

Report # 102
BUSINESS AND POLITICS IN THE MUSLIM WORLD
Turkey, GCC, FC, Central Asia & China
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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; Central Asia, GCC, FC and China from 09 January 2010 to 15 January 2010 as have been collected by interns.

TURKEY

Political Front:

Government has reiterated her commitment to the democratic initiative. Surveys however have revealed public's hesitation regarding government's plan to resolve Kurdish issue via reforms. Analysts have expressed serious concerns regarding new clashes that have been reported in various cities across the country almost every day. Meanwhile Nationalist Movement Party (MHP) leader has reiterated his call for early general elections, claiming that the current government has lost its dynamism and is no longer able to rule the county. All the while a considerable portion of the Turkish nation backs the foreign policy pursued by the Justice and Development Party (AK Party) government.

Geo-strategic Front:

Turkish growing ties with Russia, Pakistan, UAE and Lebanon remained significant. President Mehmet Ali Talat of the Turkish Republic of Northern Cyprus (TRNC) and Greek Cypriot leader Demetris Christofias met under a new and intensified stage of negotiations. Israeli Foreign Ministry expressed uneasiness over a popular Turkish TV series, "Kurtlar Vadisi" (The Valley of The Wolves), through diplomatic channels. Turkey strongly condemned Israeli behavior and demanded their apology letter which was later on submitted by Israel. Meanwhile Turkish PM condemned Israel for violation of Lebanese air space. Turkey and Spain have recently discussed all possible chapters to be opened in the accession negotiations under the Spanish EU Presidency.

Social Front:

Roman Catholics have joined an array of sects seeking recognition in Turkey in order to have access to rights and protections afforded to minorities, particularly in the fields of education, charitable organizations and property ownership.

Economic Front:

Turkey's unemployment rate declined to 13 percent in the three months through November. Hydroelectric power plants have become significant in producing energy from domestic renewable sources and reducing dependence on external and expensive energy.

GCC

Political Front:

Yemini President has offered to open talks with Al-Qaida if it agrees to lay down arms. Meanwhile a suspected Al-Qaida figure has been killed and four got arrested in a raid on a house. At the same time Iranian President has strongly condemned Saudi Arabia for its treatment with Yemini rebels. An influential Muslim scholar has warned Yemini government that its support for the US in war against terrorism would help her to influence their motherland.

Geo-strategic Front:

One of the local Islamic preacher urged Saudi authorities to explore the prospect of imposing a ban on travel to the United States if the United States sticks to its decision to undergo an "enhanced screening" of passengers from Saudi Arabia. At the same time, the Saudi Ministry of Foreign has sent a message to the US administration seeking clarifications regarding the recent US announcement about heightened security checks for Saudi passengers. At the same time Syrian President has pledged to work with Saudi Arabia to promote reconciliation between various Palestinian factions. The government of Dubai has expressed her consent to host headquarters of the UN if it plans to shift from New York. Kuwait seems keen to sign peaceful energy pact with France.

Social Front:

Saudi Arabia's Shura Council has passed a legislation to make amendment in the Criminal Procedure Law by which death sentence shall be carried out with a unanimous decision instead of the existing majority vote. Saudi Arabia's Human Rights Commission commended the steps taken by the government to empower women and elevate their position and status in the society. Kuwaiti government has also introduced various reforms for their women. Qatari government has started investing heavily in promoting research, spending 2.8 per cent of its Gross Domestic Product (GDP) on funding studies in various fields. Kuwait has taken step to ensure payment of wages to foreign labors.

Economic Front:

The UAE, Oman and Bahrain business confidence levels all declined in the last quarter. According to HSBC's quarterly the index fell from 81.4 to 80.2 between the third and fourth quarters of 2009. Dubai's ruler approved the Gulf emirate's 2010 budget with a deficit of 2 percent of gross domestic product, deeper than last year and in line with a budget committee's

proposal. Oman's gross domestic product (GDP) at current prices declined by 27.4 percent as of the end of the third quarter of 2009 compared to the same period in 2008, new data has showed.

FERTILE CRESCENT

Political Front:

The result of LEBANESE Parliamentary elections has created a situation where Hezbollah would retain stockpiles of arms and would have veto power over major government decisions. A national committee has been formed in order to abolish political Sectarianism by building consensus among various Lebanese factions. Consensus building however seems to be a tough task. On the basis of 'law of the committee of justice & accountability' government of Iraq has barred nearly 500 politicians and political parties from contesting upcoming national elections. This decision of government has raised criticism within various circles as many parties have started threatening to boycott.

Geo-strategic Front:

US Secretary of State Hillary Clinton urged Palestinians and Israelis to resume peace talks "without preconditions," backing Palestinian aims for a state along the 1967 boundaries. The United States voiced its support for a wall being built by Egypt to block a network of tunnels stretching out from the Gaza Strip, arguing it would stop arms smuggling. Lebanon and Syria have criticized the tight security screening recently introduced by the United States against travelers from the two Arab nations.

Social Front:

Lebanon has expressed serious concern regarding climate change.

Economic Front:

Egyptian tourist industry has been doing well despite economic crisis.

CENTRAL ASIA

Political Front:

Government of AZERBAIJAN blocked entry of US and Norwegian embassy officials into a village where locals came in clash with police. Meanwhile Election Commission announced the result of municipal elections and nullified election result in few of the municipalities. Three organizers of a rally supporting jailed journalists in Kazakhstan went on trial; all of them condemned government for being politically motivated. A Kyrgyz opposition leader has criticized the United States for not speaking out about media freedom and other rights violations in Kyrgyzstan. Tajik National TV channel has announced to provide air time to all political parties for pre-election debates.

Geo-strategic Front:

Despite the issue of delimitation of Caspian Sea AZERBAIJAN & TURKMENISTAN enjoy cordial ties. Azerbaijan suspects Armenian involvement in the destruction of Azerbaijani cemetery in Gazakh region. Kazakhstan has formally begun its one-year chairmanship of the Organization for Security and Cooperation in Europe (OSCE). Meanwhile, Kazakhstan has appointed an ambassador to Uzbekistan after 17 months without a diplomat in Tashkent. Kazakhstan has angrily denied allegations that it planned to sell uranium ore to Iran. Apart from that a batch of contraband ammunition has been found in a cargo that has arrived in Kazakhstan from the United States. Iranian President hailed the launch of a gas pipeline link to Iran from its energy-rich neighbor Turkmenistan. Tajikistan and Iran enjoy good relations. Turkmenistan has resumed natural gas supply to Russia.

Social Front:

The Committee to Protect Journalists (CPJ) has condemned the prosecution of media activists in Kazakhstan. President of Turkmenistan has signed a document authorizing the transfer of US \$ 500 thousand as humanitarian assistance for people of Haiti affected by the earthquake. Uzbek President has unveiled a new monument as a replacement for Soviet monuments in downtown Tashkent that were taken down last year.

Economic Front:

The State Oil Company of Azerbaijan Republic (SOCAR) has renewed statistical data on Azerbaijani oil export via the major pipeline Baku-Tbilisi-Ceyhan (BTC). According to it 2.8 million tons of Azeri oil was delivered via BTC to Turkey's Ceyhan port in December 2009. Inflation in Kazakhstan amounted to 6.2 percent in 2009. President of Kyrgyzstan signed a decree passing control over all economic crimes to the State Financial Police department.

CHINA

Political Front:

Former general manager of the China National Nuclear Corporation (CNNC), has been stripped of his post and his membership of the Communist Party of China (CPC) for "serious violations of the law and breaches of discipline."

Geo-strategic Front:

China has successfully conducted test on ground-based midcourse missile interception technology within its territory. The United States would issue an official protest to the Chinese government over a major espionage attack targeting Google's computer systems and rights activists' e-mail accounts. China and Argentina have agreed to proceed from a long-term perspective, strengthen high-level exchanges, advance practical cooperation in areas of finance, energy, infrastructure construction, and promote contacts and coordination on such issues as

climate change and the reform of international financial system in a bid to elevate bilateral ties to a new level. Tanzania has expressed thanks to China for the support and assistance to the east African country. Meanwhile Chinese growing ties with Vietnam, Singapore, Indonesia, Thailand, Brunei, Saudi Arabia, Kyrgyzstan, Germany, Japan and Europe also grabbed attention. Meanwhile China has called for improved contacts in order to achieve a peaceful resolution of the Iran nuclear issue. China and Russia also aimed to boost their political ties by arranging more frequent diplomatic exchanges. The US decision to sell arms to Taiwan might create tension between US and China.

Social Front:

China has sent relief packages to Haiti in order to assist them in the process of recovery. Meanwhile government of China has started taking quick measures to end corruption. A senior Chinese leader has called for deepened reforms and more innovations in the country's arts sector for greater cultural development. Meanwhile China has insisted its stand for an open Internet under proper regulation following Google's widely-concerned statement of a possible retreat from the country. Law enforcers in Xinjiang Uygur Autonomous Region have set anti-terrorism as the main task in their work. China's State Council, or Cabinet, claimed that the so-called "five districts referendum" proposed by some social groups in Hong Kong would violate China's Constitution and the region's Basic Law.

Economic Front:

China's foreign exchange reserves almost hit 2.4 trillion U.S. dollars by the end of 2009, up 23.28 percent year on year. China discovered nearly 5 billion tones of iron ore deposits in 2009. Meanwhile Chinese shares as well as FDI remained high. China's foreign trade in 2009 however dropped 13.9 percent from a year earlier to 2.21 trillion U.S. dollars.

