

Report # 109
BUSINESS AND POLITICS IN THE MUSLIM WORLD
South Asia, India, East Asia, Central Asia, GCC, Turkey & China
Nadia Tasleem
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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; South Asia, India, East Asia, Central Asia, GCC, Turkey and China from 27 February to 5 March 2010 as have been collected by interns.

TURKEY

Political Front:

Turkish Parliament has recently approved the referendum bill. Turkish government has promised to take various steps in different aspects of life under 'democratic initiative'. Some of the changes have been brought in yet many other reforms need to be introduced. Meanwhile PM Erdogan claimed that his last week remarks about media that led columnists to launch protest against him; have been misunderstood and misinterpreted by media. As far as the issue of coup plot is concerned investigations are still going on in that regard. Some authentic reports in this regard have been found. Reports also indicate that coup planners intended to ban all kinds of religious activities in the country. In this regard an Istanbul court has arrested former 1st Army commander retired Gen. Çetin Doğan and retired Lieutenant General Engin Alan under the probe regarding "Balyoz Plan" allegations.

Geo-strategic Front:

A Turkish school in Sudan's capital of Khartoum has been contributing to the development of relationships between Turkish and Sudanese people. Turkey has expressed profound grief for Chilean earthquake. Meanwhile Turkish Foreign Minister has claimed that Turkey intends to resolve Iranian issue. The Turkish Foreign Ministry expressed "regret" over the fact a US House of Representatives committee would be called to vote on a resolution that would recognize the World War I-era killings of Anatolian Armenians as genocide, while voicing its expectation that the resolution would be rejected, saying the approval of the resolution would bring ongoing normalization efforts between Ankara and Yerevan to a "standstill." Voting however took place despite the fact that President Obama asked the US Congress not to act on Armenian resolution after having telephone talk with Turkish PM. Two Turkish organizations reacted to a US TV channel for broadcasting a program regarding incidents of 1915. As far as Cyprus issue is concerned Turkey has announced to withdraw its troops from there after reaching at peace deal with the later. Turkey has extended full support to Yemen. Besides that Turkish effort to join EU and growing Turkish ties with Central Asian Republics remained significant.

Economic Front:

Turkey's foreign trade deficit has increased by a record 160.6 percent in January. The consumer price index (CPI) in Turkey has increased by 1.45 percent in February due to

recent tax hikes. Meanwhile unemployment has emerged as the key challenge being confronted by Turkey. Turkey and Iran have signed MoU to enhance cooperation in industrial development. Boosting economic ties of Turkey with Japan, India, Africa, Philippines and Pakistan have also been observed.

Social Front:

Participants at a meeting organized by the Women's Rights Association against Discrimination (AKDER) in Istanbul criticized the ongoing headscarf ban in Turkey. Turkish security forces confiscated 104 kilograms of hashish in two separate operations in the west and southeast of the country.

EAST ASIA

Political Front:

Indonesia's president has decided to address the nation soon in a bid to save his fragile coalition after parliament called for a criminal probe into a controversial bank bailout two years ago. Thailand's ruling party urged deposed premier Thaksin Shinawatra to leave the political stage after the top court ordered the seizure of more than half of his US\$2.3-billion fortune.

Geo-strategic Front:

Obama's expected visit to Indonesia in second half of March has led analysts to develop positive hopes for the future of US-Indonesian ties. Cambodia's military mounted a rare public test of rockets amid a lingering troop standoff over disputed territory with neighboring Thailand.

Economic Front:

The Indonesian government has recently announced its list of 93 power plants to be built under the second 10,000-MW power generation scheme. Annual inflation in Indonesia rose in February, but remained manageable. However the prices of several food items dropped, such as sugar, beef, chicken and eggs. The government of Malaysia has been trying to promote private investments. Meanwhile the government of Thailand has signed an economic agreement with Japan to boost their bilateral ties.

Social Front:

Indonesian police have charged 14 suspected Islamist militants arrested in restive Aceh province with planning terrorist attacks and shot dead another. Malaysia's reputation as a progressive, tolerant and moderate Muslim state seems to be at stake now as the country's best known democratic leader Anwar Ibrahim stands trial for alleged sodomy and risks being jailed for many years if declared guilty. Civil society has expressed serious concern regarding this issue.

CENTRAL ASIA

Political Front:

One of the Opposition leaders denied any chances of coalition of various opposition parties in Azerbaijan. Tajik President's ruling party retained parliamentary majority in recently held elections. Tajikistan's opposition has threatened to call street protests to

challenge the result of a parliamentary election. In the meantime international monitors also declared elections to be unfair. Uzbek President expelled top educationists.

Geo-strategic Front:

Azerbaijan has strongly condemned American Congress for voting over a resolution in favor of Armenians against Turkey. Kazakhstan, home of the space base used to launch rockets to the International Space Station (ISS), has started interfering with Russian space missions. Meanwhile Japan has recently signed a civil nuclear agreement with Kazakhstan. Uzbekistan announced to close Kyrgyz-Uzbek border. Later on an Uzbek was shot dead by Kyrgyz border forces while he was attempting to cross the border. Russian Deputy Prime minister paid his first visit to Tajikistan. A telephonic conversation between Turkmen President and his Russian counterpart took place that focused on strengthening Turkmen-Russian ties.

Economic Front:

Azerbaijan exports crude oil and oil products via various routes to 30 countries of the world. Meanwhile the State Oil Company of Azerbaijan (SOCAR) increased volumes of gas exports from the country by 17.9 percent against last December. Kazakhstan has invited Finland to cooperate in high technologies and scientific research. Kyrgyzstan and Russia have signed an agreement on economic cooperation program for 2010-2013. The European Union has decided to allot more than € 50 million to the Kyrgyz Republic. The European Union has supported the reformist policies of Turkmenistan mainly in energy sector. Uzbekistan and Japan have signed agreements to boost their economic ties.

Social Front:

Landslide has activated in Gusar region of Azerbaijan. OSCE officials have asked Kazakh government to loosen media groups in order to promote freedom of expression. Kyrgyz human rights activist Nematillo Botakoziev has been reported missing.

GCC

Political Front:

Bahrain's largest Shi'ite parliamentary bloc has started asking for new mode of power sharing in the parliament, sparking a row with Sunni politicians that have drawn in foreign missions as well. The Al Wefaq bloc, with 17 of 40 seats in the assembly, said during its annual assembly last month that the power sharing envisioned in Bahrain's constitution had not yet been sufficiently brought to life.

Geo-strategic Front:

Saudi King Abdullah and Indian Prime Minister Man Mohan Singh signed the Riyadh Declaration that aims to strengthen their bilateral ties at all fronts. Meanwhile Saudi-Arabia has recently signed nine agreements with Yemen to boost ties with the later. Growing Saudi ties with Qatar also remained in focus. UAE has strongly condemned Israeli use of force against Palestinians. Police in UAE seems keen to see the day when Israeli PM would be an ordinary citizen and would come in their grip. The Yemeni government has apologized to families of 42 civilians killed in an air strike that targeted Al Qaeda figures in southern Yemen in December.

Economic Front:

Saudi Arabia has started considering the option of building a new port in the Red sea city of Jeddah to handle rising imports such as wheat and barley under a food security plan.

Social Front:

Qatar has been regarded as one of the countries' with maximum number of traffic accidents in the region.

SOUTH ASIA

Political Front:

Bangladeshi PM intends to convert her country into a digital country by 2021. Meanwhile arrest warrants of two sons of opposition leader have been issued for their involvement in various criminal cases. Srilankan player Jayasuriya has been criticized for refusing to quit cricket after entering into politics.

Economic Front:

Bangladesh has agreed to have tri-nation gas pipeline linking India and Myanmar to it. The US has announced to launch a US\$210 million recipe for feeding the poorest and most vulnerable people in Bangladesh under a greater food-security agenda. Bhutan intends to create 7000 more jobs opportunities via construction of two hydro-power projects. Nepalese economy has not grew in accordance with the expectations of the government still positive hopes have been associated with it in the year 2010. Nepal has agreed to compensate Indian investors for any losses they might suffer from non-commercial factors -- like change in tax structure and other policy decisions -- in a bid to lure more investments from the southern neighbor.

Social Front:

Taslina Nasreen's article has caused strong protests in Bangladesh. All the while EU has strongly condemned various acts of violence against Christian and Buddhist population in Bangladesh. A panel of experts has presented a report regarding absence of social justice in Maldives. Mal-nutrition has been regarded as the key challenge being faced by Nepal.

INDIA

Political Front:

National Level:

Shashi Tharoor's remarks on Saudi Arabia's potential as a mediator in India's ties with Pakistan provoked criticism from BJP and other political parties including Congress. Meanwhile BJP's senior leader L.K Advani criticized government on holding talks with Pakistan and stated it a response on US pressure. All the while responding to Maoist leader's truce offer; the government asked them to ensure ceasefire for 72 hours to facilitate talks.

Geo-strategic Front:

Man Mohan Singh received warm welcome from Saudi King and declared his visit very successful. During his visit India and Saudi Arabia finalized 10 pacts, including an Extradition Treaty and agreements in the economic sphere.

Economic Front:

Indian foreign exchange reserves fell by USD 528 million for the week ended February 19 to USD 278.672 billion compared to USD 279.2 billion in the previous week.

Social Front:

US report on International Narcotics Trade released by the state department said that most of the drug transiting through the country is bound for Europe. The report, however, noted that the bulk of heroin seized in the past two years has been of domestic origin, was seized in South India, and was apparently destined for Sri Lanka. Meanwhile according to the latest data by the Ministry of Home Affairs for three years, cases of child rape continue to rise as a total of 4,721 cases were registered during 2006, 5,045 in 2007 and 5,446 in 2008 across the country. Madhya Pradesh registered 892 such cases.

Regional Front:

A new swine flu case has been reported in Himachal Pradesh after a gap of over a month, with this, the number of Influenza (H1N1) cases in the state has risen to 45. In the assembly of Andhra Pradesh opposition parties staged a protest on price rise issue. In the meantime two persons died and eight others were injured in Karnataka following violent protests over the publication of an article by Bangladeshi writer Taslima Nasreen on the burqa in a vernacular daily.

CHINA

Political Front:

Chinese Parliament has expressed serious concern regarding growth, development and welfare of the poor living in under developed regions of the country. In this regard top Chinese political advisor Jia Qinglin delivered a report and presented it at the opening meeting of advisory body's annual full session. China has announced to reduce defense budget yet many analysts claim that reduction has just taken place on papers and not practically. World media has paid close attention to Chinese Premier's government work report to the annual session of the National People's Congress (NPC), focusing on China's fiscal and monetary policies in particular. Chinese PM has promised stable growth in this year.

Geo-strategic Front:

Chinese PM has expressed keenness to bridge gap between Mainland and Taiwan. Both have signed economic agreements in order to improve ties. After two months of strained ties between the US and China it was thought that both would soon come out of this phase. US Deputy Secretary of State also visited China in this regard and held meeting with Chinese PM. But Chinese difference of opinion over the issue of imposition of new sanctions against Iran has been regarded as another source of tension between the two. China has favored negotiations to resolve Iranian nuclear issue. China has appreciated

UN role in resolving various disputes. Meanwhile UN acknowledged Chinese efforts in Haiti. China and Pakistan have agreed to hold joint anti-terrorism training during summer.

Economic Front:

China has frozen the Yuan exchange rate at about 6.83 per dollar since mid-2008 to preserve the international competitiveness of its exporters, causing dismay in Washington and Brussels. This has led Western countries to exert pressure on China to appreciate its currency. China has enhanced industrial restructuring in order to achieve stable economic growth. China has announced to further open its agricultural market for Taiwan. China has set out to build “an international gateway to South Asia”. The grandiose plan involves trade routes connecting India, Bangladesh, Myanmar and Nepal with three Chinese provinces. The U.S. Commerce Department said that it would slap preliminary anti-dumping duties on imported magnesite carbon brick from China, the latest move that adds tension to the trade relations between the two countries.

Hong Kong stocks ended down 301.01 points, or 1.44 percent, weighed by loss on Chinese mainland market which tumbled 2.4 percent.

Social Front:

People from different parts of the country have got an opportunity in the form of websites to participate in recently started legislative session in China. Meanwhile Chinese from all across the country have been asking for reforms to end existing gap between rich and poor classes. The appointment of the 11th Panchen Lama, the second highest Tibetan spiritual figure, to the Chinese People's Consultative Conference though seems to be largely symbolic but it has political significance. Lawmakers from ethnic minorities in northwestern China's Qinghai Province have urged for more favorable policies for the minority groups with small population. At environmental front, China's Yellow River Conservancy Commission (YRCC) defeated 50 other nominees to win this year's Lee Kuan Yew Water Prize. The Prize recognizes outstanding contributions towards solving global water problems by either applying technologies or implementing policies and programs which benefit humanity.