (GCC) and Yemen have reached very close to UNESCO's international criteria for educational development.

Economic Front:

Consumer prices in GCC countries have fallen this year as the global financial crisis prompted an economic downturn. Islamic finance, an increasingly important element of the GCC financial sector, seems to be in a better position to lead the way in the region's economic recovery.

FERTILE CRESCENT

Political Front:

EGYPTIAN MPs have submitted 146 investigation requests against the ruling regime in a special session of People's Assembly (PA). 128 requests got accepted however tension mounted between opposition, independent MPs and the ruling NDP. IRAQI elections would be held in March. Iraqi Foreign Ministry claimed that regional actors would try to influence Iraqi elections but coalition government would probably be the outcome.

Geo-strategic Front:

EGYPTIAN President Hosni Mubarak and his Turkish counterpart held talks in Ankara on the impasse in the Middle East peace process and the rift between Palestinians factions. SYRIAN President Bashar al-Assad underlined his commitment to stability in Iraq during his meeting with IRAQI Shiite leader Amar al-Hakim. Meanwhile Italian Foreign Minister affirmed significance of the elections due in Iraq in March 2010 and hoped that the planned polls would result in improving security conditions. The comments made by Saudi Foreign Minister being recently published in the International Herald Tribune, have provoked a range of reactions in LEBANON. The Saudi Foreign Minister in fact expressed his opinion that Lebanon would never enjoy full sovereignty as long as Hezbollah owns more arms than the state military. British Foreign Minister, David Miliband phoned ISRAELI opposition leader Livni to apologize and promised to act on changing laws regarding allowing the arrest and prosecution of Israeli officials accused of committing war crimes against the Palestinian people. Further more he opposed the British Court order to apprehend her should she travel to the UK, and slammed the judge who issued the order. Meanwhile PM of UK Gordon Brown also asked Livini to visit their country as she would be warmly welcomed there.

Social Front:

EGYPTIAN government has recently submitted a report to the UN Human Rights Council (HRC) as part of the Universal Periodic Review mechanism. The report talks about speeding up of their reforms and developmental processes.

Economic Front:

EGYPT'S government has started channeling most of its additional spending into infrastructure projects in a bid to combat fall-out from the global financial crisis. In its first comment since the formation of LEBANON'S unity Cabinet, the Institute of International Finance indicated that the creation of the government would probably improve confidence in the Lebanese economy and maintain strong growth of about 7 percent. It also talked about the likelihood of implementing key reform measures included in the Paris III agenda, such as fiscal adjustment and privatization of the telecom sector. United States President, Barack Obama, signed the Foreign Aid Budget Law of 2010 which includes granting \$2.775 Billion in security aid to the state of ISRAEL.

TURKEY

Political Front:

The terrorist Kurdistan Workers' Party (PKK) has continued its illegal demonstrations and provocative actions not only in Turkey but also in Europe; protesting at the offices of international organizations and the buildings of TV stations such as the BBC and clashing with police, against the condition of their leader Abdullah Ocalan at İmralı Prison. Despite the PKK claiming responsibility for a terrorist attack in the city of Tokat that left seven soldiers dead earlier this week, the prime minister has stated that there might be other unseen groups and masterminds behind the attack wishing to undermine the government's Kurdish initiative. PM has again reiterated his commitment to push on with its democratic initiative agenda despite strong criticism of opposition parties. Turkish court has banned the pro-Kurdish DTP on allegations of having links with PKK. DTP's

closure led public to launch violent protests against court's decision. PM condemned court's decision that caused angry protests and plunged the country into political uncertainty. Meanwhile reaffirming their previously announced decision, leaders of the now-defunct Democratic Society Party (DTP) announced that all deputies would withdraw from parliamentary proceedings and return to their respective constituencies to campaign at the grass root level.

Geo-strategic Front:

Turkey has clearly said that it would by no means let Israel misuse Turkish airspace to carry out intelligence and surveillance missions of a neighboring country. Meanwhile Turkish growing relations with Croatia, Bosnia, Serbia, Albania, Egypt, Australia, Denmark, China and Russia remained significant as exchange of official visits by diplomats took place.

Economic Front:

Dutch insurance company Eureka has made plan to shift its major investments to Turkey from several countries. Two Turkish construction contractors have been named among Europe's top 100 construction companies. All the while Turkish contractors have started constructing largest Mall in Africa.