PROJECT ON BUSINESS AND POLITICS IN THE MUSLIM WORLD

ASIA REPORT

Quarterly Report on Asia

*January to **March** 2009*

Volume: 1

Reports of January, 2009

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INTERNATIONAL ISLAMIC UNIVERSITY
ISLAMABAD

BUSINESS AND POLITICS IN THE MUSLIM WORLD

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First Quarterly Report on Asia

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Department of Politics and International Relations
International Islamic University Islamabad

BUSINESS AND POLITICS IN THE MUSLIM WORLD

ASIA REPORTS

First Quarter 2009

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60° E
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BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

Aisha Rehman

From 26th Dec to 2nd Jan, 2009

Presentation: January 7, 2008

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- Iraq is Ours' slate in Ninewa provincial elections
- Iraq is no threat to the region – FM
- Rigged victory not to last- Maliki
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- German and Australian firms win $500 million to construct five hospitals

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- Shiite leader urges support for Palestinians in Gaza
- Iraqi Parliament calls for stand against Israeli "aggressions" on Gaza

- Sadrist bloc demands parliamentary session over Gaza
- Sadrists protest Gaza attacks in Baghdad

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- PB OKs foreign troop presence resolution
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- Shoeman's lawyer rules out trial tom.
- KRG deeply regrets Gaza attacks
- Minister al-Moallem receives phone call from German counterpart on dangerous situation in Gaza
- President al-Assad and Erdogan Discuss the Dangerous Situation in Gaza Strip

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- Weekly Cabinet Meeting Denounces Israeli Aggression on Gaza Strip
- Syrian people's Assembly underlines support to the Palestinian people

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- Moallem Discusses with His French, Norwegian, and Spanish Counterparts the Dangerous Situation in Gaza
- Minister al-Moallem receives phone call from German counterpart on dangerous situation in Gaza
- President al-Assad and Erdogan Discuss the Dangerous Situation in Gaza Strip

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- March 14 for U.N. Resolution on Gaza

- Jumblat Criticizes Nasrallah's Attack on Egypt

Social front:

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- Geagea Warns Against Attempts to Topple Arab Regimes
- Aid Ship to Gaza Arrives in Lebanon after being rammed by Israeli Boat
- Second NY man pleads guilty in airing Hezbollah's Al Manar

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- King condoles Mubarak over death of former PM
- SSC draft law still under discussion'
- Dahabi visits Public Sector Reform Ministry, Audit Bureau
- Agriculture Ministry receives final frost damage report
- Abbadi meets with South Darfur governor, Sudanese ambassador
- Gov't to continue with National Agenda reforms

Economic front:

- Kasasbeh briefs Senate Financial Committee on gov't measures
- Jordan Telecom Group adds value with WiFi Livebox
- Proposed law seeks to protect livestock industry
- European Commission to grant 454 million euros for over 40 initiatives
- Central Bank reduces charges on internal transfers
- Jordan-Saudi trade totals JD2,036m in 11 months
- JEDCO to provide technical, financial support for olive oil consortium
- High value-added projects to be focal point of National Investment Strategy
- Olive oil festival yields JD141,000 in revenue

Geo strategic front:

- Queen Rania highlights humanitarian crisis in Gaza
- Private firm to process Iraqis' visas

Social front:

- Campaign to prepare million Arab youth for workforce launched

- Thousands march in solidarity with Gazans
- Goodwill Campaign distributes clothes, blankets to 300 underprivileged families
- King wants feasible strategy to address road accidents
- Jordanian peacekeeper believed drowned in Atlantic Ocean - PSD
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- 60 families receive productive projects
- Aid convoys delayed due to weather conditions
- Gov't sole authority permitted to appoint head of Ombudsman Bureau'
- Campaigners for Gaza report 'huge' success
- More New Year festivities called off
- Nurses protest against targeting of medical cadres in Gaza
- Fayez underscores citizens' right to demonstrate for Gaza
- Lower House speaker arrives in Beirut for emergency Arab MPs meeting
- Health Ministry hospitals prepared to receive injured Gazans

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- PLO Executive Committee: Negotiations Depend on Halt of Aggression
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- Hundreds of Injured Palestinians Need Urgent Treatment Abroad
- Falk: Israel's Attacks on Gaza Illegal

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- Livni to meet with Sarkozy in Paris
- Arab Ambassadors: Israel Must Be Held Accountable for Violations and Crimes
- PRCS Calls on International Community to Stop Aggression Against Gaza
- Israeli Navy Attacks Aid Boat to Gaza, Forces it Back
- Quartet Calls for Immediate Ceasefire in Gaza

- CCI in West Bank declined by 1.81%

Responses to Gaza Situation

Fertile Crescent Response to the Genocidal Attacks on Gaza:

All the Fertile Crescent states condemn Israel aggression on Gaza. All the states send their aid conveys to help the Palestinians. Cancellations of New Year festivity in the Arab world is a sign of solidarity with Gaza residents under Israeli attacks since Saturday. Leaders, officials and stakeholders in Jordan, Dubai, Bahrain, Syria and Egypt have announced that no New Year celebrations would take place in their countries.

The Syrian Response to Genocidal attacks on Gaza:

***Political response*:** President al-Assad calls on the UN to shoulder responsibility in forcing Israel to stop its aggression on Gaza Strip. Also National and Regional Leaderships of al-Baath Arab Socialist Party, the National Progressive Front in Syria and The People's Assembly calls for a unified Arab stance to curb the Israeli arrogance.

Under directives of President al-Assad, a Syrian aid convoy heads for Palestinians in Gaza Strip, Other convoys to follow soon. Prime Minister Mohammad Naji Ottri chaired the weekly Cabinet meeting, during which the Cabinet members observed a minute of silence in mourning of the Palestinian victims of the Israeli aggression on Gaza Strip. The Cabinet denounced the brutal crimes being committed by the Israeli war machine against defenseless civilians and innocent women and children in Gaza Strip. Foreign Minister, Walid Moallem, received phone calls from Foreign Ministers of France, Norway, Spain and Germany they discussed the danger developments in Gaza resulting from the growing Israeli aggression. ***Social solidarity:*** A big mass demonstration was staged in the Syrian city of Aleppo in solidarity with the Palestinians in Gaza Strip and in condemnation of Israeli aggression. Citizens with all their Political, economic, religious, social and public activities expressed anger and criticism of the war of genocide perpetrated by the Israeli occupation against the innocent Palestinians in Gaza. Spiritual leader of the Monotheist Muslims Sect Sheikh Hussein Jarboua affirmed that the events in Gaza Strip constitute the highest degree of terrorism. In a statement Sheikh Jarboua said the continuing aggression against the Palestinian people in Gaza Strip is a holocaust committed by Israel. Islamic and Christian scholars also expressed that the nation is required to stop the massacre. Syrian lawyers expressed anger and condemnation of the new holocaust perpetrated by the Israeli occupation forces in Gaza Strip.

Iraq's Response to Genocidal attacks on Gaza:

Shiite leader Abdel-Aziz al-Hakim called on Iraqis to "stand by" the Palestinian people in the Gaza Strip, according to a statement. The Iraqi Parliament called on Arab and Muslim countries to "rally ranks" in the face of Israel over the attacks on the Palestinian people in the Gaza Strip. Parliament's statement further called on the United Nations and Security Council to intervene to stop these violations ***social solidarity:*** The Sadrist Movement, or Iraqis loyal to Shiite Cleric Moqtada al-Sadr, organized a demonstration at al-Mustansiriya Square, eastern Baghdad, condemning the Israeli military operation in the Gaza Strip. The Iraqi government announced that it will send medical and food assistance to the Gaza Strip. Iraqi parliament's Human Rights Committeeand The Kurdistan

Regional Government (KRG) condemned the Israeli military operation in Gaza, calling on all parties to immediately stop all military activities.

Jordan's Response to Genocidal attacks on Gaza:

Solidarity moves: Thousands of people took to the streets of downtown Amman in protest against the deteriorating situation in Gaza. Members and supporters of the Baath Party, professional associations and the Muslim Brotherhood marched from Al Husseini Mosque to the Greater Amman Municipality headquarters to express support for Hamas, as the marchers urged Arab leaders and the United Nations to step in and put an end the suffering. Activists from the Jordan Nurses Association (JNA) staged a sit-in at the association's headquarters to protest the targeting of medical staff in Gaza, one of a series of demonstrations as protests against ongoing attacks on the coastal enclave enter their fifth day.

Lebanon's Response to Genocidal attacks on Gaza:

Prime Minister Fouad Saniora condoms Israel's assault on Gaza. He called for immediate U.N. action to end the Israeli military operation. Lebanese President Michel Suleiman declared support for efforts to hold an urgent summit conference on Gaza. A boat loaded with medical supplies that was trying to break its blockade of the Gaza Strip arrived in the southern Lebanese port of Tyre after being rammed by an Israeli patrol boat. Dozens of protestors staged a march in the streets of Beirut calling on Arab governments to take action to halt the Israeli air offensive on the Gaza Strip. ***Threat to Lebanon from Israel:*** Lebanon President meets with defense minister to discuss the threat to southern Lebanon and ways of dealing with the current situation, they agreed on the need to boost security measures. Parliament Speaker and Prime Minister have maintained round the clock contact with Hizbullah, which asserted that the group has no interest in chaos in south Lebanon. All Lebanese soldiers and officers operating in south Lebanon, even those on unpaid leave and on holiday received mobilization orders to join their positions to guard against a possible Israeli attack on Lebanon.

World's Response To The Genocidal Attacks In Palestine:

Demonstrators in cities around the world are gathering to protest against the Israeli air strikes on the Gaza Strip in the Palestinian territory. ***British*** Foreign Secretary David Miliband called for

an "urgent ceasefire and immediate halt to all violence" in Gaza. British police made 10 arrests as a demonstration outside the Israeli embassy in London turned violent. Riot police moved in after people tore down the barriers keeping them back from the embassy. ***Russia***: Russian Foreign Minister Sergei Lavrov spoke to his Israeli counterpart Tzipi Livni and calls to "urgently halt" the military action. ***Diplomats in Italy and Spain***, Franco Frattini and Miguel Angel Moratinos, also spoke by telephone with Livni who said Israel would try "to limit the suffering of the people of Gaza," ***French President Nicolas Sarkozy,*** whose country currently holds the European Union presidency, told Palestinian Authority president Mahmud Abbas by telephone of his grave concerns about the escalating violence in the region and the need for both sides to stop their aggressions. ***Pope Benedict XVI*** denounced the violence between Israel and Hamas-controlled Gaza, and urged everyone involved in the "tragic situation in the Middle East" to strive for humanity and wisdom. ***The UN chief added his voice to the UN Security Council's*** call for an immediate end to hostilities and urged Israel to allow humanitarian aid into the poverty-stricken territory. ***Around European capitals, Danish*** police arrested a man on the fringes of a protest march in Copenhagen after he threw a petrol bomb at officers. Police said the rally drew about 700 people, though organizers put the number closer to 2,000. ***In Paris***, about 200 people gathered on the Champs Elysees, while across the city in the northern district of Barbes, an area with a high concentration of ***North Africans***, police said 1,300 others had joined an anti-Israel protest. ***In Madrid,*** hundreds of people demonstrated outside the Israeli embassy, brandishing placards reading "Israel terrorist", "Stop state terrorism" and "No to the Palestinian holocaust."

USA: While the ***outgoing Bush administration*** has blamed Hamas "thugs" for provoking the Israeli offensive by firing rockets into the Jewish state from Gaza, a top aide to Barack Obama was more measured, saying the president-elect is "committed" to achieving peace in the Middle East. Recognising the special relationship between the United States and Israel, Obama will work closely with the Israelis, David Axelrod said in an interview on CBS television.

Muslim World Response to Gaza

From Egypt to Iraq, demonstrators took to the streets across the Arab world in noisy protests against Israel's deadly bombardment of the Gaza Strip. ***Egypt:*** The largest single protest of about 8,000 people took place in Egypt on the streets of the southern city of Assiut. Some 4,000 protesters rallied in the capital Cairo, while a demonstration in the Mediterranean port city of

Alexandria drew a similar number, a security official said. ***Turkey*** major showing of anti-Israeli sentiment was seen where thousands of people joined demonstrations in about a dozen Turkish cities. ***Yemen:*** In Sanaa, tens of thousands of Yemenis joined a demonstration jointly organised by the ruling General People's Congress and opposition parties. ***Bahrain:*** over 2,000 people answered a call by Sunni Islamists to take to the street in the city of Muharraq, chanting anti-Israeli slogans, and slamming Arab governments, mainly Egypt. ***Kuwait:*** Hundreds of Kuwaitis assembled outside their parliament calling on Arab leaders to help the people of Gaza and urging Egypt to open its border with the Strip. Jordan, Libya and non-Arab Greece and Iran all promised to send aid. ***Greece*** said it would send humanitarian aid "as soon as possible," but did not specify what or how much. ***Iran*** said it would send two aircrafts to Cairo to deliver 25 tons of rice, sugar and canned food. An Iranian shipment of more than 2,000 tons of aid is also to leave the Gulf port city of Bandar Abbas for the Jordanian Red Sea port of Aqaba.

News Details

Iraq

Political front:

Iraq is Ours' slate in Ninewa provincial elections

The secretary general of the 'Iraq is Ours' slate said that the list will participate in the upcoming provincial elections in Ninewa. "The slate's electoral program concentrates on the processes of services and rebuilding the province through investments," Abdulrazaq Sultan al-Jabbori told. "The program embraces other issues, such as preserving th ***rights of former Iraqi army servicemen, and constructing the country's new armed forces on the*** basis national loyalty," he added.

Iraq is no threat to the region – FM

The Iraqi undersecretary of foreign affairs said that Iraq has ended their rule under the United Nations (UN) Charter -7, and is no longer a threat to the region's security, according to the UN Security Council's recent resolutions. "Iraq's financial immunity is still under the UN Charter -7," Waleed Abawi told Aswat al-Iraq. "Financial claims of states and persons against Iraq are not allowed, because the country's funds will remain under UN protection," he added.

Rigged victory not to last- Maliki

Iraqi Prime Minister Nouri al-Maliki called for free provincial council elections, set for early next year, adding that "rigged victory does not last long." "Voters should elect whoever they deem can serve their country and its people," Maliki said in a speech at the first Anza tribes' conference in Karbala province. Maliki added that modern states must be built on facts, away from the abominable sectarianism and self-interest. ***Provincial council elections are scheduled to take place on January 31 in all Iraqi province***s, with the exception of Kirkuk and the Kurdistan region.

Coalition forces to remain in Basra airport's military section

British forces in southern Iraq said that the ***Basra International Airport will be handed over to Iraqi authorities on January 1, 2009 but they will remain in the military side of the facility***. "The decision taken by the Iraqi parliament allows British troops to remain in Iraq," a spokesman for the coalition forces in Basra told, adding this should allow the British forces to back Iraqi forces in the forthcoming elections as well as completing their mission of training Iraq's 14th Division. ***"After completing all our missions, our forces will withdraw on July 31, 2009 at the most*** and hand over the military side of the base to the U.S. forces while Iraqis will be in control over the civilian side of the airport," said the British spokesman.

Talabani, Barazani discuss separation of parties from govt.

Iraqi President Jalal Talabani and Iraqi Kurdistan President Massoud Barazani are discussing a host of issues, including the separation of party politics from the Kurdish regional government's activities, a media official in Talabani's Patriotic Union of Kurdistan (PUK) revealed. "Talabani and Barzani will also discuss independence of institutes, universities and courts as well as the outcome of Talabani's recent visit to the city of Kirkuk," Azad Jindyani told. He ***did not give further details about the meeting.***

Talabani calls for developing Iraqi army

Iraqi President Jalal Talabani called on Defense Minister Abdul Qader Jassem to develop Iraqi army's capabilities, according to the spokesman for the Peshmerga forces. "Talabani met with the defense minister, with whom he stressed the development of the Iraqi army's capabilities and strengthening ties among its different units to be able to protect Iraq's security," Jabar Yawer told. "The two officials also discussed preparations to celebrate the Iraqi army day on January 6th," he added.

No initial nomination for parliament's speakership – IAF

The spokesperson of the Iraqi Accord Front (IAF) said that there is no initial nomination to occupy the position of Iraqi parliament's speaker, explaining that the Front would hold a meeting in this regard this week. "The nominated person will represent the IAF,"

Saleem al-Jabori told. "During the meeting, the Front will decide the nominee who could or could not be one of its members," he added. The Sunni Arab IAF occupies 27 out of the 275 seats of Iraq's council of representatives.

Speaker not necessarily from IAF – legal expert

Attorney Tareq Harb said there is no legal or constitutional basis that limits the right to nominate a candidate for the position of parliament's speaker to the Iraqi Accord Front (IAF) or to a specific sect. "Political blocs have the right to choose a figure from outside the IAF, provided that this figure gets 178 approval votes in the parliament," Harb told "It is acceptable to nominate a Sunni figure from outside the IAF," he added.

IAF to assume Parliament's chairmanship - MP

MP from the Iraqi Accord Front denied recent rumors about accusing some political bodies of attempting to nominate their members to replace parliament's former Speaker Mahmoud al-Mashhadani, according to a statement of the Islamic party. "The parliament's chairmanship is allocated only to the Iraqi Accord Front according to political agreements reached after the parliamentary elections held in 2005," Hashem al-Taei told. On December 23, the Parliament accepted the resignation presented by Mahmoud al-Mashhadani during an extraordinary session after a heated debate erupted between al-Mashhadani and members of parliamentary committees over the issue of Iraqi Journalist Muntadhar al-Zaydi, who threw a pair of shoes at U.S. President George W. Bush at a Baghdad-based press conference last week. The Sunni Iraqi Accord Front has 38 seats in the 275-member Parliament. It comprises the Iraqi Islamic Party (IIP), the Iraqi People's Congress (IPC), in addition to the Iraqi National Dialogue Council (INDC) and the Independent Bloc.

IAF should not hold on to speaker's position – Sadrist MP

A spokesperson for the Sadrist parliamentary bloc called on the Iraqi Accord Front (IAF) not to hold on to the position of the Iraqi council of representatives' speaker. "I call on the IAF not to accuse any bloc or political figure of opposing their nominee for the position of parliament's speaker," lawmaker Ahmed al-Masaodi told. "Most of the lawmakers have agreed that the IAF was dismantled after the withdrawal of the National Dialogue Council, and a number of figures from the front," he said. "The Sadrist bloc would support any nominee for this position from any bloc who puts the national interest as a priority," he added.

VP calls to support Iraqi refugees in Egypt

Iraqi Vice President Tareq al-Hashemi said that his government must pay more attention to internally and externally displaced Iraqi families, particularly to those in Egypt. "In a message to the minister of displacement and migration, Abdelsamad Rahman Sultan, Hashemi pointed out that the relative success that has been achieved on the security level should be translated into

successes at other levels," according to a statement released by his office and received. Hashemi urged the minister to adopt a suitable mechanism that provides financial support for Iraqis in Egypt.

PM calls for "free, fair" local elections

Iraqi Prime Minister Nour al-Maliki called for "free and fair" provincial council elections, which are scheduled to take place late January 2009. "the premier received in his Baghdad-based office several members of the Independent High Electoral Commission (IHEC), as well as the chairman and members of the High Security Committee for Elections," according to a statement released by Maliki's office The premier urged the electoral commission to ensure that all candidates meet the essential criteria.

MP says blocs' demands must be met before budget vote

A member of the parliamentary economic committee called on the Iraqi government to agree to the demands of the United Iraqi Alliance (UIA) and the Sadrist Bloc prior to a vote on the 2009 budget. "The UIA has urged the government to announce the allocations made for southern provinces," Younadem Kana, who heads al-Rafideen List in the Iraqi Parliament, The parliamentarian did not reveal when the request was submitted to the government. Kana added that the Sadrist bloc will boycott the vote on the 2009 budget because the final statements of state departments and ministries have not been attached to the budget.

Al-Mashhadani rejects cabinet no-confidence vote

Leader of the United Iraqi Alliance Sami al-Askari blamed the bodies that caused the resignation of former Parliament Speaker Mahmoud al-Mashhadani, noting that he paid the price in his rejection of the cabinet's no-confidence vote. "He refused to vote no-confidence on al-Maliki's government because he considered it the best until now," al-Askari, who is a member of the Daawa party, He unveiled a plan by some political bodies to give a member of the Islamic party the chairmanship of the parliament as a step to vote no-confidence of the premier to sack him.

Iraqi forces to assume security responsibility of Camp Ashraf - US embassy

With the end of the UNSCR mandate for the Coalition Forces in Iraq, the Government of Iraq will assume security responsibility for Camp Ashraf and its residents as of January 1, 2009, the US embassy in Iraq said in a statement "In that context, the transfer of security responsibility from Coalition Forces to the Iraqi Security Forces will take effect January 1, 2009. U.S. forces will maintain a presence at Camp Ashraf and will continue to assist the Government of Iraq in carrying out its assurances of humane treatment of the residents of Camp Ashraf," said the statement "The Government of Iraq has provided the US Government written assurances of humane treatment of the Camp Ashraf residents in accordance with Iraq's Constitution, laws, and international obligations," it added. As

recently as September 2008, the Government of Iraq affirmed publicly that it would treat the residents of Camp Ashraf humanely.

President Talabani discusses political developments with SIIC chief

Chief of the Supreme Iraqi Supreme Council Abdulaziz al-Hakim paid a visit to Iraq's President Jalal Talabani at his official headquarters in Baghdad, according to a statement of the SIIC. "The president reviewed with al-Hakim the recent meetings he had in Kirkuk," said the statement."The two discussed several issues in the Iraqi political arena," it noted.

Tribal conf. in Diala to support elections

Diala witnessed a conference of 400 chieftains, attended by a representative of the Daawa party of Prime Minister Nouri al-Maliki, to express support the next provincial councils elections, head of the Diala support councils said "Al-Patoul hall in Baaquba hosted the conference with the participation of more than 400 tribal personalities and chieftains and he all 13 support councils in Diala," Saad Haloub told "The participants agreed to support the election process through urging tribes to take part in the elections and cooperate with police and army forces to protect poll stations," he added.

Economic front:

German and Australian firms win $500 million to construct five hospitals

The Ministry of Health has signed two contracts worth more than $500 million for the construction of five major hospitals in the country. The contracts were won by German and Australian firms, Health Minister Saleh al-Hasnawi said. The 400-bed hospitals will take two and a half years to finish and will be constructed in the provinces Diwaniya, Diyala and Baghdad. The hospitals are part of a nation-wide reconstruction in the health sector which started in 2006 under which the country should have 10 new large hospitals by the end 2011.

Geo strategic front:

Shiite leader urges support for Palestinians in Gaza

Shiite leader Abdel-Aziz al-Hakim called on Iraqis to "stand by" the Palestinian people in the Gaza Strip, according to a statement by Hakim's office. "The Palestinian people in Gaza Strip came under bloody assaults and attacks by the aggressive Israeli forces, which left hundreds of people killed or wounded," Hakim, the leader of the Supreme Islamic Iraqi Council (SIIC), was quoted in the statement. The statement by Hakim, who also leads the Shiite United Iraqi Alliance (UIA), the largest bloc in the Iraqi parliament with 83 out of a total 275 seats, described the Gaza incidents as a "human tragedy and formidable genocide," appealing to Arab and

Muslim nations as well as the international community to support the Palestinian people. Hakim also called on Israel to stop the siege it imposed on the Gaza Strip and immediately halt this aggression that leaves innocent Palestinian civilians killed.

Iraqi Parliament calls for stand against Israeli "aggressions" on Gaza

The Iraqi Parliament called on Arab and Muslim countries to "rally ranks" in the face of Israel over the attacks on the Palestinian people in the Gaza Strip. "Arab and Muslim nations have to rally ranks to stand against these criminal acts and immediately end operations to stop the Palestinian bloodshed," according to a parliamentary statement The statement called for "solving the (Palestinian) issue via peaceful and diplomatic means". Parliament's statement further called on the United Nations and Security Council to intervene to stop these violations.

Sadrist bloc demands parliamentary session over Gaza

A spokesperson for the Sadrist bloc, or Iraqis loyal to Shiite Cleric Moqtada al-Sadr, said that it has submitted a request to the Iraqi parliament's speakership calling for an urgent session to debate Israeli military attacks in the Gaza Strip. "The aim of the session is to tackle possible responses to the Israeli aggression on the Palestinian people," he said. "Most blocs will support this request to come up with a unified stance regarding this sinful aggression on unarmed people," he added.

Sadrists protest Gaza attacks in Baghdad

The Sadrist Movement, or Iraqis loyal to Shiite Cleric Moqtada al-Sadr, organized a demonstration at al-Mustansiriya Square, eastern Baghdad, condemning the Israeli military operation in the Gaza Strip. "The Zionist entity has presented the ugliest images of terrorism against the Palestinians," Abdelhadi al-Mohammedawi, a prominent figure in the Sadrist Movement, said in a speech during the demonstration. Addressing the Palestinian people, al-Mohammedawi said "You should all know that Israel will be annihilated as long as there are Muslims who work for the unity of their peoples."

Social front:

Iraq readies Abu Ghraib for U.S.-held detainees

The Iraqi authorities will house the detainees the U.S. will hand over to them in the notorious Abu Ghraib prison, the Justice Ministry said. The ministry's Inspector General Ahmad al-Abbas said the prison, the largest in Iraq, is currently being rehabilitated. "The ministry is prepared to receive all the prisoners held by the America side and is working to provide all the means to house them," Abbas said. Under a joint security agreement, the U.S. is to transfer custody of Iraqis its troops have been detaining in the country to the government. ***According to Justice***

Ministry figures there are 23,000 Iraqis in U.S. jails among them 500 below the age 17. Most of these prisoners are being held without trial and for long periods of time.

Iraqis urged to tighten belts

Finance Minister Baqer Al-Zubaidi has called on Iraqis to reduce spending and save as much as they can. The minister made the remarks in response to calls to slash public spending and a cabinet proposal ***to reduce salaries by up to 30%.*** The proposal was made by the cabinet's Economic Committee and sent to the finance ministry. Amid high unemployment levels, government-salaried workers are currently almost the only people who can afford a decent living in Iraq. They include teachers, civil servants, police, army personnel and pensioners. Zubaidi's 2009 budget which he has presented to the parliament was based on high oil prices and expectations that the average rate for a barrel of oil will not be less than 80 U.S. dollars. But prices have sharply dropped on international markets and oil is now hovering at 40 U.S. dollars a barrel. However, Zubaidi said slashing government workers' salaries was the last thing for him to consider.

PB OKs foreign troop presence resolution

The Iraqi Presidential Board ratified resolution no. 50 of the year 2008 authorizing the cabinet to organize the presence of foreign forces in Iraq, according to a presidential release. "The resolution also regulates the withdrawal of foreign forces from Iraq and their activities meanwhile," said the release that was received.

IHEC delegation visits Basra

A high-level delegation of officials in Iraq's Independent High Electoral Commission (IHEC) visited Basra to see to complaints lodged by some of the supporters for turning the province into a region. "A delegation comprising Iyad al-Kattani, Qassem al-Abboudi and a representative of the UN paid a visit to Basra today to look into complaints against the IHEC office in the port city as supporters for turning the province into a region are accusing it of mismanaging the media campaign, setting up only a few ballot stations and hindering the electorate's will," Jaber Khalifa, a member of the IHEC, told. However, Khalifa, who is also the deputy secretary-general of the Fadhila (Virtue) Party, did not reveal the outcome of this visit or whether there were spotted excesses and violations contained in the complaints.

Iraqi gov't orders urgent Gaza aid

The Iraqi government announced that it will send medical and food assistance to the Gaza Strip, which has been bombarded by Israeli war planes. "The aid stuff will be provided by the ministries of health and trade, and in cooperation with the ministries of defense and foreign affairs," an official spokesperson for the Iraqi government, Ali Al-Dabbagh, said in a statement.

Human rights committee condemns Gaza attacks

The Iraqi parliament's Human Rights Committee condemned the Israeli military operation in Gaza, calling on "immediate ceasefire and admitting the Israeli premier and his defense minister to the international criminal court as war criminals.""We call on the Iraqi parliament to adopt a firm stance regarding the current situation in Gaza," lawmaker Amir Thamir, the committee's official spokesperson, said in a release that was received by Aswat al-Iraq.

Shoeman's lawyer rules out trial tom.

A lawyer of Iraqi journalist Muntadhar al-Zaydi, who threw a pair of shoes at U.S. President George W. Bush during a press conference in Baghdad two weeks ago, ruled out a trial session for his defendant tomorrow. "The defense committee has requested the Court of Cassation to change the legal description, in accordance with which al-Zaydi will be tried under Article 223 of the penal code," a member of the committee, Ahlam al-Lami, told. "We have also submitted a plea for his release on bail," Lami added. If found guilty, al-Zaydi may face an up to seven-year jail sentence. Al-Zaydi is considered one of the journalists outspokenly criticizing the presence of U.S. forces in Iraq. He had written several reports opposing the U.S. military presence in the country.

KRG deeply regrets Gaza attacks

The Kurdistan Regional Government (KRG) has expressed its "great" regret over the Israeli air strikes on the Gaza Strip, calling on all parties to immediately stop all military activities. "We have been following up on the situation in the Gaza Strip, which has reached a stage of congestion that claimed many civilian victims…," according to a statement published on the official web site of the government. The Kurdistan Regional Government called on the parties involved to stop escalation and the use of force.

Minister al-Moallem receives phone call from German counterpart on dangerous situation in Gaza

Foreign Minister Walid al-Moallem received a telephone call from his German counterpart Frank-Walter Steinmeier on the dangerous developments in Gaza resulted by the Israeli mounting aggression on the Palestinian people. During the phone call, both sides underlined the importance of intensifying efforts to press Israel to immediately stop its aggression and offer the needed human and medical assistance to the Palestinians in Gaza.

President al-Assad and Erdogan Discuss the Dangerous Situation in Gaza Strip

President Bashar al-Assad and Turkish Prime Minister Recep Tayyip Erdogan held a meeting at the people's Palace, concentrating on the massacre perpetrated by Israel against the Palestinians in Gaza and discussing means of stopping the Palestinian bloodshed, lifting the siege and opening crossing points. ***During the meeting, the two***

sides underlined the importance of the Arab countries to assume their responsibilities towards Gaza in a way that guarantees the deliver of all life and medical needs to the people in Gaza, particularly the wounded and victims of the Israeli crimes. President al-Assad and Premier Erdogan warned against dangerous repercussions of the Israeli continued aggression on the security and stability of the region, underlining the necessity of the Arab and Islamic countries to move and compel Israel to immediately halt the ongoing holocaust committed against the unarmed Palestinians. ***They considered that the Israeli aggression on Gaza has blown up all efforts exerted to realize peace in the region, adding that it's impossible to talk about any peace in light of*** the Israeli stubbornness. ***The two*** sides underlined the necessity of continuing cooperation and coordination between both countries to end the suffering of the Palestinian people and deliver aid to the besieged families in Gaza.

Syria

Political front:

Ahmad Fathi ZAHRA People's Assembly Denounces Israeli Aggression on Gaza Strip

The People's Assembly issued a statement affirming that the Assembly is continuing to work with Arab and international parliaments to end the massacres being committed against the Palestinian people in Gaza Strip by Israel and condemn this aggression which contradicts the 4th Geneva Convention of 1949, UN resolutions, and international law. ***The statement condemned the Israeli crimes in Gaza Strip***, calling on the Arab nation and international organizations to pressure Israel to end this aggression immediately, provide protection to the Palestinian people, lift the siege imposed on them, and enable them to claim their just national rights. The statement called on all parliamentary organizations around the world to work with their governments to end the continuing brutal aggression on Palestine and its people and work to achieve security and stability in the region.

Weekly Cabinet Meeting Denounces Israeli Aggression on Gaza Strip

Prime Minister Mohammad Naji Ottri chaired the weekly Cabinet meeting, during which the Cabinet members observed a minute of silence in mourning of the Palestinian victims of the Israeli aggression on Gaza Strip. The Cabinet denounced the brutal crimes being committed by the Israeli war machine against defenseless civilians and innocent women and children in Gaza Strip, stressing the need for immediate Arab action, holding an urgent Arab summit, and taking a unified Arab stance in order to end the aggression, open the crossing points, and break the siege imposed on Gaza. The Ministers saluted the resilience of the people of Gaza in the face of the Israeli aggression and their commitment to resistance in defense of their existence and just rights. Later, the Cabinet discussed a number of draft laws and issues, approving a draft law on endorsing the agreement for establishing the Syrian-Algerian Joint Higher Committee, which aims to bolster and develop cooperation between the two countries. ***The Ministers then discussed***

and approved a memo from the Ministry of Transport on the steps taken for expanding and developing the Syrian Airlines' fleet, in addition to a proposal from the Ministry of Agriculture on leasing land in Palmyra for establishing a tourism project, and a proposal from the Ministry of Information for licensing a monthly medical journal. ***The Cabinet also studied a Memo from the Ministry of Economy and Trade detailing*** the changes in the prices of basic consumption materials and the steps taken by the Ministry and its subsidiaries to provide these materials in local markets.

Syrian people's Assembly underlines support to the Palestinian people

People's Assembly condemned the Israeli aggression on the Palestinian people in Gaza, describing this aggression as a holocaust and genocide as well as a flagrant violation of international laws and resolutions. The Syrian MPs, during a session headed by Speaker Mahmoud al-Abrash that was dedicated to discuss the Israeli aggression on Gaza, called for an Arab unified stance to realize the minimum level of Arab solidarity and put an end to the Israeli arrogance and Zionist plots. They underlined the importance of President Bashar al-Assad's call for holding an Arab extra ordinary summit to tackle the painful situation in Gaza Strip and take active resolutions that deter the aggression and support the Palestinian struggle. ***The people's Assembly appealed to the international community to assume responsibility*** regarding what is going on in Gaza, calling on the Arab countries that have ties with Israel to cut off diplomatic and trade relations with the Zionist Entity.

Geo strategic front:

Upon directives of President al-Assad, Syrian aid convoy leaves for Gaza

Upon the directives of President Bashar al-Assad, the Syrian Arab Red Crescent Organization completed preparations to send a ***human, medical and nutritional convoy*** to the Palestinian people in Gaza who are facing a war of genocide launched by the Israeli occupation. Minister of State for the Red Crescent Affairs Bashar al-Sha'ar and Head of the Red Crescent Organization Abdul-Rahman al-Attar supervised the process of loading the convoys that will leave for Gaza tomorrow. "The aid includes 50 tons of medical and nutritional materials… this shipment will be sent tomorrow to the Palestinians in Gaza who are facing the ugliest forms of terrorism and destruction," Minister Sha'ar said in a statement.

Moallem Discusses with His French, Norwegian, and Spanish Counterparts the Dangerous Situation in Gaza

Foreign Minister, Walid Moallem, received this afternoon phone calls from Foreign Ministers of France, Bernard Kushner, of Norway, Jonas Gahr Store, and of Spain, Miguel Angel Moratinos. On the phone, ***the danger developments in Gaza resulting from the escalating Israeli***

aggression , and the necessity for combining Arab and international European efforts to pressure Israel to halt its aggression immediately, was discussed.Also discussed was the necessity for reaching a humanitarian truce whereby the medical relief and food aid are allowed to enter Gaza through all the crossings including Rafah crossing , and to allow the opportunity for the diplomatic efforts to reach a truce committing Israel to halt aggression , lifting the siege, and opening all the crossings.

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Social front:

Demonstration in Aleppo in Solidarity with Gaza

A big mass demonstration was staged in the Syrian northern city of Aleppo in solidarity with the Palestinians in Gaza Strip and in condemnation of the heinous Israeli aggression.

Aleppo citizens with all their Political, economic, religious, social and public activities expressed wrath and denunciation of the war of genocide perpetrated by the Israeli occupation against the innocent Palestinians in Gaza. ***The demonstrators, who took to Aleppo streets and gathered at Sa'ad Allah al-Jabri square, condemned the Arab silence and international collusion towards those brutal crimes*** which target the Palestinian women, children and the elders. They called on the Arab countries to take an Arab unified stance to stop aggression, break the siege and offer the financial and moral assistance to the Palestinian people besieged in Gaza and open border points to deliver them medicine and food. The participants who ***burned the Israeli flags called on the Arab countries that have relations with Israel to cut off ties and dismiss the Israeli ambassadors, urging the Palestinian Authority*** to halt negotiations with the Zionist entity and restore the Palestinian national dialogue.

Leader of Monotheist Muslims Sect Denounces Aggression on Gaza Strip

Spiritual leader of the Monotheist Muslims Sect Sheikh Hussein Jarboua affirmed that the events in Gaza Strip constitute the highest degree of terrorism and recalls Israel's record of murder and massacres committed in Deir Yasin, Sabra and Shatila, Qana and other massacres against eh Arab people in Palestine and Lebanon. In a statement Sheikh Jarboua said the continuing aggression against the Palestinian people in Gaza Strip is a holocaust committed by Israel, which is now addicted to ***war crimes, and that the events in Gaza are a crime against humanity and a blatant violation of international law. He affirmed that the Israeli aggression is a desperate attempt at breaking the will of the Palestinian national resistance and forcing Palestinians to surrender, expressing amazement that the massacres are taking place in full view of the world,*** with US and Western encouragement and Arab silence, and without any denouncement or action from the Security Council.

Guidance on the way of struggle until victory

Tartous Governor Wahib Zain Eddin said the masses are out today to express anger over the enemies of peace who kill children and innocent people. He added that these Israeli continuing crimes add to the criminal perpetrated against a defenseless people. ***Father George Jamil of the Roman Catholics Archbishopric denounced the Israeli ugly massacre against the innocents in Gaza Strip,*** stressing the option of resistance for victory and the restoration of the rights. The Father called on the international community to take responsibility in ending this aggression and tray leaders of the Zionist entity for these crimes.

Syrian lawyers suspend hearings in protest of aggression on Gaza

Syrian lawyers expressed anger and condemnation of the new holocaust perpetrated by the Israeli occupation forces in Gaza Strip. The Bar Association in the country with all its branches in the cities suspended hearings in front of all courts in protest of the brutal acts committed by the new Nazis against the Palestinian children, women and the elders. A number of lawyers delivered speeches before the Justice Palace, underlining their support

and solidarity with the Palestinian civilians against the aggression. The lawyers called on the Arab countries to immediately move and end the collective massacres in Palestine, urging Arab and international, legal and civilian organizations to stand by the Palestinian people against the brutal aggression and the unfair siege in Gaza. They launched a campaign to collect money for the families in Gaza.

Demonstrations of Anger against Israeli aggression continue in Syria for the fourth day

Demonstrations of anger continued in the Syrian governorates for the fourth day, though bad weather and cold, showing solidarity with the Palestinians in Gaza Strip and condemnation of the Israeli heinous aggression. The political, economic, religious and social circles who took part in the demonstrations in Lattakia, Idleb, Dir Ezzor, Hims, Raqqa and Hassakah governorates expressed strong denunciation of the war of extermination waged by Israeli occupation forces against the besieged defenseless population of Gaza Strip. They also burned Israeli and American flags and chanted slogans against the aggression, calling on the international community to take responsibly in stopping the aggression.

Demonstration in Yermouk Camp, Candles lit in Damascus in Solidarity with Gaza

A big demonstration was staged in Yermouk Camp for Palestinian refugees, near Damascus, in condemnation of the Israeli war of extermination against the Palestinians in Gaza Strip. The protestors denunciation of the Israeli crimes, calling for Arab and international movement to immediately stop the aggression and lift the siege on Gaza. Meanwhile, a group of Damascus Branch of al-Baath Pioneers Organization staged a sit-in outside the UN and UNICEF Offices in Damascus protesting the aggression on Gaza. Hundreds of Syrians also lit candles outside al-Jahez park downtown Damascus in expression of solidarity with the Palestinian people in Gaza in the face of the brutal Israeli aggression.

Alliance of Palestinian Forces Call on Arab Foreign Ministers for Practical Steps to Halt Israeli Aggression on Gaza

The Secretary Generals of the Alliance of Palestinian Forces called on Arab Foreign Ministers meeting in Cairo to take a decisive stance and practical procedures to end the Israeli aggression on the Palestinian people in Gaza Strip. The Secretary Generals called for efforts to lift the unjust siege imposed on Gaza and opening of all the crossing points and Arab and foreign movements to allow food and medicines into Gaza.

Syrian Red Crescent Launches Fundraising Campaign for Gaza Strip

The Syrian Arab Red Crescent Organization launched a fundraising campaign for the benefit of the Palestinian people in Gaza Strip. The campaign receives monetary, food and medical donations at the Red Crescent headquarters and branches across Syria, with volunteers collecting donations on the streets. The organization called on citizens to

donate directly via its headquarters and branches or via phone by calling or sending a blank SMS from any mobile phone to the number 1200, a service provided by Syriatel and MTN networks in cooperation with the Red Crescent, the Arab Advertising Agency, the Syrian Telecommunications Company, and the Ministry of Communication and Technology. Director of the Syrian Red Crescent Dr. Abdul-Rahman al-Attar called on Red Crescent and Red Cross organizations in the Arab world to send aid to Gaza Strip.

Syrian Expatriate Council Condemns Aggression on Gaza

The Syrian Expatriate Advisory Council condemned the brutal Israeli aggression on Gaza Strip, affirming that Israel's crimes and policies of murder and destruction will only increase the nation's adherence to its just rights. In a statement received by the Ministry of Expatriates, the Council affirmed that Syrian communities in countries of immigration are using their resources to support the Palestinian people, calling on international organizations to work for lifting the siege imposed on the Palestinian people and stop the Israeli war machine.

President al-Assad Underlines Necessity for Halting Israeli Massacres against Unarmed Palestinian People

President Bashar al-Assad, receiving US Republican Senator Arlen Specter underlined the necessity for halting the Israeli massacres which are being committed against the unarmed Palestinian people , lifting the unjust siege on them , and opening all the crossings permanently. Talks during the meeting of President al-Assad with the American delegation dealt with the situation in the Middle East particularly in the occupied Palestinian territories. The meeting was attended by Foreign Minister, Walid Moallem , Presidential Political and Media Advisor, Butheina Shaaban, and Secter's accompanying delegation.

Lebanon

Political front:

Suleiman Supports Arab Summit on Gaza

Lebanese President Michel Suleiman declared support for efforts to hold an urgent summit conference on Gaza. Suleiman, talking to Palestine Liberation Organization Representative Abbas Zaki, also said he was satisfied with unity of Palestinian factions in Lebanon, but dismayed by the lack of Arab solidarity. The president told the Palestinian delegation he was exerting efforts with foreign states to "halt the massacre" being committed by Israel in Gaza. Suleiman said he agreed with Premier Fouad Saniora on holding a cabinet meeting at the Baabda Palace on Tuesday to declare a unified stand of "solidarity" with Gaza.

Saniora Calls for Immediate U.N. Action to End Israeli Attack on Gaza

Prime Minister Fouad Saniora has described as a "criminal operation" Israel's assault on Gaza. Saniora's remarks came in a statement addressed to U.N. Secretary-General Ban Ki-moon. He called for immediate U.N. action to end the Israeli military operation.

Local Meetings to Discuss Impact of Gaza Situation on Lebanon

Local meetings have intensified over the weekend to discuss the impact of the Gaza situation on Lebanon, press reports. They said President Michel Suleiman held late a meeting with Defense Minister Elias Murr and Interior Minister Ziad Baroud to discuss "ways of dealing with the current situation." ***They agreed on the need to boost security measures "to deal with the current events" in the wak***e of the deadly Israeli attack on Gaza. intensified contacts have been carried out which have resulted in "developing a positive atmosphere that would prevent any internal negative impacts on Lebanon." Suleiman as well as Parliament Speaker Nabih Berri and Prime Minister Fouad Saniora have maintained round the clock contact with Hizbullah, which asserted that the group has no interest in chaos in south Lebanon. all Lebanese soldiers and officers operating in south Lebanon -- even those on furlough and on holiday -- received mobilization orders to join their positions to guard against a possible Israeli attack on Lebanon.

Aoun's Bloc for Arab Solidarity with Gaza

Gen. Michel Aoun's Change and Reform bloc criticized the indecisive stands of some Arab regimes regarding the Israeli attack on Gaza and called for speeding up the investigation aimed at exposing the side that had deployed Katyusha missiles in south Lebanon. The bloc, in a statement after its weekly meeting, also urged the Army and the United Nations Interim Force in Lebanon (UNIFIL) to tighten security measures in south Lebanon. It also denounced the "barbaric Israeli aggression on the Palestinian people in Gaza" and urged the international community to act to "halt immediately the massacre."

Phalange Party Rejects Confrontation with Arabs

The Phalange Party declared solidarity with the Palestinian People and rejected attempts to "manipulate" what is happening in Gaza to lure Lebanon into confrontation with any Arab state. The Phalange Party's politburo, in a statement released after the weekly meeting of its members, declared support for President Michel Suleiman's rejections of attempts to change Lebanon into a missile launching pad. The statement urged the Palestinians to put an "immediate end to fragmentation" of their forces, in reference to the ongoing dispute between Hamas and Fatah factions.

Gemayel Criticizes Hizbullah

Phalange Party leader Amin Gemayel criticized attacks by Hizbullah leader Sayyed Hassan Nasrallah against Egypt and said they do not reflect the opinion of the Lebanese majority. Gemayel also advised President Michel Suleiman to be "cautious" against attempts by certain powers to hurl Lebanon into siding with "attempts to split the Arabs." He expressed hope that the proposed Arab Summit would "succeed" in tackling the Gaza issue.

Hariri Meets Sarkozy on Friday, Date of French President's Visit to Beirut Unchanged

French President Nicolas Sarkozy will discuss with Lebanese MP Saad Hariri bilateral relations and the current situation in the Gaza Strip, the Elysee Palace said in a statement. diplomatic sources as saying that Sarkozy's visit to Lebanon on Jan. 6 is still on. They said the French head of state will meet during his trip to Beirut President Michel Suleiman and visit French peacekeepers in south Lebanon. "The events in Gaza won't change the French president's plan to visit Lebanon," the sources stressed.

Hizbullah: Hamas Learns From Imam Hussein's Followers

Hizbullah accused the United Nations of being a "partner to Israel in crimes committed against women and children" in reference to the ongoing Israeli attack on Gaza. The head of Hizbullah's parliamentary bloc Mohammed Raad made the charge in an address to partisans marking Ashoura in the southern village of al-Shhabiyeh. Raad also renewed a charge that Egypt was taking part in imposing the siege on Gaza. Raad said "Hamas and the Palestinian People have learned the example adopted by Imam Hussein's followers in south Lebanon when they confronted the Zionist military machine and the international alliance in July, 2006."

Lebanon Protestors Call on Arab Government to Act Over Gaza

Dozens of protestors staged a march through rain-drenched streets of Beirut calling on Arab governments to take action to halt the Israeli air offensive on the Gaza Strip. ***The rally organized by leftist Lebanese and Palestinian factions began at United Nations headqua***rters in downtown Beirut and continued towards the local offices of the Arab League in the nearby Ashrafieh district, but tight security blocked them from reaching the site. The protestors waved Palestinian flags and held up a banner reading, "No to Arab silence."

Lebanon Muslim Religious Leaders call for unity

Muslim religious leaders on Sunday called for national unity to avoid a new Israeli aggression.

The spiritual leaders of the Sunni, Shiite and Druze sects made the call in a joint statement that tackled the grave situation in Gaza resulting from the Israeli aggression. Grand Mufti Mohammed Rashid Qabbani (pictured L) , Chairman of the Higher Shiite Council Abdul Amir Qabalan (C) and Druze spiritual leader Sheikh el Aql Naim Hassan (R) also criticized the "humanitarian catastrophe inflicted on our people in Gaza." The statement criticized Arab reaction to the Gaza massacre for being restricted to "denunciation and rhetoric that cannot

deter the aggression."The spiritual leaders urged Palestinian factions to "unify ranks" in reference to the bloody dispute between Hamas and Fatah.

Shiite MP denies Hezbollah's involvement in s. Lebanon rockets

Lebanese Shiite MP Ali Khrais said Saturday that the Katyusha rockets dismantled by the Lebanese army in south Lebanon is not related to the resistance work of Hezbollah, ANB TV reported. "Suspected elements who planted the rockets are not related in any way to the resistance work," Khrais said in an interview. Khrais, a member of the Parliamentary block headed by Amal leader and Speaker Nabih Berri, who is a key ally to Hezbollah, said that "the suspected Katyusha rockets found in south Lebanon were planted to destabilize the security situation."Hezbollah was accused by pro-government leaders of deploying the rockets in south Lebanon to pressure Israel into lifting the blockade imposed on Gaza.

Economic front:

Lebanon on National Mourning Over Gaza, Donates $1 Million in Aid

The Lebanese cabinet approved a one million dollar immediate relief aid to victims of the Israeli aggression on Gaza and called for speeding up efforts to hold an extraordinary Arab summit conference. Information Minister Tareq Mitri told reporters after the session presided over by President Michel Suleiman that the Lebanese government "denounces the Israeli aggression on Gaza and holds Israel responsible for the tragedy."The government called for "immediate and unconditional ceasefire and lifting of the blockade imposed on Gaza," Mitri said.

U.S. Helps the Economically Disadvantaged

USAID/Lebanon Mission Director Denise Herbol presented two checks for a total of $100,000 to two Lebanese organizations, Association Centre Mar Semaan and the Safadi Foundation, the U.S. embassy said. Association Centre Mar Semaan, which is located in Wadi el-Karm near Baskinta, received $50,000 to improve its facilities including the children's dormitory section, bathrooms, kitchen, fence and heating system. The center provides free of charge residency, education and medical care for a yearly average of 100 socially and economically deprived boys and girls (ages 3-18 years) The Safadi Foundation, established in 1990, received $50,000 to upgrade and equip eight computer centers in the districts of Akkar, Batroun, Koura and Minieh. As a result of the assistance, the foundation will provide 3,000 students per year with computer training, to enhance their skills and capabilities to integrate the job market. Safadi Foundation offers a variety of social services for economically disadvantaged populations in Tripoli and the surrounding suburbs.

Lebanon's economy thriving thanks to the Arabs & conservative capitalism

a city all too familiar with bombings and resistance, is now booming and resilient. As the rest of the world braces for a global economic dive, thousands of visitors (many from Arab Gulf countries) flood into Beirut to get down and dirty, or up and holy. Either way, the streets are crowded, shops are bustling and political chatter takes an unusual backseat to celebration in a country that's recent history is plagued with religious and political strife. The electrician who came to help reroute the rusty circuits in my apartment told me after I complained to him about the traffic, "This is nothing. Starting this week, everyone in the world comes to Beirut. You'll see." That same day, I was in a taxi coming back to Rauoche from Ain El Mreisseh and as we passed the Safir Heliopolitan Hotel the curiously giddy cab driver complained that he had been waiting downstairs for five hours for two Saudis visiting for the Eid holiday who had hired him for the entire day to be their personal chauffeur. In a region where trust is lacking, oil is abundant and politics is perplexing, you can trust one thing, that Lebanon is confident it can rely on its oil-rich neighbors to keep paying to support (taxi drivers and) the central bank.

Bassil: Political Changes Prevent Adoption of Advanced Policies

Telecommunications Minister Jebran Bassil has said the telecom sector requires the adoption of well planned policies in order to improve. "The telecommunications sector won't improve if we were not walking steadily," said Bassil during a conference for Lebanese emigrants working in the telecom sector. He said political or any other changes have bad effects on the sector because they prevent "the adoption of advanced and progressive policies." Bassil hoped that the conference would be held annually and that follow up committees would be formed.

Lebanese Customs, U.S. Sign Accord to Fight Illegal Shipments of Radioactive Materials

U.S. Ambassador Michele Sison and General Assaad Ghanem, the General Director of Lebanese Customs, signed an agreement to install specialized equipment at the Beirut port to detect illicit shipments of nuclear and other radioactive materials, the U.S. embassy reported. The agreement between the U. S. government and Lebanese customs is part of the U.S. Department of Energy's Megaports Initiative which provides training on the equipment and detection of materials for Lebanese Customs staff members and other law enforcement officials, it said. The initiative is currently operational in several countries, including the Netherlands, Greece, Sri Lanka, Spain, Singapore, Bahamas, the Philippines, Belgium, Honduras, Pakistan, and Britain.

Geo strategic front:

Israel on High Alert in the North Amid Fears of Rocket Attacks from Lebanon

The Israeli army has reportedly gone on high alert in the north for fears that Palestinian factions backed by Hizbullah would launch rockets to avenge the offensive on the Gaza Strip and open a new front with Israel. The Israeli defense sources as saying that time seemed ripe for Palestinian factions to prove allegiance to Hamas and attack Israel from south Lebanon. Israeli media also

quoted Prime Minister Ehud Olmert's spokesman Mark Regev as saying the Jewish state was worried about the threat posed by Hizbullah on Israel's northern frontier. U.N. peacekeepers and Lebanese troops have also stepped up patrols along the border with Israel after rockets were discovered in the south and following the Jewish state's massive military operation in Gaza. UNIFIL Deputy Assistant Spokesperson Andrea Tinti as saying that the international troops have no information about Israel going on alert on the other side of the border. He said UNIFIL was working with all sides which are showing full cooperation. Lebanese Shiite group, which still seeks to avenge Mughniyeh's murder in a Damascus car bombing last February, might take advantage of the situation and attack Israel while it is busy on the Gaza front.

Arabs, not Lebanon, Cancel New Year Celebrations

Several Arab states have cancelled planned New Year celebrations in solidarity with Palestinians in the Islamist-run Gaza Strip who suffered a fifth straight day of Israeli bombardment on Wednesday. Egypt, Jordan, Dubai and Syria have all cancelled festivities including concerts by renowned Arab singers. As the Arab League met in the Egyptian capital to decide a political response to one of Israel's deadliest-ever offensives on Gaza that has so far killed at least 390 Palestinians, the cultural message was clear.

Arab Parliamentarians to Meet in Tyre

The federation of Arab parliaments is to hold an extraordinary meeting in south Lebanon at the invitation of Lebanon's House Speaker Nabih Berri, it was officially reported. The report said the conferees would tackle the "criminal Israeli aggression on Gaza and ways of supporting the Palestinian People." It did not disclose further details.

March 14 for U.N. Resolution on Gaza

The March 14 majority alliance said halting the Israeli aggression on Gaza can be achieved only by a U.N. Security Council resolution calling for immediate ceasefire and regaining unity of the legal Palestinian authority. ***The March 14 Secretariat General also called for adhering to Lebanon's constitutional authority and resorting to Arab and international institutions***. The Israeli aggression on Gaza, the statement said, aims at fragmenting Arabs and targets the Arab peace initiative. It urged Palestinian factions to regain unity of their institutions and remain committed to the Arab peace plan.

Jumblat Criticizes Nasrallah's Attack on Egypt

Progressive Socialist Party leader Walid Jumblat criticized verbal attacks targeting Egypt and other Arab states and called for focusing on uniting Palestinian factions to confront the Israeli aggression on Gaza. Jumblat, in a television interview, ruled out the possibility of "escalation from Lebanon (in line with the Gaza confrontation).""What would such escalation from liberated

south Lebanon produce at a time the Syria regime makes no moves although Israel occupies its lands. They negotiate with Israel, instead," Jumblat noted. He urged the "international community and the U.N. Security Council to exert pressure on Israel to halt its barbaric aggression on Gaza."Jumblat said the settlement is available in adopting the Arab peace initiative that leads to the creation of a "viable Palestinian state." The ongoing violence in Gaza, according to Jumblat, would only result in "more terror."

Social front:

Scores Arrested, Stolen Cars, Huge Amount of Drugs Seized in Major Crackdown in Bekaa

Lebanese army troops launched a major crackdown on car thieves and drug dealers in east Lebanon's Bekaa Valley and found a large weapons and drug depot. At least 15 suspects were arrested and scores of weapons-laden cars were confiscated. The arms depot was discovered during a raid on the house of Nouh Zoaiter in the Bekaa town of Kneisseh. Zoaiter is wanted by Lebanese authorities on 540 arrest warrants.

Geagea Warns Against Attempts to Topple Arab Regimes

Lebanese Forces leader Samir Geagea warned against attempts to topple Arab regimes instead of exerting efforts to rescue Gaza. Geagea, talking to reporters at Bkirki after meeting Maronite Patriarch Nasrallah Sfeir, asked whether "we are trying to rescue Gaza or sparking a major revolution in the Middle East?"He also warned against attempts aimed at changing the "Arab-Israeli conflict into an Arab-Arab conflict."

Aid Ship to Gaza Arrives in Lebanon after being rammed by Israeli Boat

A boat loaded with medical supplies that was trying to break its blockade of the Gaza Strip arrived in the southern Lebanese port of Tyre after being rammed by an Israeli patrol boat. The 20-meter Dignity, which was trying to take 3 tons of medical supplies into Gaza on day four of Israeli air raids on the Palestinian territory, docked at Tyre port around 2:15 pm. No one was injured in the collision between the patrol boat and the Dignity. Israeli army radio said the boat -- operated by the Free Gaza Movement -- ignored both orders to turn around and warning shots across its bow before it was rammed.

Second NY man pleads guilty in airing Hezbollah's Al Manar

A second New York City man pleaded guilty to providing material support to a foreign terrorist organization by broadcasting Hezbollah television channel Al Manar to U.S. customers, prosecutors said. Saleh Elahwal, who lives in New Jersey, admitted that between about September 2005 and August 2006 he provided satellite transmission services through Brooklyn-based HDTV Ltd to Al Manar, in exchange for thousands of dollars payment. His co-defendant

Javed Iqbal, a Pakistani who moved to the United States more than 25 years ago, pleaded guilty to the same charge on Dec. 23.

Jordan

Political front:

Council members call for amending HMC Law

The Higher Media Council (HMC) highlighted the importance of amending the Higher Media Council Law to ensure greater independence for the council and empower it to carry out its duties as an umbrella for Jordanian media and follow up on its performance. HMC President Sima Bahous chaired the council's first session this year, where members reviewed council activities last year and discussed projects aimed at developing the media sector in 2008. She emphasised the council's involvement in policy-making and its commitment to professionalism and advanced media training, which will enable the sector to exercise its supervisory role in a climate of pluralism, independence and responsible freedom. The council also stressed the need to support the weekly press, so that it can develop its capabilities and commitment to the professional code of ethics as well as enhance its content quality in a credible and responsible manner.

King condoles Mubarak over death of former PM

His Majesty King Abdullah on Sunday sent a cable of condolences to Egyptian President Hosni Mubarak over the passing of former Egyptian Prime Minister Aziz Sedky.

SSC draft law still under discussion'

The Social Security Corporation (SSC) draft law is still being discussed by its board of directors, which includes labourers, employers and the government. "The draft law has not been sent to the Legislation Council yet," SSC Director Omar Razzaz said in a statement on Sunday. The proposed law, which calls for several major amendments to the current law, has sparked a debate among the business community and the public. ***Describing the changes in the law as "compatible with the Royal vision to ensure cover***age for all citizens", Razzaz said it will enable subscribers to benefit from new provisions. Under the draft law, released the SSC will be affiliated with the Council of Ministers instead of the Labour Ministry, as is the case under the current law, Razzaz indicated. This particular amendment will guarantee the continuity of the insurance system and the corporation's operations, he added.

Dahabi visits Public Sector Reform Ministry, Audit Bureau

Prime Minister Nader Dahabi on Monday visited the Ministry of Public Sector Reform, where he was briefed on a programme aimed at improving the performance of public institutions. At a meeting with public sector reform stakeholders, he highlighted the importance of the programme, which also seeks to improve the level of services provided to citizens. Also yesterday, Dahabi underlined the Audit Bureau's important role in assisting the government in controlling and rationalising expenditures, during a visit to the bureau. He emphasised the public body's role in safeguarding public funds and guaranteeing the soundness of governmental procedures and decisions. The premier said he will direct all public departments to cooperate with the bureau to facilitate its monitoring tasks, urging the bureau to work closely with the Public Sector Reform Ministry to rectify any errors.

Agriculture Ministry receives final frost damage report

The Ministry of Agriculture on Tuesday received final reports from the committees tasked with measuring the scope of damage sustained by crops during the recent frost spell, the Jordan News Agency, Petra, reported. The ministry's central committee studied the figures and analysed the collected data, the ministry's assistant secretary general for agricultural produce, Adnan Abdul Nour, said. Jordanian Farmers Union President Ahmad Faour told The Jordan Times recently that up to 40,000 dunums of fruit and vegetables were affected by the two-week-long frost spell. Faour said over 5,000 farmers sustained financial losses due to the frost spell, which was the strongest to sweep through the country in 16 years.

Abbadi meets with South Darfur governor, Sudanese ambassador

Jordan Hashemite Charity Organisation (JHCO) Secretary General Abdul Salam Abbadi on Tuesday received South Darfur Governor Ali Mahmoud Mohammad and the Sudanese Ambassador in Amman Mohammad Othman. The Sudanese officials explained the region's needs including medical equipment and supplies. During the Arab Conference to Support Darfur recently held in Khartoum, the JHCO announced that it would establish a comprehensive medical centre in the city of Kass, according to Abbadi.

Gov't to continue with National Agenda reforms

Prime Minister Nader Dahabi said the Kingdom will continue with its development and economic reform through the We are All Jordan/National Agenda Initiative. The government is pressing ahead with implementing the 2007-2009 executive programme of the We are All Jordan/National Agenda Initiative and will prepare a programme for 2009-2011, Dahabi said during a meeting with a number of officials representing ministries and public institutions at the Ministry of Planning and International Cooperation. In his speech, the premier stressed that the progress made in the current executive programme and its quarterly evaluations will be the basis for the new strategy. The 2007-2009 executive programme, adopted by both the public and private sectors, represents an action plan for the government in the economic and social realms, Dahabi said.

Economic front:

Kasasbeh briefs Senate Financial Committee on gov't measures

Minister of Finance Hamad Kasasbeh briefed members of the Senate Financial Committee on the government's reasons for lifting subsidies and its mechanism for increasing salaries. During the session to discuss the 2008 state budget, Kasasbeh also explained the government's reasons for reconsidering fodder prices, noting that it will allow farmers to plant fodder on state land. The minister said the government has approved the Social Safety Net, which will cover civil service staff, military personnel, employees of universities and municipalities, retirees and National Aid Fund beneficiaries. Meanwhile, Minister of Public Sector Reform Maher Madadha, who also attended the session, said the mechanism for linking inflation rates with wages needs thorough examination to avoid any loopholes, noting that the current increase of salaries exceeds the expected rate of inflation.

Jordan Telecom Group adds value with WiFi Livebox

Orange Livebox became the latest value-added feature by Jordan Telecom Group (JTG) to its integrated services in the Kingdom. "Competition in the telecommunications market is all about prices, but for Jordan Telecom, the real value lies in the state-of-the-art technology in terms of innovation, quality, simplicity and speed besides functionality," JTG Chief Executive Officer Mickael Ghossein told a press conference. He described Orange's Livebox as an up-to-the-minute global technology and said it comes with the new bundles of the double play offer "Surf & Talk", and will soon allow Jordanians to enjoy triple play (Internet, Voice over IP and TV). He highlighted the WiFi Livebox as a step that truly reflects the group's strategy in bringing the most sophisticated global technology to the region and delivering His Majesty King Abdullah's vision in making Jordan a regional ICT hub.

Proposed law seeks to protect livestock industry

The Lower House Legal Committee discussed drafting a law to help cattle farmers cope with financial difficulties stemming from lifting subsidies on animal feed, according to a Parliament source in. The meeting comes in light of a proposal by several lawmakers to impose taxes to generate revenues to protect the Kingdom's livestock industry. Earlier this year, several livestock breeders from across the Kingdom held a meeting with Lower House Speaker Abdul Hadi Majali to protest against a government decision to lift fodder subsidies. They said financial problems had forced many to get rid of their livestock, leaving many small families without a source of income. Late last year, the government decided to reduce annual subsidies for animal fodder from JD160 million to JD52 million in a bid to restrain public spending in the face of a growing budget deficit, blamed on rising oil prices in the international market.

European Commission to grant 454 million euros for over 40 initiatives

The European Commission (EC) Delegation will grant 454 million euros for more than 40 initiatives in the Kingdom this year. The 2008 cooperation programme, which was unveiled, details the continuation of past programmes and the start of new initiatives, all to support the Kingdom's economy, education, water resources, human rights and governance sectors. Many of the EC programmes will focus on the economy and poverty alleviation. ***A major part of the commission's economic programme for Jordan will focus on exports*** and strengthening the capacity of entrepreneurs, to become more competitive in the global market. EC ***economic programmes aim to encourage*** the country to move towards a knowledge-based economy, Renauld said, stressing that in light of a lack of natural resources, Jordan should market its skilled labour force and export innovation.

Central Bank reduces charges on internal transfers

The Central Bank of Jordan (CBJ) issued a memorandum to licensed banks lowering charges on internal transfers between banks, whether in dinars or US dollars, to become JD1 in lieu of JD2 per each transfer order. Accordingly, the CBJ expected clients to pay less commission charges in return for internal transfers.

Jordan-Saudi trade totals JD2,036m in 11 months

The commercial exchange volume between Jordan and Saudi Arabia totalled JD2,036 million at the end of November 2007, placing Saudi Arabia among the country's top Arab commercial partners besides the US which tops the list of the country's foreign commercial partners. According to the Department of Statistics (DoS), Jordan's exports to Saudi Arabia totalled around JD239 million compared to JD1,797.4 in imports from Saudi Arabia, mainly oil, petrochemicals and food stuff. Egypt ranked second, accounting for JD419 million followed by Syria at JD378 million. Iraq, which used to be the country's principal commercial partner prior to 2004, came in fourth place, with the commercial volume between Jordan and Iraq amounting to JD345.6 million, according to DoS figures.

JEDCO to provide technical, financial support for olive oil consortium

Jordan Export Development and Commercial Centres Corporation (JEDCO) signed an agreement with the Jordan Consortium for the Promotion of Olive Oil to provide it with technical and financial support. Under the agreement, JEDCO will provide the consortium, which comprises seven companies, around JD195, 000 in support for the olive oil producing and exporting companies to launch investment projects valued at JD487, 000

High value-added projects to be focal point of National Investment Strategy

High value-added industries and services that utilise Jordan's competent human capital will be the focal point of the National Investment Strategy that was announced

"T-shirts made in Sri Lanka can be on sale in the United States for $10 each while suits can be in Italy for $1,000 each," Jordan Investment Board (JIB) Chief Executive Officer Maen Nsour told journalists to explain that Jordan seeks a higher niche even in the textile industry. Addressing a press conference, he stressed that the priority of the JIB is to encourage industries and services that have the potential to export. He added that the National Investment Strategy will consolidate the policies, guidelines and procedures regulating investments noting that the challenges were both in amending legislations and coming up with new approaches. According to Nsour, the strategy will involve wide-ranging consultations with all concerned parties and will take into account plans that were prepared by vital sectors in the Kingdom and the investment map that the JIB has readied. Industry and Trade Minister Amer Hadidi said the JIB will be submitting a monthly report about the progress of work on the strategy to the prime minister until it is completed early June.

Olive oil festival yields JD141,000 in revenue

A total of JD141,000 in revenue was generated in sales during the ninth Olive Oil Festival which started on December 24. A total of 19 distinguished farmers from different governorates, 17 women's societies and 12 olive press owners participated in the festival. The sector's annual contribution to the country's GDP stands at JD100 million, according to the Ministry of Agriculture.

Geo strategic front:

Queen Rania highlights humanitarian crisis in Gaza

Her Majesty Queen Rania spoke out about the deteriorating situation in Gaza, highlighting the humanitarian crisis in the strip. Speaking in Davos, where she is participating in the World Economic Forum, the Queen urged the international community "to reach out, to make sure that we deal with the humanitarian issues, to make sure that we take care of the women and children who have nothing to do with this political process in the first place. Because no matter how they cloak it, this is collective

punishment to an entire population and it is a violation of international law". She said the international community could play a vital role to help improve the situation.

Private firm to process Iraqis' visas

An Iraqi company will be handling visa applications for Iraqis planning to enter the Kingdom in coordination with concerned agencies in Jordan, officials from both sides said. The announcement was made following a meeting between Prime Minister Nader Dahabi and Iraqi Interior Minister Jawad Bolani "An agreement will be made with an Iraqi company to handle receiving visa requests then send them to the concerned authorities in Jordan… after examination approved applications will be returned to Iraq," Dahabi was quoted Iraqi Ambassador to Jordan Saad Jasem Hayani told that the government is looking into working with TNT Post which would set up six locations around Iraq to receive and deliver the visa applications.

Social front:

Campaign to prepare million Arab youth for workforce launched

Joined by 40 international and regional CEOs at the World Economic Forum, in Davos, Her Majesty Queen Rania launched a campaign to support the work readiness skills of high school students across the Arab world. The campaign, "Empowering One Million Arab Youth by 2018", was conceived by INJAZ Al Arab, a confederation of national operations working with 10,000 corporate volunteers to provide students with hands-on training in work readiness, in partnership with ministries of education. ***The initiative aims to empower one million Arab students by 2018 through the support*** of international and regional corporations who send their staff into local schools for an hour each week to share their professional experience. According to a recent World Bank report, traditional education in the majority of MENA countries is incompatible with the demands of the global marketplace.

Thousands march in solidarity with Gazans

Thousands of people took to the streets of downtown Amman in protest against the deteriorating situation in Gaza. Following the midday prayer, members and supporters of the Baath Party, professional associations and the Muslim Brotherhood marched from Al Husseini Mosque to the Greater Amman Municipality headquarters to express support for Hamas. Earlier this month, Israel turned its prolonged blockade of Gaza into a full-scale lockdown, blocking all fuel shipments and humanitarian aid with the aim of stopping rocket fire from the Hamas-controlled territory. In a rare show of unity, Baath Party and Muslim Brotherhood flags flew side by side as the marchers urged Arab leaders and the United Nations to step in and put an end the suffering. The march ended peacefully with no incidents or arrests reported.

Goodwill Campaign distributes clothes, blankets to 300 underprivileged families

The National Goodwill Campaign has distributed winter clothes and 800 blankets to 300 underprivileged families living in the southern regions to help them cope with the current cold weather conditions. A study on families living in these areas prepared by the Jordanian Hashemite Fund for Human Development showed that they were most in need for such items.

King wants feasible strategy to address road accidents

His Majesty King Abdullah on Sunday called for a comprehensive strategy to tackle road accidents and stressed the need to involve all stakeholders in coming up with a solution to the problem. In a letter to Prime Minister Nader Dahabi, the King called for a change in the culture and behaviour related to traffic and use of roads, a matter, he said, that necessitates a revision of all elements, starting from training and licensing within the context of a nationwide effort seeking to eliminate road accidents. The tragedies resulting from road accidents have become something in common among many families, he said. The King added that efforts to curb road accidents must be "sincere and systematic". The solution also requires changes to the laws governing traffic and related matters. Several public and private institutions can contribute to the effort, he said, calling on the media in particular to embark on awareness campaigns to educate citizens on the issue.

Jordanian peacekeeper believed drowned in Atlantic Ocean - PSD

Public Security Department Spokesperson Major Mohammad Khatib said that United Nations helicopters and boats were conducting search operations for a missing Jordanian peacekeeper who fell into the Atlantic Ocean on Saturday and is believed to have drowned. The peacekeeper, corporal Nabil Mjalli, was on duty with the Liberia 9th Battalion which is currently taking part in the United Nations peacekeeping forces.

Body of missing Jordanian peacekeeper recovered

Public Security Department (PSD) Spokesperson Major Mohammad Khatib said United Nations helicopters had recovered the body of a Jordanian peacekeeper who went missing after falling into the Atlantic Ocean on Saturday. The body of Corporal Nabil Mjalli was found floating in the water five kilometres off the coast. Mjalli was on duty with the Liberia 9th Battalion, which is currently assigned to the UN peacekeeping forces. Khatib said his body will be flown to the Kingdom.

60 families receive productive projects

Deputising for HRH Princess Basma, president of the National Goodwill Campaign higher committee, Minister of Awqaf and Islamic Affairs Abdul Fattah Salah, distributed 60 productive projects to impoverished families in the country's central region. The Jordanian Hashemite Fund for Human Development (JOHUD) carried out a study to identify the needs of people in the central region, Salah said, adding that some 200

projects will be distributed to families in different parts of the country as part of the campaign. JOHUD Deputy Executive Director Iman Nimri said the campaign distributes the projects to needy families in order to improve their economic conditions and generate sustainable income.

Aid convoys delayed due to weather conditions

The date for dispatching Hashemite charity caravans to different parts of the country was postponed from Wednesday to Sunday, due to the weather conditions affecting the country, a Royal Court source said on Monday. The convoys, loaded with food aid, will be dispatched to impoverished families in different parts of the country, upon instructions from His Majesty King Abdullah. The source said each family will receive foodstuff sufficient to cover its needs for six months.

Gov't sole authority permitted to appoint head of Ombudsman Bureau'

The Higher Council for the Interpretation of the Constitution has ruled that the government is the only authority allowed to appoint the head of the Ombudsman Bureau, according to Parliament sources. In its ruling, the council said the Constitution defines the position as a public post and Parliament cannot infringe on the government's authority in this regard in accordance with the principle of "separation of authority", in Articles 24 and 27 of the Constitution. The council also made reference to Article 120 of the Constitution, which stipulates that administrative divisions of the Hashemite Kingdom of Jordan, the establishment of government departments, their classification, designations, the plan of operations and the manner of the appointment of civil servants, their dismissal, discipline, supervision and the limits of their competence and powers shall all be determined by regulations issued by the Council of Ministers with the approval of the King. The ruling puts an end to a debate that surfaced in the Lower House earlier this month during deliberations on the Ombudsman Bureau draft law. The long-awaited bureau, which will be tasked with monitoring the performance of public institutions, is seen as a necessary tool for public sector reform. The bill defines the mission of the bureau, its duties and the mechanisms by which the chairman is appointed or dismissed. According to the draft law, the bureau will enjoy complete financial and administrative independence.

Campaigners for Gaza report 'huge' success

Citizens donated more than JD600,000 in two days for a campaign organised by the Professional Associations Council (PAC) to raise JD1 million for Gaza, while similar efforts also reported success. President of the Jordan Engineers Association (JEA) Wael Saqqa said that the "enthusiasm we have seen from the citizens to support their brothers in Palestine encouraged us to raise the campaign's target to JD5 million". Saqqa told that the JEA has addressed its 75,000 members, 20,000 of whom are working in Gulf countries, to donate one day's wages for the sake of the Palestinians in the besieged Gaza suffering from Israeli aggression. ***Meanwhile, the Jordanian Hashemite Charity Organization (JHCO) on Wednesday sent a 10-truck aid convoy to Gaza to be***

distributed in the strip by international humanitarian organisations. He added that the organisation is still receiving cash and in-kind donations from citizens and other private entities, stressing that the JHCO is in need of more cash than in-kind donations. Head of the caretaker committee at the General Union for Voluntary Societies said they passed JD10,000 in donations over to the JHCO.

More New Year festivities called off

New Year festivity cancellations continued in Jordan and the rest of the Arab world in a sign of solidarity with Gaza residents under Israeli attacks since Saturday. Leaders, officials and stakeholders in Jordan, Dubai, Bahrain, Syria and Egypt have announced that no New Year celebrations would take place in their countries. Following a Ministry of Culture decision to cancel celebrations earlier this week, Minister of Tourism and Antiquities Maha Khatib yesterday lauded hotels' decision to call off New Year concerts throughout Jordan.

Nurses protest against targeting of medical cadres in Gaza

Activists from the Jordan Nurses Association (JNA) staged a sit-in at the association's headquarters to protest the targeting of medical staff in Gaza, one of a series of demonstrations as protests against ongoing attacks on the coastal enclave enter their fifth day. Dressed in white uniforms, participants held banners reading "Allow medical staff in Gaza," and "Stop killing medical teams," at the one-hour gathering which was organised by the freedom's committee at the professional associations. Ambulance drivers sounded sirens to protest the killing of a member of a medical team in Gaza earlier this week and the injury of another.

Fayez underscores citizens' right to demonstrate for Gaza

Interior Minister Eid Fayez said that, based upon His Majesty King Abdullah's directives to provide support for the Palestinians in Gaza Strip, the government reiterates citizens' right to express their feelings in a civilized manner through marches and other activities organised for such purpose. He called on citizens to avoid any unlawful actions that would cause damages to the public and private properties.

Lower House speaker arrives in Beirut for emergency Arab MPs meeting

Speaker of the Lower House Abdul Hadi Majali arrived in Beirut to take part in the emergency meeting of Arab parliamentarians slated today to discuss the current Israeli aggression in Gaza.

The situation in the Palestinian enclave is dire enough to prompt the emergency meeting, Majali said, noting that he “wished it was organised earlier.”

Health Ministry hospitals prepared to receive injured Gazans

Health Minister Salah Mawajdeh said ministry hospitals are ready to receive injured Palestinians from Gaza if their arrival to Jordan is facilitated. During a meeting with his Palestinian counterpart Fathi Abu Mughli, Mawajdeh indicated that upon the directives of His Majesty King Abdullah, the Kingdom will continue providing medical assistance to Gaza hospitals. Meanwhile, he confirmed that the ministry’s blood donation campaign will continue and blood units will be at the disposal of Gaza hospitals. For his part, the Palestinian official said hospitals in Gaza are unable accommodate the increasing number of wounded people, particularly those who are in serious condition and in need of intensive care. He added that a list of injured persons will be ready within 24 hours to arrange with concerned parties to bring them to Jordan.

Palestine and Israel

Politial front:

Olmert: Operation in Gaza 'First Phase' of Other Steps

Israeli Prime Minister Ehud Olmert said, that the Israeli military operation in the Gaza Strip is the first phase in a series of steps approved by the Israeli cabinet. During his meeting with Israeli President Shimon Peres, morning, Olmert briefed him on the Israeli offensive in Gaza, according to the statement of Israeli Government Press Office. In the meantime, Israeli military official Matan Vilnai said, that Israel was prepared for a prolonged operation in the Gaza Strip.

PLO Executive Committee: Negotiations Depend on Halt of Aggression

Palestinian Liberation Organization (PLO) Executive Committee announced, that any future political negotiations with Israel are basically depend on the halt of the Israeli Aggression on the Gaza Strip, which has resulted in 345 martyrs and over 1650 injuries so far. The PLO Executive Committee said in a statement ussued after its meeting that a future political negotiations with Israel are basically depend on the halt of the Israeli Aggression on the Gaza Strip.

President Abbas to Call on All Palestinian Factions to Discuss Gaza Crisis

President Mahmoud Abbas said that he will call all Palestinian factions, including Hamas, to discuss the Israeli offensive in the Gaza Strip. At a Palestinian Liberation Organization (PLO) Executive Committee, held in the West Bank City of Ramallah, the President stressed the need of national unity, affirming that all Palestinians must be united to stop the aggression against Palestinians in the Gaza Strip. 'It is a real serious situation in Gaza,' said President Abbas who strongly condemned the Israeli aggression on the Gaza Strip. President Abbas also demanded the international community to press Israel to halt its ongoing aggression against the besieged Strip, which has left more than 345 Palestinian citizens, including 30 children dead. He said that the Palestinian leadership is doing the utmost of its efforts to send humanitarian aid to Gaza, adding that the Palestinians in Gaza are in urgent need of such assistance. He called on the world to provide this assistance to the Palestinian people, especially in the Gaza Strip.

Security front:

President Abbas to ensure ceasefire, Israel continues warfare on Gaza

Palestinian president, Mahmoud Abbas, will be heading to New York shortly to press for a U.N biding resolution that ensures an Israeli ceasefire against Gaza. Abbas decided to go to New York after he was advised by the Secretary General of the Arab States league, Amr Mousa, on the ongoing Israeli attacks on the Gaza Strip. On the ground, the Israeli Cabinet decided to keep up Israeli military attacks on the coastal territory, as Israeli Foreign Minister, Tzipi Livni, is set to pay a shuttle visit to Paris, where she is to meet with French officials for an update of the current crisis in Gaza. Israeli military officials ordered the deployment of 2,500 Israeli reserve soldiers around the Gaza Strip, apparently in preparation of a ground offensive on the besieged Gaza. Israel insists that the military attacks on Gaza will not stop until the objectives are achieved; submitting the ruling Hamas party in Gaza to recognition of Israel as well as a halt to homemade shell-fire from Gaza into nearby Israeli tows.

President Abbas Condemns Israeli Aggression Against Gaza

President Mahmoud Abbas firmly condemned the Israeli aggression against the Gaza Strip, and called for a campaign to donate blood for the victims. The Palestinian Presidency Spokesman, Nabil Abu Rudeinah, said that President Abbas “Firmly condemns the Israeli aggression against the Gaza Strip and demands the Israeli Government to immediately stop its attacks on our people.” He also called for a blood donation campaign to aid the Palestinians injured by Israeli

fire. On the other hand, Israeli Occupation Forces, who have started this aggression following a decision by Ehud Olmert's security cabinet, said that the attacks "will continue, will be expanded, and will deepen if necessary."

Sixth day under attack: Death toll in Gaza reaches 412

Palestinian medical sources said that the Israeli Army continued its bombardment of the Gaza Strip today, claiming the life of at least 15 Palestinians since this morning. The Hamas movement reported that among those killed today were Nizar Al Rayian, a Hamas politician, his wife and all of their kids. Local sources said that Israeli jet fighters shelled Al Rayian's home, located in Jabaliya refugee camp in then northern part of the Gaza Strip, on Thursday afternoon. The Palestinian Ministry of Health in the Palestinian coastal region announced that by Thursday afternoon, the death toll in the Gaza Strip had reached 412, and the number of injured now stands at 2000, including 300 in critical condition. The ministry said that Israeli warplanes continue to target Hamas and civilian targets in Gaza. The Israel attacks started on Saturday afternoon just days after the sixth-month-long Egyptian-mediated cease fire between Hamas, that controls Gaza, and Israel ended.

GAZA Hospitals Lack Medicines and Staff

At least 320 Palestinians, including women and children, have been killed and 1400 wounded in the continuous Israeli air strikes on the Gaza Strip, Palestinian Medical sources reported. Gaza hospitals are unable to cope with the large numbers of casualties, and are running out of equipment. According to sources from the Palestinian Red Crescent Society (PRCS), hospital operating rooms are overflowing, and are running out of essential medicines. They are also understaffed and unable to cope with the large numbers of casualties. Hospitals are being overloaded with patients and are running out of room and supplies. Hospitals in the Gaza Strip have suffered severe shortages of supplies over past 18-month-blockade and are not equipped to receive this number of casualties. Red Crescent medical staff in Gaza reported that wounded people are lying in the streets of Gaza City. The only aid they receive is from by-passers. Since the beginning of the Israeli offensive around 100 PRCS volunteers, 60 medics and 120 medical staff were actively involved to provide emergency care in Gaza Strip. The activities have focused on evacuating the wounded, providing first aid and triage, transferring the wounded to hospitals, and hospital care at PRCS hospitals in Gaza and Khan Younis South of Gaza.

Hundreds of Injured Palestinians Need Urgent Treatment Abroad

At least 250 Palestinians injured in Israel's ongoing offensive on Gaza are in urgent need for immediate medical care in hospitals in Egypt or Israel, Medical sources in Gaza reported. Head of emergency services in the Ministry of Health, Mo'awya Hassanin, said, 'at 345 citizens have been killed over the past three days of barbaric Israeli air strikes, adding that at least 1650 have been injured.' More than 800 injuries have been treated in hospitals, yet the rest were unable to find vacant beds,' Hassanin

Falk: Israel's Attacks on Gaza Illegal

United Nations Special Rapporteur for Human Rights in the Occupied Palestinian Territory Professor Richard Falk said that the Israeli air strikes on the Gaza Strip represent "severe and massive violations of international humanitarian law as defined in the Geneva Conventions, both in regard to the obligations of an Occupying Power and in the requirements of the laws of war." In his statement, Prof. Falk said that Israeli has committed multiple violations which include collective punishment; the entire 1.5 million people who live in the crowded Gaza Strip are being punished for the illegal actions of a few militants. He added that Israel is targeting civilians; the air strikes were aimed at civilian areas in one of the most crowded stretches of land in the world, certainly the most densely populated area of the Middle East. Falk explained that the Israeli military action in the strip is "disproportionate," the air strikes have not only destroyed security compounds, but have killed and injured hundreds of civilians. He specified that at least one strike reportedly hit groups of students attempting to find transportation home from the university. Falk finally reminded all member states of the United Nations that the UN continues to be bound to an independent obligation to protect any civilian population facing massive violations of international humanitarian law, regardless of what country may be responsible for those violations. He called on all Member States, as well as officials and every relevant organ of the United Nations system, to move on an emergency basis not only to condemn Israel's serious violations, but to develop new approaches to providing real protection for the Palestinian people

Geo strategic front:

Livni to meet with Sarkozy in Paris

Tzipi Livni, Israel's foreign minister is on her way to France to meet with President Nicholas Sarkozy as international pressure on Israel is rising for Israel to agree to a truce to allow humanitarian aid into the besieged Gaza Strip, Al Jazeera reports. Sarkozy's term as the rotating president of the European Union ended on midnight of last night, but he nonetheless decided to go ahead with the meeting. It is aimed at brokering a truce that will put an end to Israel's brutal

assault on the civilians of Gaza. the Israeli cabinet rejected France's proposal that would have put a 48-hour ceasefire into effect because "a temporary truce would simply allow Hamas fighters to regroup and re-arm," the cabinet said in a statement. “So far over 400 Palestinians have been killed during the past six days, as Israel has pounded hundreds of different targets, including civilian targets, in the besieged Gaza Strip. At least two thousand Palestinians, including many civilians, have also been injured in the air raids.

Arab Ambassadors: Israel Must Be Held Accountable for Violations and Crimes

The Arab Ambassadors in Geneva strongly condemned the Israeli aggression against the Palestinian people launched on 27 December 2008 and which has thus far resulted in the death of more than 362 people and over 1700 injured. In a press release, they said that these attacks are a grave violation of the International Humanitarian Law, in particular the 4th Geneva Convention applicable in the Occupied Palestinian Territory especially with regard to collective punishment and targeting of civilians, as well as of international human rights standards. The Arab Ambassadors stressed that Israel must be held accountable for these violations and crimes. The massive use of force against the civilian population and the massacres must immediately end, they affirmed, immediate access to medical and humanitarian aid as well as evacuation of the injured should be assured by the occupying power to the people of the Occupied Gaza Strip. They also called upon the international community to immediately intervene to stop these military operations, to help the ongoing efforts in bringing about a ceasefire and to end the occupation.

PRCS Calls on International Community to Stop Aggression Against Gaza

Palestine Red Crescent Society (PRCS) called upon the international community to meet its legal responsibilities toward the Gaza Strip. In a press release issued Sunday, the PRCS expressed its deep concern about the Israeli statements affirming that the military operation in the Gaza Strip will continue and be expanded. “If this happens”, the press release said, the Gaza strip will witness more causalities and mass destruction of property and infrastructure in the light of the Israeli refrain from abiding to the international humanitarian law which forbids targeting civilians and their properties and forbids the excessive use of force. The intensive Israeli air attacks on the Gaza Strip continue for the third day, leading to more than 300 martyrs and 1000 casualties 200 of which are seriously wounded. The suffering has increased tremendously from the horror of shelling and continuous blockade for the last few months, resulting in a shortage

of fuel, medicine and food. The suffering of the wounded has been aggravated due to the difficulty of immediate evacuation from the scene and the lack of appropriate medical treatment.

Israeli Navy Attacks Aid Boat to Gaza, Forces it Back

Israeli Naval Forces stopped a ship carrying humanitarian aid to the Gaza Strip and forced it back, human rights activist in Gaza said. Angela Godfrey-Goldstein, the spokeswoman of the Free Gaza Movement, told reporters that the small cabin cruiser 'Dignity', which sailed from Cyprus late on Monday, was rammed by an Israeli naval vessel causing to damage to its front. 'The ship was surrounded by Israeli navy vessel when it sailed in the international waters before entering the waters of the Gaza Strip,' she said. 'The ship was badly damaged.' According to the Free Gaza Movement, 16 people including human rights activists, doctors and journalists boarded the ship at the Cypriot port of Larnaca late Monday afternoon. Amad Al-Shawwa, the Palestinian NGOs Network Spokesman, said that Israeli gunboats hit the front of the ship, adding that the boat approached the Lebanese territorial waters. 'The gunboats caused damage to the boat and forced it back amid fears that it will sink due to the damage,' said Al-Shawwa. Israeli naval vessels surrounded the boat, and one vessel 'clashed with' the small aid ship, according to Israeli Ministry of Foreign Affairs Spokesman.

Quartet Calls for Immediate Ceasefire in Gaza

The Quartet held, late a teleconference to discuss the situation in the Gaza Strip. They called for an immediate halt of violence in Gaza as United Nations agencies warned that hundreds of wounded in Gaza hospitals faced a surge in preventable deaths due to lack of medical supplies. The Quartet, the UN, European Union (EU), Russia and United States, called on “all parties to address the serious humanitarian and economic needs in Gaza and to take necessary measures to ensure the continuous provision of humanitarian supplies,” according to UN readout on the teleconference. The consultations took place as the Israeli entered their fourth day, with over 300 Gazans killed and many hundreds more wounded, and the UN World Health Organization (WHO) urging Israel to ensure immediate provision of fuel and critical life-saving and trauma care supplies. UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) Commissioner-General Karen AbuZayd told the UN News Centre that the current situation is “much, much worse” than past eruptions of violence in Gaza. “They called for an immediate ceasefire that would be fully respected,” the readout said. “They agreed on the urgent need for Israelis and Palestinians to continue on the road to peace. They intend to remain in close touch.”Children’s Fund (UNICEF) voiced deep concern over the impact of the current violence on youngsters and urged all parties to abide by their international legal obligation to ensure that children are protected and receive essential humanitarian supplies and support. Over half of the population in Gaza are children.

CCI in West Bank declined by 1.81%

The overall Construction Cost Index (CCI) for the West Bank excluding East Jerusalem declined to 108.08 in November 2008 compared to 110.08 in October, according to a report issued by the Palestinian Central Bureau of Statistics (PCBS). Analysis of Construction Cost developments for November indicates decreases in certain costs. The largest decrease was in building iron cost (-16.00%) followed by metal tools cost (- 2.29%) and the smallest decrease was in cement products (-0.53%) followed by aluminum and metal doors and windows (-0.73%). At the same time, there were increases in other costs; the highest was in wages and labor cost (+ 2.87%) and in ceramic products (+0.70%) and the smallest increase was in the cost of hired equipment (+ 0.11%).

BUSINESS & POLITICS IN THE MUSLIM WORLD
GCC (Gulf Cooperation Council)
NEWS MONITORING REPORT
(26th DECEMBER, 2008 – 1st JAN, 2009)
MADIHA KAUKAB
PRESENTATION DATE 7TH JAN 2009

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DETAILED REPORT

Gulf Economy

Qatari businessmen shrug off EU talks suspension

Qatari businessmen have shrugged off news reports about the ongoing GCC-European Union (EU) free trade negotiations having been suspended, and said the development was unlikely to have an adverse impact in the region.

“The GCC countries were trying to gain an edge in the free trade (FT) talks and, in my view, that’s the reason why they have been suspended,” said prominent businessman Ahmed Al Khalaf. Talking from abroad on the phone, Al Khalaf, however, expressed optimism and said the two sides (the GCC and EU) cannot put FT talks on hold forever or terminate them. “At some stage they are bound to resume the negotiations,” he said. “It is to the benefit of both the parties concerned that they ink an FT accord.”

The FT talks between the GCC and EU had been going on for almost 20 years without showing any results. The region is one of the largest importers of European goods. Media reports suggested the question of human rights was one of the contentious issues raised as part of the talks.

Gulf stocks plummet as economic woes bite

Stock markets in the Gulf States fell sharply in the week to yesterday as the impact of the global economic crisis and the slide in oil prices took a further toll on the energy-rich region. The two United Arab Emirates markets and the Omani bourse led the slide while the markets of Saudi Arabia and Kuwait, the biggest and second largest bourses in the Arab world, respectively, also slumped.

The **Saudi Tadawul All-Shares Index** ended the week on Wednesday down 4.8 percent at 4,669.05 points after the OPEC kingpin projected a budget deficit next year for the first time since 2002. Although the 2009 budget is the biggest in the kingdom's history, still the projected expenditure is about seven percent down on actual spending this year. Actual spending normally ends up higher than the budget.

The TASI is down a massive 57.7 percent on the year. In the UAE, the **Dubai Financial Market** witnessed its worst weekly performance in over a month, diving 16.9 percent to close at 1,587.08 points, its lowest level in well over four years. The DFM Index has so far lost 73.2 percent this year, pulled down mainly by the leading real estate sector which has been undergoing a strong correction due to a credit crunch that has hit the booming emirate of Dubai.

The **Kuwait Stock Exchange** ended the week down 4.5 percent at 8,240.70 points, close to its lowest level since May 2005. Political squabbles and a dispute between MPs and the government over a $ 7.5bn deal with the US firm Dow Chemical, have strongly impacted investor sentiment. The KSE Index is down 34 percent on the year and is a massive 47 percent lower than its all-time record reached at the end of June this year.

The **Muscat Securities Market** was the biggest loser this week, diving 17.8 percent to drop below the 5,000-point mark for the first time since November 2006. The Doha Securities Market ended the week almost flat at 6,635.60 points, supported by announcements from some leading companies that they would distribute better-than-expected dividends. The small **Bahrain Stock Exchange** ended the week down about four percent and is down 33.5 percent on the year.

Oil prices to stabilize in two months says OPEC

Many Opec member states have started reducing oil supply in line with the group's biggest-ever output cut agreed earlier this month. The Opec president said yesterday that crude prices are expected to begin stabilising within the next two months. The Opec agreed on December 17 to reduce supplies by 2.2 million barrels per day. "I think this

reduction will have an impact on prices in January-February because it is a strong reduction," Khelil said.

Intra-GCC trade growing rapidly

Intra-GCC trade has also grown rapidly at 32.4 percent over the same period, although it represents a minority share of its total trade. The significance of intra GCC trade varies between member states. Intra-GCC trade has the highest significance for Oman, representing 30 percent of all imports and 51 percent of all non-oil exports.

Oman is also a significant source of certain key commodities to its GCC partner countries and also a significant market for exporters in other GCC countries. Trade relations between the sultanate and the GCC states since their start are marked by steady growth in the economic and commercial fields, having exceeded RO.659 million at the end of 2007.

This growth received a big boost after the last Gulf summit conference in **Qatar** approved the establishment of a GCC common market and unified customs' tariff.

Intra GCC trade represented 5.1 percent of the region's total trade with the world in 2007. It represented 8.2 percent of total imports and 7.8 percent of total exports in 2007. If oil is excluded, intra GCC trade's share is slightly higher at 9 percent of total trade, 15 percent of imports and 26 percent of exports in 2007.

The major intra Gulf exporters in 2007 was **Saudi Arabia** with an estimated 44 percent of all exports to the GCC by a GCC country, followed by the **UAE** with an estimated 38 percent of all exports to the GCC.

Together these two countries, make up 82 percent of all exports to the GCC by member countries. The remaining 17 percent of intra-GCC exports in 2007 came from **Oman** (7 percent), **Qatar** (4 per cent), **Kuwait** (4 percent) and **Bahrain** (3 percent).

Political row stalled Gulf-EU trade talks, says official

A disagreement over human rights and democracy was behind the suspension earlier this month of trade talks between the Gulf Cooperation Council and the European Union, an Omani official said yesterday.

"It is suspended because we reached a roadblock on political issues," Abdulmalik Al Hinai, undersecretary at Oman's Ministry of National Economy, said. "The European side is trying to impose political issues on human rights and democracy that overstep and do not consider local regulations."

Abdulrahman Al Attiyah, the Secretary-General of the loose political and economic alliance representing six oil-producing countries, said last week talks with the EU had been suspended, without giving reasons for the decision.

The Gulf, which signed a free trade agreement with Singapore this month, was discussing a possible slowdown in free trade talks with foreign partners, but this would not affect discussions with countries including Japan, South Korea, China, India and Pakistan, he added. A ministerial meeting between the GCC and EU would take place as scheduled in Muscat in April.

Gulf leaders to focus on economy amid Gaza crisis

Leaders of Gulf countries assembling in Muscat today will focus on how to use their wealth to shore up their economies, after a discussion yesterday on the bloody situation in Gaza.

The annual two-day Gulf Cooperation Council summit seemed in doubt after Israel on Saturday launched wave after wave of air attacks on the impoverished Gaza Strip, leaving 280 Palestinians dead at the latest count. However, Omani Foreign Minister Yusuf bin Alawi said foreign ministers of the six GCC countries were scheduled to meet, to "put finishing touches to the agenda, including economic questions."

But analysts and officials agree that Gulf countries have plenty of money left to inject into their domestic economies if they want. "The GCC has the resources to weather this crisis," its Secretary-General Abdurrahman Al Attiyah told the daily Al Hayat last week, noting that member countries have built up sizeable financial reserves over the past five years. "Our leaders will discuss the question (of the financial crisis), aware they must agree on a joint approach on how to face it," Attiyah said.

Saudi Arabia, the world's top oil exporter, announced on December 22 that it is willing to chalk up a budget deficit of $ 17.3bn in 2009 by spending heavily to support the economy. After an unprecedented surplus of $ 160bn in 2008 the OPEC kingpin faces a sharp drop in revenues next year but it has decided not to cut back on major public projects. Also on the agenda at the Muscat summit will be plans for a single currency.

GCC leaders are expected to approve the monetary union project and stick to the 2010 date they announced at last year's summit in Doha, Attiyah said.

Oman, however, has dropped out of the plan. Another obstacle is the issue of the currency peg. All GCC states peg their currencies to the dollar except Kuwait, which pegs to a basket of currencies dominated by the dollar.

Oil rises above $ 40 on Israeli attacks, dollar

Oil prices rose above $ 40 a barrel yesterday, boosted by the weak dollar and Israeli attacks on Hamas that served as a reminder of tensions that could threaten Middle East crude oil supplies. US light, sweet crude was up $ 2.75 at $ 40.45 a barrel by 1335 GMT, below a session high of $ 42.20.

Islamic banking set to emerge as a $ 4 trillion industry

Islamic banking, which is predicted to become a $ 4 trillion global industry over the next five years, is the least affected sector in the current global economic meltdown triggered by subprime tsunami in the United States, experts said.

Khaled Al Aboodi, CEO and general manager of Islamic Corporation for the Development of the Private Sector (ICD), was quoted as saying that since Shariah did not allow Islamic banks to invest in subprime product, they were safer from the toxic subprime assets when compared to conventional banks.

According to Qatar Islamic Bank (QIB), Islamic banking is set to become a $ 4 trillion global phenomenon over the next five years. A recent report by Moody's shows that Islamic banks have been fairly resilient.

No Islamic financial institution has acknowledged investing in Bernard Madoff's $ 50 billion Ponzi scheme, and Saleh Al Tayar, Secretary General of the Franco-Arab Chamber of Commerce, said the $ 4.9 billion hit taken by Societe Generale SA from what it calls unauthorised trading by Jerome Kerviel couldn't have happened in an Islamic institution.

Oman and Dubai bourses make gains after 8 weeks

Omani shares posted their biggest one-day gain in almost eight weeks yesterday on year-end positioning with investors snapping up blue chips on the last trading day of the year. The index ended up 4.4 percent, extending strong gains from the previous day, with Bank Muscat and National Bank of Oman both soaring more than 6 percent.

Markets in the United Arab Emirates saw a rally in real estate shares as investors also positioned themselves ahead of fourth-quarter results, with Dubai developers Emaar Properties and Union Properties surging 5.88 percent and 14.29 percent.

GCC electricity linkage venture "vital" - Kuwaiti oil minister

Kuwait Minister of Electricity and Water Mohammad Al-Olaim called on Monday for removing all obstacles facing further inter-GCC integration including the electricity linkage project.

Speaking to KUNA on sidelines of a summit meeting of the leaders of six countries making the Gulf Cooperation Council (GCC), Al-Olaim, also Minister of Oil, described the electricity linkage project as "vital" because it would have "excellent" impacts on the economic integration.

Al-Olaim hoped the electricity linkage project would see the light in near future.

UAE Company discovers gas in Egypt

UAE-based Dana Gas said it made a gas and condensate discovery in Egypt's Qawasim formation. This is its fourth find this year in the North African country.

Gulf monetary union deal signed

Gulf Arab leaders signed a long-awaited monetary union deal yesterday but failed to decide on the contested location of the regional central bank.

While Saudi Arabia, Kuwait, Qatar, the United Arab Emirates and Bahrain said they would stick to a 2010 monetary union target, the bloc’s Secretary-General conceded it would take about another six months before they agree on where to base a joint central bank.

Gulf activists seek wider involvement in economic policy

Wider consultation on economic policy is the key to Gulf countries riding out the global economic crisis, a group of activists said in the Bahraini capital on Friday.

"Economic security in the Gulf cannot be guaranteed without the people's participation in policy and decision making," the Parallel Forum said in a statement that will be presented at the Gulf Cooperation Council's (GCC's) annual summit in Muscat next week.The activists, from Kuwait, Qatar, Saudi Arabia and Bahrain, called on GCC national leaders to stop wasting oil revenues on buying arms and to stop focusing their economies on oil, a depleting commodity.

GCC

Social Desk

GCC education ministers urge support to UN

GCC education ministers urged member states to support Unesco's Regional Center for Educational Planning (RCEP) located in Sharjah, after a two-day meeting in Doha to discuss on the standards of education in the Gulf.

Bahraini Premier urges GCC economic unity

Prime Minister Shaikh Khalifa bin Salman Al Khalifa yesterday called on GCC countries to unify their economic policies and act as a single entity to protect the region from any potential crisis.

In an exclusive interview with Omani daily Al Watan, the Premier described Gulf integration as crucial for GCC countries amid rising international economic blocs.""We must build our co-operation on a strong foundation with the aim to convert our integration into a strategic option for all GCC countries, leaving each country with the freedom to take adequate measures that suit its interests", the Premier said.

He hailed distinguished historical relations between Bahrain and Oman and expressed satisfaction over both countries' keenness to enhance bilateral ties in line with the leaderships' aspirations. He described the upcoming GCC Summit as historic and its decisions as crucial.

Concerning Iran's nuclear program, the Premier voiced the GCC's concern to settle the issue through rational dialogue, stressing the need to steer clear of any unilateral

approach likely to cause damage to other parties. He warned of the repercussions of any potential military confrontation.

IR Desk

OIC, GCC denounce massacre in Gaza

The 57-member Organization of the Islamic Conference (OIC) as well as the Gulf Cooperation Council (GCC) yesterday denounced Israel's massacre of Palestinians and urged the international community to stop this barbarism immediately.

GCC Secretary-General Abdul Rahman Al-Attiyah called upon the international community to act quickly to stop "the heinous massacre and barbaric acts being committed by Israeli military forces" against Palestinians. "Big powers, especially the United States, have a responsibility in this difficult times to stop the Israeli policy of collective punishment of Palestinians," Al-Attiyah said in a statement.

The GCC chief said the Israeli massacre reflected that the Jewish state had no intention to have peace. "Despite the peace initiatives, conferences and agreements between the Palestinian Authority and Israel over the past years, scenes of killing, destruction and dispelling and starving of Palestinians continue."

GCC Summit

GCC summit to study important topics

Yahya bin Saud al Sulaimi, Minister of Education, has said that the Arab Education Bureau will submit a detailed report on educational development to GCC leaders during their summit, which begins here on Monday under the chairmanship of His Majesty Sultan Qaboos. In a statement to Oman, Arabic sister daily of the Observer, Al Sulaimi said that the 20th Arab Education Bureau conference held in Doha recently, has drafted a plan for educational development, with detailed proposals on modernising curricula, textbooks and buildings and facilities, in addition to training teachers and administrators.

GCC appeals for inter-Palestinian unity against Israel''s aggression

Foreign Ministers of six Arab Gulf States called on Palestinian factions Sunday to unite and overcome their differences to enable the Arab countries help them combat the Israeli aggression.

"We called on the Palestinians anew to deeply consider reunion and to overcome the differences to enable the Arab countries help them to ultimately establish the Palestinian state," Omani Minister responsible for foreign relations Yusuf bin Alawi Abdullah told reporters after a meeting of the Gulf Cooperation Council (GCC) Foreign Ministers here.

GCC leaders conclude second closed-door session

Leaders of six Gulf Cooperation Council (GCC) states concluded their second closed-door meeting within their 29th summit here on Tuesday.

The meeting, chaired by Sultan Qaboos bin Saeed of Oman, discussed economic developments in the aftermath of the global financial crisis, the plunging oil prices, the commmon Gulf market and the activation of the mechanism of the market and the custom union.

The relations with Iran and the situation between Indian and Pakistan were also discussed.

Arab Gulf countries strongly condemned the Israeli "blatant aggression" against the Palestinian people and called on the Palestinian factions to unite to combat the Israeli practices. The GCC held Israel fully responsible for this "dangerous escalation ... and its inhumane practices against the Palestinian people." The GCC leaders called on Israel to lift the siege on all Palestinian territories including Gaza Strip. They called on the international community to live up to its responsibilities and to act immediately to end the Israeli "massacres." The GCC supreme council called on Israel to fully withdraw from all occupied Arab territories in Palestine, the Syrian Golan Heights to the June 4 1967 lines, and the remaining of the Lebanese territories in line with UN resolutions 425 and 426.

The council hoped the Middle East peace process would a priority for US President-elect Barrack Obama as soon as he assumed office next month. They reminded that the Arab countries were ready for a just and comprehensive peace with the Israelis in line with the land-for-peace principle, the relevant UN resolutions and the Arab peace initiative, according to the final communique.

Gaza and financial crisis dominate GCC summit

Gulf Arab leaders opened a two-day economic summit yesterday with Israeli air strikes on Gaza taking the spotlight as the oil-producing region looks to better co-ordinate policies to face the global financial crisis.

The key focus of the annual heads of state meeting is to approve a long-planned pact that could take them closer to issuing a single currency before a self-imposed 2010 deadline for monetary union.

But Gulf rulers were certain to focus at least initially on the bloodshed in Gaza before turning their attentions on how to tackle an oil price slump and a global financial crisis that has brought an end to a six-year regional economic boom.

GCC urges Iran anew to end occupation of UAE's islands

Gulf Cooperation Council (GCC) states called on Iran anew Tuesday to end occupation of three islands of the United Arab Emirates (UAE) in order to contribute to boosting security and stability of the region.

In a final communique following a two-day GCC summit in Muscat, Arab Gulf leaders said the UAE should exercise full sovereignty over the greater and lesser Tunbs and Abu Moussa islands, their marine borders and navigation boundaries in order create common vision to strengthen regional security and stability.

This, added the leaders, would also facilitate the achievement of the free trade zone between the GCC and Iran.

Turning to the Iranian nuclear file, the GCC leaders called for solving the nuclear issue diplomatically, and welcomed the negotiations between Tehran and the Western countries to tackle this issue peacefully.

GCC leaders approve security strategy

Gulf Cooperation Council (GCC) leaders, at the conclusion of their 29th summit in Muscat Tuesday, approved a security strategy between the six member countries.

- The leaders voiced relief for the security coordination and cooperation among their member states, according to a final communiqué issued after the two-day summit.
- They have also approved the statute of the Drug Control Criminal Information Center, due to be established in Qatar.
- The Gulf leaders reviewed coordination and cooperation between the GCC countries - Kuwait, Saudi Arabia, Qatar, Oman, Bahrain and the United Arab Emirates (UAE) -- regarding the development of the common defense capabilities.
- They have also approved an action plan to increase jobs for Gulf nationals, endorsed a culture strategy and voiced relief for the cooperation at the media level.
- The leaders assigned the Consultative Authority to study the global financial crisis and its impacts on the GCC countries, as well as food and water security in the Gulf States.
- As for Yemen, the Gulf leaders approved Sanaa's membership in the GCC Standardization Authority, the Gulf Organization for Industrial Consultation, the Audit Authority and the Radio and TV authority.
- Turning to Iraq, the GCC leaders reiterated respect of Iraq's unity, sovereignty and independence, as well as keeping its Arabic and Islamic identity.They said national conciliation among the Iraqis would help push forward the political process to achieve security and stability nationwide.
- They urged the UN to continue efforts to return Kuwait's national archive and to unveil fate of the remaining missing Kuwait and third-country nationals.
- On the other hand, the GCC Supreme Council welcomed the historic move by Lebanon and Syria to establish diplomatic relations.
- They, however, expressed regret for the humanitarian catastrophe in Sudan's province of Darfur, and praised the Khartoum government's efforts to tackle the conflict.They appreciated the Qatari-chaired Arab-Afro ministerial committee to sponsor peace talks between the Khartoum government and rebels in Darfur.
- They called on all Somali to cease violence as well as all efforts derailing national conciliation.

Yemen to join Gulf Co-operation Council institutions

Yemen, which had observer status at the 29th Gulf Co-operation Council (GCC) Summit here, is to join several GCC institutions, seen as a potential precursor to full membership. It was announced at the concluding GCC Summit press conference.

UAE

IR Desk

UAE citizens in Pakistan, India advised to report to the embassies

The Foreign Ministry has advised UAE citizens currently living in Pakistan or India, or those intending to visit either of the two countries, to contact UAE embassies and consulates there and give their contact details, including residence and telephone numbers, to make it easier for the missions' staff to reach them, an official source said today.

Dubai cancels New Year celebrations

In his capacity as the Ruler of Dubai, Shaikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE, has ordered the cancellation of all forms of celebrations marking the New Year in Dubai emirate.

According to the order, Dubai will mark the New Year on a sombre note as a token of solidarity with the Palestinian people in general and Gaza in particular which is under a barrage of fire from the Israeli military.

UAE envoy in Yemen meets Defence Minister

Abdullah Mattar Al Mazroui, UAE Ambassador to Yemen today met Yemeni Defence Minister Major Gen. Mohammed Nasser Ahmed.

During the meeting the UAE envoy delivered a letter to the Yemeni official from HH The letter dealt with bilateral relations in addition to cooperation on defense matters.

Khalifa orders delivery of urgent aid to Gaza

President HH Sheikh Khalifa bin Zayed Al Nahyan has ordered the delivery of urgent aid to the people of Gaza strip.

Al-Shehhi reiterates the UAE's support for the Iraqi government

Iraqi President, expressed profound happiness for the reopening of the UAE embassy in Baghdad and stressed the need for strengthening bilateral ties between the two countries. He also reiterated the need for UAE investment companies to get proactively involved in the reconstruction of Iraq.

Abdullah Bin Zayed receives note from Ban Ki-moon

UAE Foreign Minister received a letter from Secretary General of the United Nations Ban Ki-moon. In the letter, Ki-moon hailed the UAE's humanitarian aid of $ 8 million.

He further expressed confidence that the UAE would continue its international humanitarian efforts through contributing to the global humanitarian appeal for the year 2009, which was launched by the United Nations from Geneva to raise $ 7 billion to help needy people in 31 countries. Ki-moon called on the UAE to take part in the meeting of donors in January 2009 in Geneva to discuss and co-ordinate their strategies, priorities, and responses to the Consolidated Appeals. The Secretary General underscored stronger relations between the UN and the UAE at all levels.

The United Nations lauded the UAE for hosting the global humanitarian appeal in Abu Dhabi in November to help 30 million needy people globally. The appeal was also launched from the United Nations Office at Geneva (UNOG) The UN appeal was launched for the first time from a Middle Eastern city and aimed to raise $ 7 billion in the aid of millions of needy people all over the world.

Labor Desk

Firms can't use article 120 to avoid paying workers' dues

Firms are not allowed to invoke Article 120 of the Labour Law to terminate the services of workers without clearing their financial dues and end-of-services benefits, said a senior official at the Ministry of Labour (MoL).

Mohammad Al Zaabi, Director of Disputes Department in the MoL, told Khaleej Times on Thursday that the companies are not allowed to do that because the law defines specific cases of termination under Article 120.Workers, whose services are terminated for no fault or the cases listed in Article 120, should lodge complaints with the Labour Office.

FNC sanctions recommendations on foreign labor

The Federal National Council (FNC) has recommended country-wise quota for non-Arab Labour, with proportional regional allocations so as to ensure cultural diversity on the national level instead of attaining it on corporate level.

The FNC also approved other recommendations pertaining to the foreign labour after lengthy discussions on the issue as well as on the impact of the new regulations of the Labour Ministry.

The recommendations included

1. formulation of a strategic demographic plan aimed at gradually increasing the numbers of national workers
2. and stepping up the use of modern technology in all economic, commercial industrial sectors, with particular focus on the sectors of building and construction so as to reduce the dependence on the foreign labour.
3. to continue a complete revision of the contents, objectives and priorities of the economic and social development by way of protecting the national interests. This should create job opportunities of high productivity to national cadre and attract foreign labour in a balanced way, the recommendations said.
4. They also called for a knowledge-based economy in the place of the labour intensive economy.
5. Making its recommendations on the property ownership, the FNC said that a federal law should be introduced without delay to regulate this sector.
6. The FNC also called on the government to revise the rules, laws and ministerial orders regulating the labour market and to rectify its negative effects by way of amending the ministerial order No. 4 (Year 1994) which pertain to sponsoring of families by expatriate workers.
7. In this regard the FNC said that the salary limit for an expatriate worker to sponsor his/her family should be raised from the current AED 4000 to AED 10000 for those who do not get accommodation, and AED 8000 for those who are provided accommodation by their employers.
8. In order to eliminate chances of producing bogus salary certificates, the FNC recommended that the expatriate employee should produce a six-month bank statement showing his salary.
9. The FNC also made a recommendation to raise the salary limit from AED 6000 to AED 15000 for a person to be eligible to sponsor a domestic help. The issuance of such a visa should be against an annual fee of AED 7000.
10. The FNC also recommended amending the Federal Labour Law of the country (Law No. 8 Year 1980) to ensure adequate work opportunities for the citizens in the labour market.
11. The other recommendations included stringent residency rules on those who have crossed the age of 65, improving of the labour inspection machinery, amendment of the ministerial rule pertaining to cultural diversity, classification of companies into three categories according to their productivity and economic activity, and concessions to sectors which are less labour-intensive.

GCC-Iran ties in for good times

The Gulf Cooperation Council has decided, following negotiations with Iran, to create a free trade area between its six members and Iran, according to Mohammed Sadeq al Huseini, Secretary-General, Iran-Arab Forum.

He said GCC-Iran relationships are good, thanks to the efforts made by Abdulrahaman al Atiyyah, GCC Secretary-General, to strengthen co-operation between the two sides in all fields. In an exclusive interview with the Oman Observer, Al Huseini said “in addition to the benefits of free trade, Iran could be a good bridge for the GCC for direct access to Central Asian republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

In addition to harvesting the benefits of these markets, the GCC, Iran and the Central Asian republics can help build amenity and a bond of peace and tranquillity for co-operation and away from any regional tension, added Al Huseini. The move to set up GCC-Iran free zone is a sequel to the participation of President Mahmod Ahmadinejad participation at the 28th GCC summit in Qatar in December 2007. At this summit the Iranian president put forward 12 proposals for developing and deepening GCC-Iran ties and called for the establishment of three free trade zones (FTZ) between the two sides. The GCC Secretariat has accepted most of the proposals and work is also continuing on the creation of the three FTZs, he said.

In 2007 a ministerial panel comprising foreign ministers of the GCC had agreed to start negotiations for an FTA with Iran. Iran’s global exports exceeded $ 100 billion in 2006 and its potential for growth is enormous. Besides oil and gas, Iran is rich in agricultural products and technical knowledge and an FTA would help to optimise the use of its resources and talent. The trade between Iran and the UAE alone stands at $ 12 billion a year. Iran exports foodstuffs, construction materials, petrochemicals, carpets, pistachio nuts, ceramics, appliances and agricultural and industrial products to GCC countries.

Defense and Strategic Desk

'Cooperation between UAE, Pak Navies will continue to grow'

Cooperation between the navies of the UAE and Pakistan, particularly in the fields of training and personnel exchange, will continue to grow, the commanding officer of a Pakistani navy ship said on Monday.

PNS Tippu Sultan, operating along with coalition forces in the Arabian Gulf as part of Coalition Task Force-150, arrived at Abu Dhabi Mina Zayed Port on December 28 and will remain here till January 1.

Saudi Arab

Social Desk

Fight against poverty top priority – Qahtani

Dr. Mufleh Al-Qahtani, the new chairman of the National Human Rights Society (NHRS), said fight against poverty, housing and family violence issues are on the top of his priorities.

Meanwhile, Dr. Bahija Bha Ezzi, member of the General Assembly, asked for amending the society's regulations banning women to run for the society's presidency stressing that these regulations deprive women from playing an active role in the field of human rights.The general assembly's meeting was attended by 26 out of 40 members who elected Dr. Al-Qahtani to the post. Dr. Saleh Al-Khthlan was elected as his deputy.

Saudi Shoura supports raise for pensioners

The Shoura Council on Monday recommended a pay raise of a "decent percentage" for pensioners to help them cope with increasing cost of living in the Kingdom.

The recommendation was made during the Council's session here to discuss the yearly report of the Public Pension Agency.The increase, proposed by Council member Khalil Ibrahim, was adopted by an overwhelming 85-27 vote. "The minimum pay of retired government employees is set at SR2,000, which cannot help them in these dreary times," Ibrahim said.

Saudi police break up pro-Gaza protest: residents

Witnesses said Saudi police fired rubber bullets to break up a pro-Palestinian protest on Monday, injuring up to eight people, but a government official denied the report.

Residents said between 200 and 300 people took part in the march in Saudi Arabia's oil-producing Eastern Province. Many protesters held pictures of Palestinians wounded in Israel's military offensive against the Gaza Strip, which has killed more than 300 Palestinians since it began on Saturday.

Saudi ministry denies breaking up Qatif rally

The Ministry of Interior has rebuffed reports that Saudi security forces fired rubber bullets, injuring at least six people including two children, to break up a pro-Palestinian rally in the Eastern Province on Monday.

“No such protest took place. There were no confrontations with protesters,” said Gen. Mansour Al-Turki, spokesman for the Ministry of Interior.

Saudi judicial reforms to start Jan. 1

Saudi judicial reforms will start Jan. 1 and the process to bring about structural and procedural changes will take 20 years, said Minister of Justice Sheikh Abdullah Aal Al-Shiekh. "This is only the beginning of the overhaul plan and there will be more future reform plans," he said.

A budget of nearly SR7 billion has been allocated for the Custodian of the Two Holy Mosques Project for Developing the Judicial System. The project entails developing new court systems, building new courts and training judges.

A new Supreme Court – to replace the existing Higher Judicial Council – will be tasked with execution of Islamic Shariah laws and monitoring compliance, and reviewing death penalties handed down by Appeals Courts.

The King will appoint the head of the Supreme Court. Judges’ salaries, appointments and other administrative matters will come under the purview of the Judicial Council. Also, there will be specialized courts for commercial, labor, and personal status cases.

IR Desk

Palestinian president to meet Saudi king

Palestinian president Mahmud Abbas will travel to Saudi Arabia Saturday for talks with King Abdullah, the Saudi state news agency SPA said on Thursday.

Abbas, who is seeking to revive reconciliation talks between his Fatah party and the rival Hamas movement, will discuss bilateral relations “in addition to regional and international issues of mutual concern” with the Saudi king, SPA said.

Saudi Arabia holds Egyptian for 'spying': rights group

An Egyptian has been detained in Saudi Arabia for four months accused of spying on the kingdom's intelligence service for Egypt, a human rights group said on Friday.

Saudi King receives letter from Bahraini counterpart

Saudi Arabia's King Abdullah bin Abdul-Aziz Al-Saud received on Friday evening a letter from Bahraini King Hamad bin Issa Al-Khalifa.

According to Saudi Press Agency (SPA), the message was conveyed by visiting Bahraini interior minister Lieutenant General Sheikh Rashid bin Abdullah Al-Khalifa and Foreign Minister Sheikh Khalid bin Ahmed bin Mohammed Al-Khalifa during a meeting with the Saudi monarch.The two ministers conveyed to King Abdullah greetings on behalf of King Hamad, the Prime Minister Shiekh Khalifa bin Salman Al-Khalifa and the Bahraini leadership and people.

Egypt denies Saudi holding engineer for spying

Egypt's foreign ministry on Friday denied claims by a human rights group that an Egyptian man was being detained in Saudi Arabia on suspicion of spying but was instead facing unspecified "security charges".

The Egypt-based Arabic Network for Human Rights had said that software engineer Yusef Ashmawi, who has been held in Saudi Arabia for four months, was accused of spying for Egypt." But Egyptian consular affairs official Ahmed Rizq told AFP that Ashmawi, who was contracted to work for the Saudi defence ministry and intelligence services, was "categorically not accused of being a spy.""The charge is not spying. Many Egyptians work in sensitive workplaces in Saudi Arabia," he said, adding that the charges were "security related" without giving further information.

Saudi Arabia urges US intervention over Gaza

Saudi Arabia urged its ally the United States on Saturday to intervene to end Israel’s attack on Gaza.

“Superpowers should take responsibility to stop these attacks,” the official Saudi Press Agency reported, citing a telephone conversation between Saudi King Abdallah and U.S. President George W. Bush. King Abdallah said the attack was a continuation of “Israeli policies of occupation and mistreatment of Palestinians”.

Saudi, Jordanian kings discuss situation in Gaza

King Abdullah Bin Abdul Aziz of Saudi Arabia discussed on Sunday in a telephone conversation with King Abdullah II the situation in Gaza Strip.

A Royal Court statement said the two leaders also discussed the efforts exerted to reach an immediate halt to the Israeli aggression on the strip. They stressed keenness to continue cooperation and coordination to end the aggression and stop the suffering of Palestinian people.

Terrorism Desk

Saudi Arabia, India urge global action against terror

Saudi Arabia and India on Friday called for global joint action against terrorism following the Nov. 26-29 attack on Mumbai that led to 179 deaths.

The two countries agreed on the importance of coordinating efforts to eradicate terrorism, following talks between Foreign Minister Prince Saud Al-Faisal and his Indian counterpart Pranab Mukherjee. In a joint briefing here with Mukherjee, Prince Saud voiced Saudi Arabia’s solidarity with India against terrorism and offered the Kingdom’s condolences to the victims of the Mumbai attacks.

Foreign Labor Desk

Saudi minister warns of 'racism' towards expatriates

Saudi Labour Minister Ghazi al-Gosaibi has warned against growing racism among Saudis towards the millions of foreign workers in the kingdom, mainly domestics, media reports said yesterday.

Gosaibi told senior labor ministry officials on Sunday that the country should treat foreign workers better, protect their rights and not succumb to racism, local newspapers reported. "Regrettably, we have become overwhelmed by arrogance and even racism, and we have begun to imagine that we are better than those who have come to share in shouldering the burden of development," he said. "We should not be arrogant or racist towards those who came to serve us in our homes after we used to do everything ourselves," Gosaibi said of reported maltreatment of domestic workers, who reportedly number around 1.5mn.

Iran and Oman have always had close ties

On the question of Iran-Oman relationships, he said "Iran and Oman have always had close ties in fields of human endeavour and this should serve as an example for other regional countries".

Oman's foreign policy is always "very rational and moderate towards its neighbour, especially with Iran, he said and added "Oman wants no tension with any country in the world. Iran finds their policies to be practical and encouraging." Ever since His Majesty Sultan Qaboos assumed the reins of power in 1970, he initiated steps to have good ties not only with Arab nations but also with Indian Ocean countries such Pakistan, India, and from the other side Yemen, Iran and Turkey among others to work together. Abdulaziz bin Mohammed al Rowas, Adviser to His Majesty the Sultan for Cultural Affairs, recently visited Iran and gave a very important message of His Majesty to Mujtaba Thamra, Adviser to the Iranian President. They discussed means of enhancing bilateral relations in many spheres.

The Iranian president too sent a very important message to His Majesty the Sultan. In the present GCC conference it is all the more important to have a fresh look at ties with Iran because "we have the era of Bush behind us and we hope the era of US president-elect Barack Obama will be better for the world". On the question of the declining power of dollar, Al Huseini said Iran cut its currency link with the dollar two years ago.

Qatar

Foreign Labor

Qatarisation plan must be put on hold: experts

The Ministry of Labour should suspend its programme of Qatarisation of jobs until a well-trained cadre of young Qatari men and women is available, participants in a seminar have unanimously urged.

Qatar among top Filipino workers' destinations

Qatar was third among the top 10 destinations of Overseas Filipino Workers (OFWs) in 2008, and the Philippine Labour Secretary has said employment opportunities for them still abound in the coming year in spite of the global financial crisis.

A year-end report by Philippine Labour Secretary Marianito Roque said there were 21,352 OFWs deployed in Qatar in the first ten months this year, accounting for about 12 percent of the total of 1.221 million getting new jobs in over 190 host countries.

Qatar joins international migration body

The State of Qatar, represented by a delegation comprising officials from the Ministry of Labour and the Ministry of Interior, took part in the 96th meeting of the International Organisation for Migration (IOM).

The organisation approved Qatar's joining of the body on December 12 amid praise and welcome by the organisation's member states due to the effectiveness of Qatar's participation at international fora.

IR Desk

Doha to host Arab, African foreign ministers' meeting on Darfur

A number of Arab and African foreign ministers will meet here in early January to discuss ways to restore peace to Sudan's troubled western region of Darfur, Al Sharq daily reported.

Top on the agenda are the main steps to reach a solution to the Darfur problem along with negotiations between the Sudanese government and rebel movements in Darfur in the light of resolutions to be passed by a committee and its contacts with parties concerned in the restive region.

Qatar stands alongside the palestinian citizens in gaza: Hamad bin Jassem

H.E. Sheikh Hamad Bin Jassem Bin Jabor Al Thani, the Prime Minister And Foreign Minister received a phone call tonight from Israeli Foreign Minister Tzipi Livni in which the latter tried to justify the Israeli air raids against the Gaza strip. For his part, H.E the Premier and Foreign Minister made clear that there was not any justification for the brutal Israeli aggression on the Gaza Strip and what had happened on part of the palestinian resistance and is now happening is a reaction to the unfair and unjust siege imposed by israel on the strip. H.E. Sheikh Hamad Bin Jassem Bin Jabor Al Thani further made clear that the Israeli aggression does not help bring about peace particularly as the arab feeling is that israel does not have the intention to bring about peace but rather an intention to escalate aggression against the palestinian people. H.E the prime minister underlined that the state of qatar stands alongside the palestinian citizens in gaza and asks that israel allow the humanitarian aid supplies into the gaza strip according to the humanitarian international law.

Qatar offers to host summit on Gaza

Qatar has offered to host an emergency Arab summit on Friday in Doha on Israel's three-day-old onslaught against the Hamas-controlled Gaza Strip.

Qatari PM in Turkey to push for end of Israeli aggression against Gaza

Qatari Prime Minister and Foreign Minister Sheikh Hamad bin Jasem Al-Thani on Tuesday went into immediate talks upon arrival in Turkey with his counterpart Recep Tayyip Erdogan to discuss the grave Israeli aggression against Gaza Strip.

Malaysia eyes links with Qatar in education sector

Malaysia will explore the possibilities of tapping Qatar's high potential in the higher education sector. A seven-member Malaysian delegation, headed by the country's Minister for Higher Education, Mohamed Khaled Nordin, is in Doha to hold discussions with Qatari authorities.

Oman

'Oman, Yemen ties at their best'

Dr Abu Baker Abdullah al Qarbi, Yemeni Foreign Minister, has said his country's relations with the Sultanate are at their best; thanks to the care accorded by His Majesty Sultan Qaboos and President Ali Abdullah Saleh. "Fraternity and not just neigbourliness is what bonds our two countries together," the minister said in statement published in the Oman daily, yesterday.

The Yemeni minister said development is the most challenging issue in Yemen and recalled that GCC member states had contributed more than $ 2.7 billion to Yemen development programmes at the London conference in 2006.

Summit in Oman will strengthen GCC co-operation: Fahd

His Highness Sayyid Fahd bin Mahmood al Said, Deputy Prime Minister for the Council of Ministers, has said that, Oman — led by His Majesty Sultan Qaboos — and the Omani government and people are welcoming the GCC leaders and their delegations in the Sultanate, their second home, wishing them all success and their brotherly countries further progress and prosperity. In a statement to Oman News Agency (ONA) on the occasion of the 29th summit of the GCC in Muscat, HH Sayyid Fahd said that His Majesty the Sultan has always been keen to exert all efforts to make the member states' co-operation march a continuous success.

Iran and Oman have always had close ties

On the question of Iran-Oman relationships, he said "Iran and Oman have always had close ties in fields of human endeavour and this should serve as an example for other regional countries".

Oman's foreign policy is always "very rational and moderate towards its neighbour, especially with Iran, he said and added "Oman wants no tension with any country in the world. Iran finds their policies to be practical and encouraging." Ever since His Majesty Sultan Qaboos assumed the reins of power in 1970, he initiated steps to have good ties not only with Arab nations but also with Indian Ocean countries such Pakistan, India, and from the other side Yemen, Iran and Turkey among others to work together. Abdulaziz bin Mohammed al Rowas, Adviser to His Majesty the Sultan for Cultural Affairs, recently visited Iran and gave a very important message of His Majesty to Mujtaba Thamra, Adviser to the Iranian President. They discussed means of enhancing bilateral relations in many spheres.

The Iranian president too sent a very important message to His Majesty the Sultan. In the present GCC conference it is all the more important to have a fresh look at ties with Iran because "we have the era of Bush behind us and we hope the era of US president-elect Barack Obama will be better for the world". On the question of the declining power of dollar, Al Huseini said Iran cut its currency link with the dollar two years ago.

Bahrain

Social Desk

Bahrain 'safe from global jobs crisis'

Labour Minister Dr Majeed Al Alawi yesterday assured Bahrain's workforce that all efforts are being exerted to ensure the availability of jobs despite the global financial crisis.

"The unemployment ghost will continue haunting us, as it does other countries due to the financial crisis the world is going through," he said. "However, here in Bahrain we are doing our best to ensure that none is made jobless because of it.

Bahrain cuts down number of jobs as cost-cutting measure

Bahrain has cut down jobs in the public sector as one of many cost-cutting measures to cope with the deficit expected in next year's budget because of falling oil prices.

Minister of Cabinet Affairs Shaikh Ahmed bin Atyatallah Al Khalifa, however, denied on Wednesday reports about a government's decision to halt employment at all ministries. He said some restrictions would be placed viz a viz fresh employments as the cabinet had approved only 1,000 new appointments for years 2009 and 2010 and priority would be given to services ministries such as health and education.

IR Desk

Iran, Bahrain extend previous security cooperation

Iran and Bahrain extended on Thursday a security cooperation agreement signed by two countries five years ago, according to the state-run news agency, IRNA.

It was extended in a ceremony attended by Foreign Minister Manouchehr Mottaki and his Bahraini counterpart Khalid bin Ahmad Al-Khalifa. "Based on the agreement, Tehran and Manama would work together to further strengthen security cooperation in such fields as fighting narcotic drugs trafficking, organized crimes and terrorism," IRNA reported. They also agreed to set up a joint security committee.

Boycott US-UN: Bahraini MP

An MP yesterday demanded a Bahrain boycott of both the UN and the US after Israeli air strikes killed more than 200 people in Gaza yesterday.

MP Shaikh Adel Al Maawada, who is chairman of parliament's Foreign Affairs, Defence and National Security Committee, accused the world of doing nothing while innocent Palestinians died. He said a boycott by Arab countries could force the US and the international community into taking action against Israel, but was not optimistic of any meaningful response. "We should boycott them until they make a final decision about this issue and save the lives of the Palestinians," he told the GDN yesterday. "Everyone knows the US has the power to stop Israel, but I don't know why they are not forcing them to talk. "We in the Arab region shouldn't allow any imports or exports and totally boycott the nation for this act."

Bahraini Cabinet condemns Israeli massacre in Gaza

The cabinet on Sunday deprecated Israel's ferocious offensive on Gaza and its inhuman practices there calling upon the international community for a quick intervention to put an end to bloodshed.

In a meeting, the cabinet also appealed to the UN Security Council to fulfill its responsibilities and stop violence by forcing Israel to keep pledge to the peace process.

The cabinet called on all Palestinians to come together in order to confront standing challenges through peaceful means.

Terrorism Desk

Bahrain terror plot suspects trained in Syria: minister

Men arrested this month on suspicion of plotting terrorist attacks in Bahrain learned bomb-making in Syria last summer from two Bahrainis living in Britain, the interior minister said on Saturday.

"The suspects went to Syria with a group of (Shiite) pilgrims during the summer, pretending to want to visit holy sites," Sheikh Rashed bin Abdullah al-Khalifa said at a news conference. "On their arrival they met a Bahraini living in London who prepared an intensive training programme on bomb making, how to use the bombs and how to booby-trap cars," Sheikh Rashed said.

Bahrain, Syria hold talks

Bahraini Minister of Foreign Affairs Sheikh Khalid bin Ahmed bin Mohammed Al Khalifa last night made a phone call with his Syrian counterpart Walid al-Moallem during which the two sides discussed means of cooperation to counter terrorism. The Bahraini Foreign Minister said that the Syrian Minister expressed his country''s full readiness to cooperate with the Kingdom of Bahrain in what would protect the security of the two countries. The Bahraini Foreign Minister praised the Syrian position and stressed the strong relationships between the two countries.

Al-Attiya condemns terrorist plot in Bahrain

GCC Secretary-General Abdulrahman al-Attiya on Sunday denounced a failed terrorist plot targeting Bahrain's security, stability and civilization and development gains. In a news release, he voiced all the GCC member countries' support for Bahrain's measures aiming to safeguard its security and to protect its citizens in face of such a criminal plan.

Bahraini MPs vow support for Palestinians

Bahraini MPs yesterday condemned Israeli hostility against Palestinians and the bloodshed in Gaza. They observed a moment's silence at the start of the session for the victims of the aggression which included men, women, children and the elderly.

Wearing Palestinian scarves and surrounded by Palestine flags, MPs backed urgent proposals to send money, medicines and other aid to Gaza. They also approved a proposal to send letters to international and regional parliamentary associations and federations, urging them to condemn Israel's actions and call for urgent meetings to discuss the assault on Gaza.

Kuwait

Social Desk

Kuwait makes anti-corruption push: attorney general

Kuwait is sparing no efforts at the national level in combating corruption and boosting legal accountability, authority and transparency, said a leading Kuwaiti legal figure. Attorney General Bader Al-Mesed, the head of the Kuwaiti delegation at the United Nations Convention against Corruption (UNCAC) in Bali, Indonesia. Al-Mesed said in an address at the conference that the country's anti-corruption efforts have been codified in national law and have pushed Kuwait to sign relevant international treaties.

The Kuwaiti Cabinet in October instructed the Minister of Finance to sign the treaty for consultative services with the International Bank for Reconstruction and Development, stipulating that the bank would help in enacting legislation anti-corruption legislation. The Ministry of Justice is coordinating with the Kuwaiti Transparency Society to examine such accords and to determine the kind of external technical help that may be obtained by Kuwait, Al-Mesed said in his address.

Kuwaiti ministry accused of hindering reform proposals

A Manpower and Government Restructuring Program (MGRP) official has accused senior Ministry of Social Affairs and Labor (MSAL) official of hindering numerous reform proposals submitted some months ago by the MGRP.

The program official said that no reply had been received from the ministry on the proposals, one of which concerned the appointment of employment supervisors at Cooperative Societies and sports clubs to prevent biased appointments being made in these setting and encourage Kuwaitis to work there. Despite the importance of this proposal, said the official, the MSAL had failed to respond in any way.

Kuwait witnessing an era of suspicious deals: MPs

"Kuwait is currently witnessing an era of suspicious deals, stealing of national wealth, and outright disregard of the Constitution," said a number of MPs in a conference organized by the National Union of Kuwaiti Students (NUKS) — UK and Ireland Saturday.

Under the slogan ‘Kuwait is Better’, the conference was held at the Hilton Hotel in Mangaf with the participation of several parliamentarians. Talking about development and its challenges, MP Ali Omair said Kuwait lagged behind its neighbors in taking advantage of the soaring prices of oil in the international market in mid-2008. He also criticized those who keep on holding the Parliament accountable for the slow development process in the country, alleging these people abhor the presence of the National Assembly.

Kuwaiti activist establishes voluntary religious police

Islamist activist Mubarak Al-Bathali announced that he has established a voluntary Kuwaiti Committee for the Promotion of Virtue and the Prevention of Vice, like the Saudi Mutaween or religious police.

Al-Bathali said the Kuwait committee would begin its religious tasks in the Sulaibikhat area before spreading to other areas of the country. He explained that he was inspired to adopt the idea after a number of devout young people complained to him about seeing inappropriate and immoral behavior in Kuwait's streets.

He emphasized that the committee members would focus only on advising people to avoid irreligious and immoral behavior and would never implement harsh or violent treatment on anyone.

Kuwaiti nerve patients face medicine shortages

Pharmacies in hospitals specialized in nerve diseases have reportedly delayed the distribution of medicines to Kuwaiti patients, reports Annahar daily quoting reliable sources.

Pointing out that these medicines cost around KD 600 to KD 800, sources disclosed several patients have complained about shortage of such medicines in pharmacies. Sources affirmed the Ministry of Health (MoH) has imported a large quantity of these medicines in preparation for a possible increase in the number of Kuwaitis suffering from various nerve diseases, especially after the Liberation War.

IR Desk

Arab nation in grips of hard times: Kuwaiti FM

Kuwaiti Deputy Prime Minister and Foreign Minister Sheikh Dr. Mohammad Sabah Al-Salem Al-Sabah said Wednesday that the Arab nation was suffering harsh times with the ongoing bloody Israeli aggression on Gaza Strip.

In remarks to KUNA upon arrival here, where he is due to take part in the extraordinary meeting of Arab foreign ministers, Sheikh Mohammad said Israel had violated all ethics and considerations of the Geneva Convention with regard to occupied territory. This must not be allowed to pass without reproof on the part of the international community, and not just the Arab nation," he stressed.

Kuwaiti cabinet probes Gaza incidents, cancels Dow deal

The Kuwaiti cabinet has held an extraordinary session presided over by His Highness the Prime Minister Sheikh Nasser Al-Mohammad Al-Ahmad Al-Sabah at Al-Saif Palace here on Sunday to probe the Israeli raids on Gaza Strip and the highly-controversial dow deal.

"Commencing the meeting, HH the Premier condemned in the strongest terms the criminal acts being carried out by the Israeli forces in Gaza Strip," Deputy Prime Minister and Minister of State for Cabinet Affairs Faisal Al-Hajji Bukhadour told reporters following the meeting. The cabinet noted that the Israeli atrocities claimed many lives among the brotherly sons of Palestine and victimized hundreds of innocent people.

Iraqi VP to visit Kuwait Sunday

Iraqi Vice President Tareq Al-Hashemi will arrive here on a three-day official visit on Sunday, during which he will hold talks with the political leadership over boosting bilateral relations in all fields.

He will be received at Kuwait International Airport by His Highness the Crown Prince Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah.

Japan PM thanks Kuwait for active role, cooperation in Iraqi mission

Japanese Prime Minister Taro Aso and other leaders have thanked the Kuwaiti leadership and people for their constructive role and cooperation with Japan in executing its humanitarian mission in Iraq since 2004, the Kuwaiti Embassy in Tokyo said Thursday.

In their speeches at a welcome-home ceremony on Wednesday in Komaki Air Base, central Japan, to mark completion of the Air Self-Defense Force's (ASDF) nearly five-year noncombat airlift mission, Aso and Defense Minister Yasukazu Hamada expressed gratitude for Kuwait, the embassy told Kuwait News Agency (KUNA).
Kuwaiti Charge d'Affaires Khalid Al-Mutairi attended the ceremony as a main guest, along with his Iraqi and American counterparts.

In his talks with Al-Mutairi before the celebration, Foreign Minister Hirofumi Nakasone also extended his gratitude for all the strategic cooperation and hospitality Kuwait had extended to Japanese troops who had based in Kuwait, according to the embassy.

Chinese Deputy PM to visit Kuwait late December: official

Kuwaiti Ambassador to China Faisal Al-Ghais said on Thursday that China's Executive Vice Premier Li Keqiang is due to pay an official visit to Kuwait at the end of this month.

Al-Ghais, speaking to KUNA on the sidelines of the sixth conference of Kuwaiti heads of diplomatic missions, said the visit aimed at boosting bilateral relations, given the world economic crisis.

About the conference, the official said such meetings organized every two years were beneficial and informative for Kuwaiti ambassadors around the world. The conference would increase chances of exchanging points of views, he said, noting that the conference's theme reflected national commitment to maintaining stability and providing greater development apportunities.

Political Desk

'Unconstitutional' to delay forming new Cabinet: Kuwaiti MP

A total of 23 parliamentarians arrived early Tuesday at Abdullah Al-Salem Hall in the Parliament for the regular session that was adjourned later due to the absence of the Cabinet, drawing comments among a number of disappointed legislators.

Musallam Al-Barrak, member of the opposition and official spokesperson of the Popular Labor Bloc, decried the 'political vacuum', stating HH the Prime Minister Sheikh Nasser Mohammad Al-Ahmad Al-Sabah should not be given more than the constitutionally slated period of two weeks to form the new Cabinet. amenting the fact that Kuwait is currently witnessing the suspension of vital projects, Al-Barrak said "the Constitution stipulates a period of two weeks for the Cabinet formation, so it is incorrect for anyone to assume that this period is only for forming the government after the legislative elections while the formation of a Cabinet under any other circumstances can take more than two weeks."

Some MPs bent on 'destroying' Kuwait's democracy: Abduljader

"There are some MPs who do not believe in Constitution and don't understand the spirit of democracy. These people are bent on destroying democracy to achieve their own personal interests," says MP Mohammed Al-Abduljader. Speaking at a symposium held at Al-Munais Diwaniya in Al-Adailiya, the lawmaker said though government spent a huge amount of money, it did not use it in proper way. Furthermore, MP Adel Al-Saraawi said fights between government and the Parliament take place in all countries, but "here the real struggle is between some members of the Ruling Family and the Prime Minister." Indicating that the dissolution of the Parliament is not the solution to this problem, Al-Saraawi called on HH the Amir to put an end to internal squabbles in the Ruling Family.

Speaking on the occasion, MP Saleh Al-Mulla said both the government and the Parliament should take responsibility for the frequent political crisis in the country. "Though the

government represents all movements and blocs, it is weak due to lack of harmony among ministers," he added. Al-Mulla hoped Salaf Bloc will show a more positive attitude unlike the Islamic Constitutional Movement whose opportunist and suspicious behavior made it unpopular.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH EAST ASIA

Tatheer Zahra Sherazi

Monitoring Report

From 26 December to 3 January

Presentation: January 7, 2008

(Outline)

- Indonesia

Political Front

- Indonesia plans new rules for 2009 polls

Strategic Front

Economic Front

- Oil palm fruits left to rot in Indonesia as prices fall
- Indonesia grows 6.2 pct in 2008, set to slow

Social Front

- Rights violations in Indonesia police crackdown'
- Crime rate may rise this year: Police
- Four years after the tsunami, Aceh looks ahead
- Indonesia to send medical aid to Palestine
- 10 killed as boat sinks in Indonesia's Java Sea

- Malaysia

Political Front

- Kuala Terengganu by-election:Pas names Abdul Wahid Endut as candidate
- PAS: Hudud hit by the economy
- State PKR's stand on hudud issue, Samy tells Anwar
- PM Abdullah says government reforms will boost nation's resilience

Strategic Front

- Malaysian warship saves Indian tanker from Somali pirates

Economic Front

Social Front

- Muslim NGOs to hold peaceful gathering for racial integration

- Philippine

Political Front

- Govt in denial as late as June
- 2008 budget still up in the air

Strategic Front

Economic Front

- One of Asia's fastest-growing economies,

Social Front

- Philippine military says wanted rebel leader killed

- Thailand

Political Front

- Malacañang to focus on economy, national security and peace process (eco,pol)
- MILF rejects Reds' offer to topple government
- Watch 'Obama' Get a Tummyache in Manila
- Former Thai PM loses most of his assets

- Three executives facing charges
- Hope for Thai democracy
- Thai PM warns on economy, protesters to withdraw

Strategic Front

Economic Front

- ADB approves justice sector reform loan
- ECONOMY ON BRINK
- Thailand's New Prime Minister Calls for National Unity, Economic Recovery

Social Front

- 61 killed, 200 injured in Bangkok club fire
- An investigation has begun into the fire at a nightclub
- Thai police say cause of club fire still unclear
- Southern Philippines On Alert After Attacks

- Singapore

Political Front

Strategic Front

- Singapore and Vietnam held an inaugural Defence Policy Dialogue on Monday.

Economic Front

- The global financial crisis has certainly put a damper on festive celebrations.
- Medium- to long-term prospects for S'pore property sector still strong
- The Singapore government will make it easier and cheaper for small and medium-sized enterprises (SMEs) to get access to credit to keep their business going.
- This will lower the loan insurance cost borne by companies.
- Investors have been asked to exercise caution when trading with shares of Advance Modules Group (AMG).
- Singapore's economy grew 1.5 per cent this year, according to Prime Minister Lee Hsien Loong.
- Singapore's 2009 economy may slide 2%, says govt

Social Front

- Vietnam

Political Front

Strategic Front

Economic Front

- Vietnam, Cambodia cooperate in checking animals crossing border
- Central bank weakens dong to drive exports, economy
- Trade deficit widens, inflation slows
- Vietnam Imposes New Blogging Restrictions
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- Cambodia opens new entry points to attract foreign tourists
- Cambodia expects land mine casualty elimination by 2012(eco)
- Cambodia, Malaysia to join anti-trafficking efforts

Summary

This week in south East Asia same things are going on with a little bit changes at different fronts.

At political front Indonesia's president said on Saturday said he would overturn changes to voting regulations so that voters can pick both the candidate and the political party on the ballot papers in next year's general elections. While in Malaysia there are news that PAS' has intention to introduce hudud laws in the country and for this purpose they are taking different measures. Despite of criticism in his first national policy speech,

Thailand's new prime minister has given priority to economic recovery and called for national unity.

At geo strategic Malaysian naval helicopter on Thursday saved an Indian vessel from a hijack bid by armed pirates dressed in military attire in the Gulf of Aden region, off Somalia.

At Economic front this region is also facing the financial crisis and Philippines will escape the worst of the crisis if their governments spend their way out of the widening global credit crunch .Now Philippines has turned from one of Asia's fastest-growing economies in 2007 to one of a growing number of casualties in the current global slowdown according to analysts.

At Social Front there are news from police DG that Bali could experience an increase in its crime rate this year because of the general elections and the global financial crisis further at least 10 people were killed, 17 rescued and an unspecified number reported missing after a small boat capsized on the sea off Indonesia's main island of Java. While in 61 killed, 200 injured in Bangkok club fire.

Summary of the report the below:

- **Indonesia**

Political Front

- **Indonesia plans new rules for 2009 polls**

Indonesia's president said on Saturday said he would overturn changes to voting regulations so that voters can pick both the candidate and the political party on the ballot papers in next year's general elections.

Strategic Front

Economic Front

- **Oil palm fruits left to rot in Indonesia as prices fall**

Low crude palm oil (CPO) prices and poor transportation have led to fresh fruit bunches (FFB) being left to rot in Indonesia and the situation has been a near miss for Malaysia.

- **Indonesia grows 6.2 pct in 2008, set to slow**

Indonesia's economy expanded 6.2 percent in 2008, the finance ministry said on Thursday, slowing slightly from 6.3 percent in 2007 when Southeast Asia's biggest economy enjoyed its fastest growth in a decade.

Social Front

- **Rights violations in Indonesia police crackdown'**

Indonesian police committed human rights violations during a deadly crackdown on protesters in a land dispute this month that killed at least one child, the country's rights watchdog said on Saturday.

- **Crime rate may rise this year: Police**

Bali could experience an increase in its crime rate this year because of the general elections and the global financial crisis, Bali Police chief Insp. Gen. Teuku Ashikin Husein has warned.

- **Four years after the tsunami, Aceh looks ahead**

Four years have passed since the devastating 2004 tsunami hit Indonesia, and the province of Aceh is a different place. The worst natural disaster to hit a developing country in decades claimed about 167,000 lives and destroyed schools, houses, churches, roads and livelihoods. Nearly $5 billion in houses, infrastructure and other assets were damaged or completely lost, equaling roughly 80 percent of Aceh's annual economic activity.

- **Indonesia to send medical aid to Palestine**

The Indonesian government will send a 200,000-USD package of medicines to Palestine, Antara news agency reported.

- **10 killed as boat sinks in Indonesia's Java Sea**

At least 10 people were killed, 17 rescued and an unspecified number reported missing after a small boat capsized on the sea off Indonesia's main island of Java Monday morning, officials said.

Environmental Front

• Malaysia

Political Front

- **Kuala Terengganu by-election:Pas names Abdul Wahid Endut as candidate**

Pas has named its Wakaf Mempelam state assemblyman Mohd Abdul Wahid Endut as the candidate for the Kuala Terengganu parliamentary by-election.

- **PAS: Hudud hit by the economy**

PAS has back-pedalled further on its stand on hudud laws with its president Datuk Seri **Abdul** Hadi Awang saying that the current economic situation could delay its implementation.

- **State PKR's stand on hudud issue, Samy tells Anwar**

MIC president Datuk Seri S. Samy Vellu has asked Opposition Leader Datuk Seri Anwar Ibrahim to publicly state his stand on the issue of PAS' intention to introduce hudud laws in the country.He said Anwar should make his stand or risk facing massive protest, especially from the Indian community.He said the PKR de facto leader, should not remain silent on the issue of the Islamic Penal Code.

- **PM Abdullah says government reforms will boost nation's resilience**

Prime Minister Datuk Sri Abdullah Ahmad Badawi (fourth from left in the front row) and his wife, Datin Sri Jeanne Abdullah, joining thousands at Dataran Merdeka to usher in the New Year. On Abdullah's right is AmBank Group chairman Tan Sri Azman Hashim.

Strategic Front

- **Malaysian warship saves Indian tanker from Somali pirates**

] intervention by a Malaysian naval helicopter on Thursday saved an Indian vessel from a hijack bid by armed pirates dressed in military attire in the Gulf of Aden region, off Somalia.

Economic Front

Social Front

- **Muslim NGOs to hold peaceful gathering for racial integration**

More than 10,000 members from an um-brella body of Malay and Muslim non-governmental organisations (NGOs) will attend a peaceful gathering here before handing over a memorandum to Yang di-Pertua Negri Tun Abdul Rahman Abbas.

Environmental Front

• Philippine

Political Front

- **Govt in denial as late as June**

As late as June, however, the Philippine government was still in denial, with economic managers insisting that the country's macroeconomic fundamentals remained solid.

- **2008 budget still up in the air**

For many of them, economies like the Philippines will escape the worst of the crisis if their governments spend their way out of the widening global credit crunch.

Strategic Front

Economic Front

- **One of Asia's fastest-growing economies,**

WHAT a big difference a year makes, as the Philippines has turned from one of Asia's fastest-growing economies in 2007 to one of a growing number of casualties in the current global slowdown.

Social Front

- **Philippine military says wanted rebel leader killed**

The Philippine military authorities said on Friday a top wanted rebel leader has reportedly been killed in a recent military combat operation, local media reported

Environmental Front

• Thailand

Political Front

- **Malacañang to focus on economy, national security and peace process (eco,pol)**

Malacañang considers the economy, national security and the peace process as the biggest challenges next year and President Gloria Arroyo will focus on them.

Executive Secretary Eduardo Ermita told The Times the Arroyo administration would prioritize the implementation of big infrastructure projects next year to stimulate the economy as the country braces for the global economic crisis that could hit the Philippines in the first half of 2009.

- **MILF rejects Reds' offer to topple government**

The Philippines' largest Muslim rebel group, the Moro Islamic Liberation Front, flatly rejected Friday an offer by communist insurgents to join them in toppling the Arroyo regime.

- **Watch 'Obama' Get a Tummyache in Manila**

It is customary for world leaders to call the newly elected president of the United States. So after returning the calls of heads of G8-member countries, including that of Down Under friend Australia and Middle East pal Israel on the week of his election, Mr. Obama called Philippine President Gloria Macapagal-Arroyo. On Nov. 17, Arroyo was the first Southeast Asian country leader to receive such a call. And not only did "President GMA" receive a call, but a courtesy visit from "Barack," no less.

- **Former Thai PM loses most of his assets**

Thailands fugitive former prime minister Thaksin Shinawatra can now access just $500 million - about a tenth of his estimated previous wealth, a Thai newspaper reported on Friday.

- **Three executives facing charges**

Sompong fled Thailand late last month, following reports that a large number of cars were missing from bonded warehouses. This led the SEC to investigate the company's inventory.

- **Hope for Thai democracy**

Abhisit Vejjajiva seems the least likely person to rescue Thailand from what commentators claim are the death throes of democracy. He is boyish-looking, physically slight, has no commanding military or police connections, no reputation for wheeling and dealing, and was foreign born and educated, albeit at the top people's school in Britain — Eton — and then at its best university — Oxford.

- **Thai PM warns on economy, protesters to withdraw**

Thai Prime Minister Abhisit Vejjajiva warned on Tuesday the country's economy could slide into recession, as he finally delivered a maiden policy speech delayed by protesters who blockaded parliament for two days.

Strategic Front

Economic Front

- **ADB approves justice sector reform loan**

The Asian Development Bank (ADB) has approved a multimillion-dollar loan to the Philippines to fund the country’s judicial reform program that will enhance the integrity and support efficiency in the justice sector.

- **ECONOMY ON BRINK**

The venue for Abhisit's speech was changed to avoid a repeat of the fighting around parliament in October between police and the yellow-shirted People's Alliance for Democracy (PAD), protesting against the pro-Thaksin government in power then.

- **Thailand's New Prime Minister Calls for National Unity, Economic Recovery**

Prime Minister Abhisit Vejjajiva delivers government policy speech at Foreign Ministry in Bangkok, 30 Dec 2008 In his first national policy speech, Thailand's new prime minister has given priority to economic recovery and called for national unity. But parliament was forced to convene at the Foreign Ministry after anti-government protesters maintained a blockade the legislature.

Social Front

- **61 killed, 200 injured in Bangkok club fire**

It was billed as a New Year's Eve blowout and a last-night celebration of the wildly popular and classy Santika nightclub before it moved to a new location.

- **An investigation has begun into the fire at a nightclub**

An investigation has begun into the fire at a nightclub in the Thai capital Bangkok on New Year's Eve. At least 59 people have been killed in the fire and more than 200 are injured. Survivors say the fire was caused by fireworks being set off in the club. But the

- **Thai police say cause of club fire still unclear**

The cause of a fire in a Bangkok nightclub that killed 59 New Year revellers is still not clear so it is premature to file criminal charges, Thai police said on Friday.

- **Southern Philippines On Alert After Attacks**

Philippine security forces were ordered Friday to stay on high alert after threats of more bomb attacks in the country's volatile south, police said.

Environmental Front

• Singapore

Political Front

Strategic Front

- **Singapore and Vietnam held an inaugural Defence Policy Dialogue on Monday.**

Leaders from both countries exchanged views on regional security issues and areas of defence cooperation.

Economic Front

- **The global financial crisis has certainly put a damper on festive celebrations.**

Experts say glum economic tidings may heighten feelings of loneliness or depression during the festive period. Christmas is a season to be jolly but studies have shown that it isn't so merry for som Tan-Lee Yoke Yin, deputy director of Samaritans of Singapore (SOS), said: "People who have suffered some losses tend to feel more acute during this period.

- **Medium- to long-term prospects for S'pore property sector still strong**

Singapore's commercial and residential property sectors will remain attractive to investors in the medium to long term. Property watchers told Channel News Asia that is because of Singapore's status as an international financial hub. 2009 looks set to be a difficult year by all accounts, but market watchers said property investment fundamentals here remain strong.

- **The Singapore government will make it easier and cheaper for small and medium-sized enterprises (SMEs) to get access to credit to keep their business going.**

It announced two enhancements to the government loan scheme for SMEs on Tuesday.

The government will pay 90 per cent of insurance premiums for loans made to SMEs, up from 50 per cent that was announced last month.

- **This will lower the loan insurance cost borne by companies.**

The insurance premium currently stands at 1.5 per cent of the loan quantum. With the government paying 90 per cent of the quantum, SMEs will only have to pay 0.15 per cent of the loan amount.

- **Investors have been asked to exercise caution when trading with shares of Advance Modules Group (AMG).**

The Singapore-listed tech firm has uncovered over S$3 million worth of debt. AMG and its subsidiaries in China and Malaysia have received letters and court orders to repay various amounts of debt owed to creditors.

- **Singapore's economy grew 1.5 per cent this year, according to Prime Minister Lee Hsien Loong.**

In his traditional New Year Message to Singaporeans, Prime Minister Lee also warned of job losses in the year ahead, even as he expressed confidence that the country would

- **Singapore's 2009 economy may slide 2%, says govt**

Singapore's economy could contract by as much as two per cent this year, the government said Friday after data showed a deepening recession in the trade-dependent economy.

Social Front

Environmental Front

• Vietnam

Political Front

Strategic Front

Economic Front

- **Vietnam, Cambodia cooperate in checking animals crossing border**

A memorandum of understanding on inspection of animals and poultry transported across the border was signed by the Vietnamese Ministry of Agriculture and Rural Development and the Cambodian Ministry of Forestry and Fishery in southern An Giang province on Dec. 29.

- **Central bank weakens dong to drive exports, economy**

An Asia Commercial Bank branch in Ho Chi Minh City Thursday. Commercial banks said their dollar supply has fallen since moneychangers offer higher rates for the greenback.

- **Trade deficit widens, inflation slows**

Vietnam's trade deficit widened to a record $17 billion in 2008, from $14.1 billion last year, according to preliminary figures provided by the government Thursday.The current account deficit may grow to $12.1 billion, or 12.3 percent of GDP, next year from an estimated 11.7 percent this year, according to a Credit Suisse Group research report dated December 17.A slowdown in the rise of consumer prices may have provided more room for the central bank to weaken the dong..

- **Vietnam Imposes New Blogging Restrictions**

GMAW is one of many to mention that the Vietnam government has approved a new set of regulations aimed at bloggers. The new restrictions ban bloggers from discussing certain subjects that the government deems sensitive or inappropriate. Not only are the topics limited, but bloggers are being directed to only write about issues that directly impact their personal lives.

- **Vietnam reports record oil and gas sales for 2008**

Vietnam's state-owned oil and gas company PetroVietnam has reported record sales of more than $US16 billion for 2008.PetroVietnam says it earned over $US11 billion from exports, a rise of well over 26 per cent, due in part to high global energy prices earlier this year.

- **Vietnam opens wider for business, says US online newspaper**

Vietnam opens on January 1 its retail sector to wholly foreign-owned investments according to its World Trade Organisation obligations and lucrative opportunities await in Asia's new No. 1 retail market, a US online newspaper reported.

- **Vietnam, Japan in trade deal**

VIETNAM has signed a free trade deal with Japan that will exempt nearly all taxes levied on each other's goods over the next decade, the Vietnamese government said yesterday.

- **Report: China, Vietnam agree on land border**

China and Vietnam have settled a lengthy border dispute nearly 30 years after a month-long war that left tens of thousands of people dead, state-run media reported.The settlement of the dispute -- which covered the land border between the two countries -- came during a December 28-31 meeting in Hanoi, Vietnam, Xinhua news agency reported, citing a joint statement issued by the two governments on Wednesday.

Social Front

Environmental Front

• Laos

Political Fron

Strategic Front

- **Vietnam, Laos set tasks for border affairs**

Vietnamese and Lao officials reviewed the work on border affairs between the two countries in the past year and discussed what remains to be done at their 18th annual meeting in Vientiane on Dec. 28.

Economic Front

- **Vietnam to explore iron ore in Laos**

Vietnam ’s Company of Economic Cooperation (COECCO) and Lao Government’s representative on December 25 signed a contract of surveying and exploring iron ore in Laos . Attending the signing ceremony were Lao Deputy Prime Minister-cum-Defence Minister Douangchai Phichit and Deputy Minister of Planning and Investment Thongmy Phomvisay.

- **ADB plans to provide US$ 89 million for five projects in 2009**

The Asian Development Bank (ADB) is planed to help Lao government on the Nam Theun II hydropower construction project and to provide about US$ 89 million for implementing five projects in Laos by 2009.These included the project on higher education strengthening, public health sector development, private sector and SME development, and the high voltage electricity line transmission for the northern part of Laos.

- **Government urges journalists to inspect development projects**

The government is welcoming Lao journalists to scrutinize its development projects and report their observations in the media at a time when the financial tsunami is having an adverse effect on them and this was said by the government secretariat chief, Cheuang Sombounkhan.

- **Vietnam leads foreign investors in Laos**

Vietnam is now the largest foreign investor in Laos , according to a recent survey conducted by the Overseas Investment Department under the Ministry of Planning and Investment.

Social Front

- **Laos wins congratulatory certificates at ASEAN artisan competition**

Participants from Laos have won congratulatory certificates for masonry and carpentry at the ASEAN artisan competition held in Kuala Lumpur, Malaysia, from 10 to 19 November 2008.

- **PRF spends 168 billion kip on poverty reduction**

The Poverty Reduction Fund has spent 168 billion kip on five target provinces over the past five years. The figure was reported by Mr Sivisay Saysanavongphet, Director of the PRF at the 12th Poverty Reduction Fund meeting, on 23 December at the Vilabouly district, Savannakhet province.

- **Champassak educates public on deadly AIDS**

The Health Service of Champassak, the Provincial Anti-AIDS Committee and the Sanfansuvanmai Group held an AIDS awareness day last Friday to mark World AIDS Day (1 December).

- **Se Set II power plant to supply electricity to five southern provinces**

Saravan province will cease to buy electricity from Thailand in 2009. With the completion of the construction of Se Set II hydropower plant in Saravan province in June 2009 this plant would have the capacity to supply electricity to all the consumers of this

state.On its completion this plant should be able to generate 76 MW and produce 309 GWH of electrical power per year, more than the Se Set I hydropower plant's capacity of 31 MW.

Environmental Front

• Cambodia

Political Front

Strategic Front

- **Thais set to discuss dispute**

THAILAND'S newly-appointed top diplomat plans to visit Cambodia to discuss the long-running dispute over territory along the countries' shared border, Foreign Affairs Minister Hor Namhong said Tuesday.

Economic Front

Social Front

- **Cambodia opens new entry points to attract foreign tourists**

Cambodia has announced establishment of nine border entry points with Vietnam, six with Thailand and one with Laos, said the Ministry of Tourism.

- **Cambodia expects land mine casualty elimination by 2012(eco)**

The Cambodian Mine Action Center (CMAC) has set a target date of 2012 for the elimination or dramatic reduction in casualties from land mines in the country, national media said on December 29.

- **Cambodia, Malaysia to join anti-trafficking efforts**

Cambodia and Malaysia have pledged to sign a memorandum of understanding (MoU) that will allow them to better combat human trafficking, said a Ministry of Interior officer.

Environmental Front

Detailed monitoring Report

- # Indonesia

Political Front

- **Indonesia plans new rules for 2009 polls**

Indonesia's president said on Saturday said he would overturn changes to voting regulations so that voters can pick both the candidate and the political party on the ballot papers in next year's general elections.

Southeast Asia's largest democracy and biggest economy will hold parliamentary elections on April 9. The outcome will determine which parties are eligible to field candidates for the presidential election soon after.

After the autocratic former President Suharto resigned in 1998, Indonesia introduced several political reforms, turning into a vibrant democracy. Dozens of parties are preparing to contest the parliamentary elections next year.

Under new regulations, the parties will have to award seats in parliament to those candidates who won the most votes, rather than to those who were ranked highest by the party itself, giving voters more power when it comes to choosing their parliamentary representatives.

President Susilo Bambang Yudhoyono, who has said he will stand for re-election next year, said yesterday he would reverse a previous ruling in which voters could only choose the candidate or the party in order to reduce confusion. In the 2004 elections, Golkar, Suharto's political machine, won the most seats in parliament, followed by the Indonesian Democratic Party of Struggle (PDI-P), former President Megawati Sukarnoputri's party.

Strategic Front

Economic Front

- **Oil palm fruits left to rot in Indonesia as prices fall**

Low crude palm oil (CPO) prices and poor transportation have led to fresh fruit bunches (FFB) being left to rot in Indonesia and the situation has been a near miss for Malaysia.

Smallholders in Indonesia had been facing this problem since October when the CPO price hit a low of RM1,390 a tonne from a high of RM3,500 in mid-June, a Sabah planter told StarBiz.

He said Malaysia's plantation industry narrowly escaped a similar situation. "At one stage last month it was critical but, basically, Sabah has improved and there is no rotting. Now exports have picked up."

Major palm oil consuming markets, China and India, had earlier this year held back their purchases due to volatile prices and the global financial crisis, he said.

- **Indonesia grows 6.2 pct in 2008, set to slow**

  Indonesia's economy expanded 6.2 percent in 2008, the finance ministry said on Thursday, slowing slightly from 6.3 percent in 2007 when Southeast Asia's biggest economy enjoyed its fastest growth in a decade.

  While growth was roughly in line with official forecasts, the government has warned that 2009, an election year, could be tougher, with growth seen at between 4.5 and 5 percent -- below the 6 percent pace that analysts say is needed to prevent unemployment from rising among Indonesia's 226 million people.

  Indonesia, a major producer of commodities ranging from palm oil to copper, has been hit by the world financial crisis as investors bolted from emerging markets and demand for commodities cooled. The rupiah currency fell to a decade low against the dollar, and the stock exchange was forced to shut for three days in October after shares plummeted. Inflation in 2008 was 11.4 percent -- in line with government forecasts -- and the budget deficit was 0.1 percent of GDP, the finance ministry said in a statement.

  Tax revenue amounted to 658.7 trillion rupiah ($60.71 billion), which was 49.4 trillion rupiah above the government's target.

  President Susilo Bambang Yudhoyono, who will run for re-election this year, said on Wednesday his government would launch a new fiscal stimulus on top of spending plans set in the state budget, in order to help the economy withstand the impact of the global crisis.

He also said he would cut subsidised fuel prices further, and would give priority to jobs and inflation.The government hopes new spending and investment will support economic growth and counter the effects of the global economic slowdown. Indonesia has already said it would spend about $9 billion on infrastructure projects to boost the economy, though it is not clear how much of it would be new spending and how much would be financed by funds unused in 2008 and carried over to 2009.

Social Front

- **Rights violations in Indonesia police crackdown'**

Indonesian police committed human rights violations during a deadly crackdown on protesters in a land dispute this month that killed at least one child, the country's rights watchdog said on Saturday.

An investigation by the National Human Rights Commission found police violently suppressed a protest by villagers in Riau province, razing around 500 homes in a clash that killed at least one young child, deputy commission chief Ridha Saleh told AFP.

Rights group Amnesty International had urged Indonesia to investigate the crackdown, claiming that two children had been killed in the clash. It also said police fired tear gas and bullets during the clash and that a helicopter dropped what appeared to be a fire accelerant on homes to aid their destruction.

- **Crime rate may rise this year: Police**

Bali could experience an increase in its crime rate this year because of the general elections and the global financial crisis, Bali Police chief Insp. Gen. Teuku Ashikin Husein has warned.

Conflicts between supporters of political parties and the effects of the economic downturn -- increased unemployment and fewer tourists -- could drive up the crime rate, Ashikin said at the 2008 year-end press briefing held at the Bali Police headquarters in Denpasar earlier this week.

Bali seems to have dodged the impacts of the global financial crisis so far, with tourism remaining robust this holiday season. The island hosted more than 130,000 tourists between Dec. 22 and Dec. 30 last year, compared with about 125,000 in the same period in 2007. Meanwhile, it is not clear when politics-driven conflicts will arise, although political rallies -- most likely to trigger violence among supporters -- are usually held close to the crucial months of March and April. The election campaign will run from March 16 to April 5, with voting to take place April 9. During the past decade, Bali has had several violent political clashes, in which dozens of people died. To counter any possible increase in crime, the police have made several plans, Ashikin said, including optimizing uniformed police patrol times and coordinating with the General Elections Supervisory Committee (Panwaslu) to prevent politically motivated crimes.

At the province and regency levels in Bali, 801 legislative candidates from 36 political parties will compete for seats in the national House of Representatives (DPR), and another 30 candidates are running for places on the Regional Representatives Council (DPD). Despite the chief's warning, the police year-end report shows Bali's crime rate fell slightly in 2008 from the previous year. Figures show there were 5,459 criminal cases reported in 2008, slightly lower than the 5,911 criminal cases in 2007, with Denpasar municipality having the highest crime rate. Drug-related crimes fell slightly, from 737 cases in 2007 to 708 cases last year.

- **Four years after the tsunami, Aceh looks ahead**

Four years have passed since the devastating 2004 tsunami hit Indonesia, and the province of Aceh is a different place. The worst natural disaster to hit a developing country in decades claimed about 167,000 lives and destroyed schools, houses, churches, roads and livelihoods. Nearly $5 billion in houses, infrastructure and other assets were damaged or completely lost, equaling roughly 80 percent of Aceh's annual economic activity.

Now, on the tragedy's fourth anniversary, Aceh has made significant progress toward recovering and even improving what was lost in the December 26 tsunami. Many communities that saw catastrophic damage have rebuilt homes and schools, and restored roads, electricity, water and sanitation to buildings. Funds from the central Government, flowing from a peace agreement that resolved the province's 30-year-old secessionist conflict, are also helping to move things forward.

A vital part of the recovery progress is the Multi-Donor Fund (MDF), which is managed by the World Bank with contributions and guidance from 15 other international donor partners. The $700 million fund, which this week released a four-year progress report, is considered by many a model for success. This is due in large part to the integral leadership role of the Indonesian Government and a unique focus on involving affected communities in the recovery process.

"I think the greatest achievement of the MDF has been partnering and being there with the people of Aceh and the Government of Indonesia," said George Soraya, Lead Municipal Engineer for the World Bank in Jakarta. "The people are now empowered. They are free of fear and able to [contribute] to the province's development."

'Control over their destiny'

Soraya, who is the task team leader of the Urban Poverty Program (UPP) and the MDF Housing Project in Aceh, said through a community-driven development (CDD) approach they were able to put the people of Aceh into the driver's seat of the rebuilding process. They were "at the forefront of their destiny," he said.

Working directly with the victims of the disaster was a central part of Soraya's work during the initial phase of Aceh's reconstruction in February 2005. During the process of facilitating communities in self-recovery, he made a lot of new friends. It was particularly gratifying, he said, to see communities "building their houses, having control over their destiny [and] responding to the trust given to them."

The World Bank's country director in Indonesia Joachim von Amsberg said there are a number of advantages to involving communities in planning and implementing the

recovery process. Strengthening and using the existing social capital adds value by building local capacity, improving governance, ensuring ownership and helping address psychological trauma.

New challenges to come

As the reconstruction continues and MDF projects are completed, new challenges arise and the focus must shift to Aceh's long-term future, said von Amsberg. The fund operates under the coordination of its Government counterpart, the Agency for the Rehabilitation and Reconstruction of Aceh (BRR). BRR was set up to coordinate reconstruction, and is due to end operations in April 2009.

About 150 kilometers of roads were reconstructed by workers from communities, providing employment opportunities and building local capacity.

Also, in the past four years, much of the area's economy has been driven by tsunami and earthquake reconstruction efforts. The World Bank plans to stay in Aceh beyond the immediate reconstruction to help find solutions to foster long-term sustainable development. Programs should work toward creating livelihood, economic opportunities and a better investment climate, said von Amsberg.

Remembering the human loss Despite all the advances, nothing will ever replace the human loss of the tragedy. Every year, December 26 remains a somber day of remembrance in Aceh and throughout Indonesia. Still, there is also a feeling of relief, Soraya noted, considering how far they have come within such a short period of time. World Bank

- **Indonesia to send medical aid to Palestine**

The Indonesian government will send a 200,000-USD package of medicines to Palestine, Antara news agency reported.

The statement was made by Head of the Centre for Crisis Control Rustam S Pakaya through an SMS message to Antara on December 29 following an Israeli air strike on Gaza Strip, the news agency said.

"The health ministry will send the package of medicines under the coordination of the foreign ministry," the official added.

- **10 killed as boat sinks in Indonesia's Java Sea**

At least 10 people were killed, 17 rescued and an unspecified number reported missing after a small boat capsized on the sea off Indonesia's main island of Java Monday morning, officials said.

The accident took place at about 10 a.m. (0300 GMT) when a small wooden boat with 30 people overturned in the Java Sea off the northern coast of central Java district of Pemalang, about 300 km east of Jakarta, police and health officials said.

She said reports from the beach areas indicated that an unspecific number of people were still missing and feared drowned. Rescue workers, comprising navy police officers and fishermen, were searching for possible survivor. The boat overturned after a huge wave hit at about 200 meters from the beach area, sending passengers into the rough seas.

Environmental Front

• Malaysia

Political Front

- **Kuala Terengganu by-election:Pas names Abdul Wahid Endut as candidate**

Pas has named its Wakaf Mempelam state assemblyman Mohd Abdul Wahid Endut as the candidate for the Kuala Terengganu parliamentary by-election.

Pas president Datuk Seri Abdul Hadi Awang said the party's choice was the best as Abdul Wahid is a highly respected leader and well known among the constituents.

Abdul Wahid, 52, who has been the Wakaf Mempelam state assemblyman for the past five terms had the experience which would enable him to get the votes needed to win the by-election.

"We have gone through a rigorous selection process and we are confident that our candidate met all the qualities that the people wanted," Abdul Hadi told a large crowd at the State Stadium tonight.

Abdul Wahid's nomination came as a surprise to many as it was widely speculated that the Pas candidate would be a toss between the party's state commissioner Datuk Mustafa Ali, Wan Abdul Mutalib and Batu Buruk state assemblyman Dr Syed Azman Syed Ahmad Nawawi .

The announcement also signaled the desire of the president to choose a candidate from among its second echelon leaders and a preference for experience and people friendly.

Meanwhile, Barisan Nasional candidate Datuk Wan Ahmad Farid Wan Salleh said it does not matter who he was up against in the by-election. The number of voters in the con stituency is 80,229. Out of the num ber 79,194 are ordinary voters while 1,035 are postal

voters.The Election Commission is setting up 36 polling centres with 143 polling streams. The process will in volve 877 workers.

- **PAS: Hudud hit by the economy**

PAS has back-pedalled further on its stand on hudud laws with its president Datuk Seri **Abdul** Hadi Awang saying that the current economic situation could delay its implementation.

Abdul Hadi said that for hudud to be implemented, people must have proper education, jobs as well as economic mobility.“The current economic situation and the fact that there is unemployment among Malaysians prevent the hudud from being implemented,” Abdul Hadi said He was speaking to reporters after launching the party’s membership drive campaign yesterday.Abdul Hadi said the fear shown by certain quarters regarding the hudud was akin to the kampung mentality of the 1950s regarding hospital visits.He said people used to be afraid of going to the hospital because they believed that once a person went, he would definitely be cut open.Abdul Hadi said hudud laws would only apply to Muslims.

Asked about the coming Kuala Terengganu by-election, Abdul Hadi said PAS was confident of winning.He, however, said there could be obstacles and challenges because PAS was not “merely fighting another party but the Federal Government.”The event, which was attended by PAS supports club members, saw people sign up as members of PAS.

- **State PKR’s stand on hudud issue, Samy tells Anwar**

MIC president Datuk Seri S. Samy Vellu has asked Opposition Leader Datuk Seri Anwar Ibrahim to publicly state his stand on the issue of PAS’ intention to introduce hudud laws in the country.He said Anwar should make his stand or risk facing massive protest, especially from the Indian community.He said the PKR de facto leader, should not remain silent on the issue of the Islamic Penal Code.

"There is a silent protest (on hudud) among the Indians"- DATUK SERI S.SAMY VELL
“He should explain his stand and that of the party he represents (PKR) so that the people, especially the non-Muslims who supported the opposition, will be able to evaluate and come to a decision on whether to continue to support the opposition,” he said in a statement yesterday.Samy Vellu said in the last March 8 general election, many Indians carried PAS flags, “but is this how PAS and other opposition parties reward them?”.He said it was clear that the Indians were opposed to the implementation of the hudud laws.He lamented that during his visit to the parliamentary seat of Kuala Terengganu

recently to oversee the setting up of MIC's operations room in preparation for a possible by-election on Jan 17, many Indians had complained to him that Indian, especially Hindu religious songs and cultures, were barred from being practised openly.

He said there was already a "silent protest" among the Indians since PAS vice-president Datuk Husam Musa had reportedly said that PAS has not forgotten its aim of implementing the hudud laws in the country.

- **PM Abdullah says government reforms will boost nation's resilience**

Prime Minister Datuk Sri Abdullah Ahmad Badawi (fourth from left in the front row) and his wife, Datin Sri Jeanne Abdullah, joining thousands at Dataran Merdeka to usher in the New Year. On Abdullah's right is AmBank Group chairman Tan Sri Azman Hashim.

The government will take steps to minimise the impact of the world economic crisis on the country and its people, Prime Minister Datuk Seri Abdullah Ahmad Badawi said. It would continue to act with care and responsibility, he said in his New Year message last night.

He said Malaysia was not immune to the global economic slowdown but it had several advantages which would help it overcome the situation.

"The country's financial reserves are at its highest in history, 37 per cent of the gross domestic product."Our financial institutions have strong capital and are supervised prudently. Our national economy is diversified and does not rely on just one particular sector." He said all efforts would be taken to boost economic activities by making wise use of resources and giving emphasis to internal resources, namely public and private sector investments.

Abdullah said the government would also focus on high-impact projects which could generate economic growth and enhance sustainability, such as the construction of more low-cost houses, maintenance and repair of public facilities and improvement of public transport. If necessary, the government will take additional measures to ensure that the economy continues to grow and domestic demand and consumption increase further.

He said the country's ability to face the challenges did not depend solely on its economic capacity and measures. The strength and integrity of the national institutions, a clean and efficient administration and a credible judiciary were also crucial in ensuring good economic and social management to draw investor confidence.

"In this regard, I'm grateful that we have made great progress with the Malaysian Anti-Corruption Commission Bill and Judicial Appointments Commission Bill.

Abdullah said a high degree of political responsibility should be adopted to ensure peace and stability and to safeguard the interests of the people. On the oil price, Abdullah expressed disappointment that the prices of goods were still high, despite seven petrol price cuts since August.

Strategic Front

- **Malaysian warship saves Indian tanker from Somali pirates**

] intervention by a Malaysian naval helicopter on Thursday saved an Indian vessel from a hijack bid by armed pirates dressed in military attire in the Gulf of Aden region, off Somalia.

"Heavily armed pirates on two speed boats opened fire on the Indian tanker heading towards Suez Canal early thismorning but sped away after a Malaysian frigate dispatched a helicopter to rescue the vessel," the International Maritime Bureau chief Noel Choong said in Kuala Lumpur.

No one was injured in the incident in which pirates dressed up in military attire rigged the tanker's bridge and accommodation bunks with machine gun and automatic fire. The Malaysian helicopter did not fire at the pirates'

speedboats, he said.The Indian tanker carrying full load of oil was heading towards Suez Canal when it was attacked by Somali pirates, who came close and fired at it.The tanker's captain took evasive measures and sent an SOS which was received by the Malaysian frigate KD Inderasakti which was only 15 nautical miles away, he said.He said the attack happened around 0330 GMT (0900 IST) when two boats, one with seven armed pirates started firing at the Indian tanker's bridge and accommodation.

The captain sent out the distress call on channel 16 of the communication network," Choong said.The Indian ship later followed the Malaysian frigate's convoy.This has been the second time the Malaysian navy has come to the rescue of distressed vessels facing pirate attacksin the African waters. Earlier last month a Chinese vessel was saved by the Malaysian navy from pirates.The Malaysian Navy warships are part of multi-national task force operating in the Gulf of Aden to stave off pirateattacks. Warships from more than more than dozen countries, including India, US, UK, EU, Germany [Images] and South Korea form the nucleus of this task force.

Economic Front

Social Front

- **Muslim NGOs to hold peaceful gathering for racial integration**

More than 10,000 members from an um-brella body of Malay and Muslim non-governmental organisations (NGOs) will attend a peaceful gathering here before handing over a memorandum to Yang di-Pertua Negri Tun Abdul Rahman Abbas.

The group, known as Yayasan Aminul Ummah Malaysia, is expected to gather at Padang Polo from 9am tomorrow.Representatives will then hand over the memorandum to Abdul Rahman at his official residence opposite the field.The group's president, Md Radzi Daud, said the memorandum would touch on issues relating to Malay rights and Islam as the official religion.He said the NGOs felt uneasy with statements by certain quarters, including political leaders, that touched on sensitive racial issues, including questioning Malay rights and subjects related to ketuanan Melayu (Malay supremacy).“Such irresponsible statements should not have surfaced as they can stoke racial tension and we want to put a stop to this

“That's how the idea to have the gathering themed 'racial integration' came about,” he said during a press conference held at a coffee shop in Chulia Street yesterday.Md Radzi said that the gathering would be a peaceful one, and added that they had obtained a police permit to hold the event.

Environmental Front

• Philippine

Political Front

- **Govt in denial as late as June**

As late as June, however, the Philippine government was still in denial, with economic managers insisting that the country's macroeconomic fundamentals remained solid.

The Bangko Sentral ng Pilipinas (BSP) said its monetary policy remained appropriate despite rising inflation at the time. Consumer price increases however had more than doubled from an average of 4.2 percent in December last year to 9.6 percent in May this year.

But after criticism rose on how the central bank was behind the curve vis-à-vis its peers in combating rising inflation, the BSP began a series of interest rate increases in June, culminating in a 100 basis points adjustment by the time its campaign against record prices halted in September.

Lending rates likewise had risen to a range of 7.3 percent to 9 percent, from the end-December range of 6.95 percent and 8.78 percent.

In July, international crude prices hit a record above $147 a barrel, with price adjustments cascading across all petroleum products. In the Philippines, diesel hit P50 to a liter, while unleaded gasoline rose past P60. Come September, another shock was delivered to the global financial system, as Lehman Brothers declared bankruptcy. This came on the heels of the US government's takeover of America's two leading mortgage institutions, Freddie Mac and Fannie Mae. The bloodbath didn't end there, as more big-name Wall Street firms sought US federal support, including the world's biggest insurer, American International Group (AIG). The collapse of these multinational financial firms created ripples across the globe.

Complacency shared by all

The complacency was shared by all Philippine policymakers. Despite a promise to pump-prime the economy amid record inflation and a slowing economy, the executive had failed to raise spending in the first half of the year.

This was despite growing signs that the global financial crisis was already working its way into the real economy. The Philippines' gross domestic product (GDP) grew at a slower pace of 4.6 percent in the second quarter, from above 7 percent in the same three-month period last year. Consumer spending, the main driver of domestic expansion, had slowed considerably, as did investment spending, with public expenditures failing to live up to the national leadership's pronouncement of a fiscal stimulus. The third quarter brought no relief, as GDP growth likewise fell below year-ago levels. By the latter part of this year, economic managers had conceded that their growth targets are unlikely to be met. Worse, as the global financial crisis unfolded, the prospects for next year appeared bleaker. Various multilateral funding institutions consequently had recast their forecasts for Philippine GDP growth in 2009 to below 4 percent, or much slower than last year's record expansion. Surveys of consumer and business expectations say it all. The BSP's consumer confidence index remained in negative territory. Likewise its business index. Most major international groups have conceded that the world is in for worse next year.

- **2008 budget still up in the air**

For many of them, economies like the Philippines will escape the worst of the crisis if their governments spend their way out of the widening global credit crunch.

As this went to press, the country's national budget for 2009 however remains pending before Congress, which already took its holiday recess. The country now faces the prospect of a reenacted budget at a very bad time for the global economy. The key to

survival is how fast policymakers work to pass the budget and prepare the country for the looming world recession.

Strategic Front

Economic Front

- **One of Asia's fastest-growing economies,**

WHAT a big difference a year makes, as the Philippines has turned from one of Asia's fastest-growing economies in 2007 to one of a growing number of casualties in the current global slowdown. As an omen of things to come, the peso and the local stock market ended 2008 on a sour note, falling 13 percent and 48 percent, respectively, from their levels at the close of trading in 2007. As early as February this year, Philippine economic managers, citing various forecasts, had realized that the US, Manila's biggest export market, would see growth slow to below 2 percent this year from—at the time—an estimated 2.2 percent last year due to a weak housing market and tighter credit conditions in the world's largest economy.

But they had expected emerging markets including the Philippines to prop up the global economy with growth of nearly 7 percent, even as the world's three largest markets—the US, Japan, and the Euro area—cool down to a little above 2 percent.

The Philippine economic team's optimism was fanned by the country's fastest expansion in three decades at 7.3 percent in 2007, underpinned by what it considered strong macroeconomic fundamentals such as a two-decade low inflation rate of 2.8 percent, a low-interest rate regime with the 91-day Treasury bill rate down to 3.7 percent, and a strong currency that ended 2007 at a little over P41 for every US dollar.

But at the time, a pillar of Wall Street, Bear Stearns, already had been weighed down by losses from its exposure to financial instruments linked to the failed American subprime housing market, which burst in the summer of 2007

Social Front

- **Philippine military says wanted rebel leader killed**

The Philippine military authorities said on Friday a top wanted rebel leader has reportedly been killed in a recent military combat operation, local media reported Saturday.

Umbra Kato, a sub-commander of the Moro Islamic Liberation Front (MILF), the country's largest Muslim rebel group, was killed in skirmishes with government troops in Maguindanao province last week, the on-line news network INQUIRER.Net said.

Colonel Marlou Salazar, chief of the Army's 601st Infantry Brigade, said they are verifying the intelligence reports on the death of Kato, on whose head the government promised a reward of 10 million pesos (212,766 U.S. dollars).

But the on-line report quoted the rebel leadership as saying that Kato was not dead. Kato was listed by the government as a top wanted suspect after guerrilla soldiers under his command allegedly trashed Christian villages in Mindanao region soon after the peace progress between the rebel group and the government tumbled over a major blocking stone in August when the country's Supreme Court suspended the signing of a key agreement to the final peace accord. The independence-minded MILF, with 12,000 guerrilla fighters, accused the government of lacking the sincerity to push forward the peace negotiation after the Arroyo administration decided to dissolve the peace talks panel in the wake of Kato soldiers' atrocities.

Environmental Front

• Thailand

Political Front

- **Malacañang to focus on economy, national security and peace process (eco,pol)**

Malacañang considers the economy, national security and the peace process as the biggest challenges next year and President Gloria Arroyo will focus on them.

Executive Secretary Eduardo Ermita told The Times the Arroyo administration would prioritize the implementation of big infrastructure projects next year to stimulate the economy as the country braces for the global economic crisis that could hit the Philippines in the first half of 2009.

The administration is also focusing its sight on pushing forward the peace process with the Moro Islamic Liberation Front and the Communist Party of the Philippines-National Democratic Front (CPP-NDF) while at the same time continuing to fight terrorism, Ermita said.

Ermita says the Arroyo government will eliminate the communist rebellion by the end of the President’s term. The administration’s economic outlook for 2009 is also good despite the impending economic crisis that could hit the country. “He adds that the

downtrend in oil prices will help the country overcome the crisis since it will result in cheaper energy and commodity prices. The government is also grateful for the contributions of overseas Filipino workers, whose dollar remittances keep the country afloat even in a possible economic downturn. Asked if 2008 was a good political year for the administration, Ermita said: it may not be very good but it is not bad either.

- **MILF rejects Reds' offer to topple government**

The Philippines' largest Muslim rebel group, the Moro Islamic Liberation Front, flatly rejected Friday an offer by communist insurgents to join them in toppling the Arroyo regime.

The New People's Army is fighting to topple the democratic government and install a Maoist state in the Philippines and was convincing the MILF to join them.Communist leader Jose "Joma" Maria Sison urged the MILF rebels to join forces with them, saying they have a common enemy—the Arroyo administration.

But Kabalu said the MILF, which is also fighting for a separate Muslim homeland, has an existing ceasefire agreement with the government, although sporadic fighting still continues in many areas in Mindanao. Socialism is any of various theories or systems of social organization in which the means of producing and distributing goods is owned collectively or by a centralized government that often plans and controls the economy.

The NPA, armed wing of the outlawed Communist Party of the Philippines, broke off peace talks with Manila in 2004 after both sides failed to sign an agreement ending hostilities in the countryside.

Manila's peace talks with the MILF also collapsed in August after the failed signing of the Muslim homeland deal, although, a fragile truce still remains.

- **Watch 'Obama' Get a Tummyache in Manila**

It is customary for world leaders to call the newly elected president of the United States. So after returning the calls of heads of G8-member countries, including that of Down Under friend Australia and Middle East pal Israel on the week of his election, Mr. Obama called Philippine President Gloria Macapagal-Arroyo. On Nov. 17, Arroyo was the first Southeast Asian country leader to receive such a call. And not only did "President GMA" receive a call, but a courtesy visit from "Barack," no less.

So what happens on the visit? A state dinner in Malacanang, the historic official residence of Philippine presidents, featuring some of the best in Philippine cuisine. The menu: "kare-kare," a Philippine entree whose main ingredient is either ox tail or tripe stewed in peanut sauce to delectable tenderness. It is served with a de rigeur condiment U.S. immigration officials are very familiar with -- the heavenly "bagoong" (shrimp

paste). On a long table with bodyguards in barong (official native upper-body attire) "President GMA" stresses a double entendre --the dish is "oks," meaning "A-OK" and cooked with ox, 2009 being the Year of the Ox.

- **Former Thai PM loses most of his assets**

Thailands fugitive former prime minister Thaksin Shinawatra can now access just $500 million - about a tenth of his estimated previous wealth, a Thai newspaper reported on Friday.

The founder of Thailand's biggest telecom conglomerate was thought to be worth around $5 billion when he was ousted in a September 2006 military coup, the Nation reported.The widespread assumption is that Thaksin's recent divorce from his wife Pojaman was designed to give her more freedom to travel and to try to secure the release of seized funds.

According to an unconfirmed earlier report by ArabianBusiness.com the British authorities had frozen $4 billion of his assets, prompting him, among other things, to sell Manchester City Football Club. Thaksin's British visa was also revoked in November.

Thaksin was banned from politics for five years in May 2007, yet the pro-Thaksin People Power Party won a Dec 23, 2007 election. A combination of elite opposition, the takeover of Bangkok's two airports by militant anti-Thaksin protestors and, finally, a court decision to dissolve the PPP for electoral fraud enabled the rival Democrat Party to forge a new government coalition, even though they came second in the last national poll.The dynamic so-called CEO premier's remaining popularity will be partly tested on Sunday when pro-Thaksin "Red Shirt" militants are scheduled to rally in opposition to the new government. A sign that Thaksin's political potency may be declining along with his bank balance came recently when an important and previously loyal faction of rural politicians defected to the new coalition.

- **Three executives facing charges**

Sompong fled Thailand late last month, following reports that a large number of cars were missing from bonded warehouses. This led the SEC to investigate the company's inventory.

As of December 15, the inventory covered 501 vehicles worth Bt1.43 billion. However, the location of 493 of these vehicles - worth Bt1.4 billion - was unknown and convinced the authorities that the vehicles did not exist.

In the SEC's statement, Sompong is alleged to have siphoned off company money through forging auto purchase documents, with the purchase money for non-existent cars going to Sompong. An initial estimate is that this year the company paid Bt597.9 million

for the purchase of 197 non-existent carsSompong is charged with violating the Securities and Exchange Act's Articles 307, 308, 311 and 313. Nipaporn is charged of violating Article 315.

Sompong and Nipaporn are charged with conspiring to forge documents. This led to the false number of inventories, which is in violation of Article 312 of the Act. Assisting them were Apple Group and QR Auto Car and Krit, who is an authorised director of both companies. He is accused of breaching Article 315.

If proved guilty, breaching Articles 307, 308 and 311 involves imprisonment of five to 10 years and fines of Bt500,000 to Bt1 million. Article 313 specifies that listed companies' directors, executives or authorised individuals that breach Articles 307, 308, 309 or 311 are subject to imprisonment of five to 10 years and compensation at twice the value of the assets or benefits involved.
Article 315 subjects any accomplices to those who breach the above articles to the punishment clauses specified in those articles. Its taste is more fresh and elegant than last year’s Sommelier Yasuki Gokijo, on this year’s Beaujolais Nouveau

- **Hope for Thai democracy**

Abhisit Vejjajiva seems the least likely person to rescue Thailand from what commentators claim are the death throes of democracy. He is boyish-looking, physically slight, has no commanding military or police connections, no reputation for wheeling and dealing, and was foreign born and educated, albeit at the top people's school in Britain — Eton — and then at its best university — Oxford.

His failure to make his presence felt in the tumultuous political street theater playing in Bangkok these past few months counts against him. Or was it the aloofness of a gentleman who did not deign to stoop to the grimy gutter world of Thai politics? Even worse.

These factors have led critics, Thai and foreign, to claim that Khun Abhisit is a puppet, though they argue over who is pulling his strings — the royal court, the bureaucracy, the military, the Bangkok elite or the anti-Thaksin Shinawatra mob.

They are unfair and I hope they're proved wrong. Abhisit could be the leader to take Thailand back to the democratic path, restore its damaged international reputation and make it again one of Asia's leading developing economies.Admittedly, it is easier said than done and depends on what dirty deals Abhisit's friends have made to tempt defectors from the Thaksin camp and whether he can assert himself and steer clear policies through the myriad greedy and cunning conflicting interests that will dance attendance on his government.

There is an interesting precedent of an Oxford-educated Thai prime minister in inauspicious circumstances. In 1975, Kukrit Pramoj became prime minister. Kukrit was colorful, a prince, newspaper founder, novelist, actor — he played the prime minister opposite Marlon Brando in "The Ugly American" — and expert in Thai culture. His Social Action Party had only 18 of 269 national assembly seats when Thai politicians, just released from military control, were unscrupulous in selling their support for money.

Thaksin came along 25 years later and his money was tied closely to voting preferences. Abhisit at least has command of the substantial Democrat Party. In spite of their weakness in rural areas, particularly the northeast, the Democrats won 34 percent of the vote in the last election.

The new prime minister's strength is that he is thoroughly and thoughtfully Thai. When I interviewed him as opposition leader, he said his manifesto was to promote "basic change that moves Thailand to become a model of an emerging economy and democracy where we can thrive in a world of global competition, can live with the market system, allow our people to enjoy full rights and participation and retain our culture and identity."

Classically, he saw the government's role as maintaining a level playing field and opening the doors for all, including poor rural Thais.

One glaring weakness is that Abhisit is stiff. Each time I pointed a camera at him it was as if I poured a fresh bucket of starch over him. He is brighter, a deeper thinker and faster on his feet than Thaksin, but he lacks the former prime minister's oratorical skills and political daring.

More crucial of course is that Abhisit is untested and will find it is not easy to put fine principles and ideals into practice in the grubby maelstrom of political life of Thailand today.

Who actually did the dirty dealing that brought the Thaksin rebels over to give Abhisit the votes to secure his election? Some of the people who came to his rescue had a black reputation even when they were part of Thaksin's government.Abhisit is well aware that there are many conflicting interests who regard him as their puppet. Some are ruthless and claim powerful backers, notably the People's Alliance for Democracy, whose mobs took over the prime minister's office and Bangkok's airports, while the security authorities looked on and Thaksin's brother-in-law prime minister dared not assert himself or call their bluff.

The royal court, the bureaucracy and the military all want their say — and their cut — in how Thailand is run, and Abhisit has to calculate how much he needs them and how much they need him.Then there is the aggrieved Thaksin Shinawatra, fuming in exile in Hong Kong, China, Dubai and Indonesia that power was snatched away from him.

Although he protests that he is not interested in a political comeback, he never really went away, except physically. He makes daily calls to his supporters telling them his wishes.

Foreign journalists have over-romanticized Thaksin as a man of the Thai people, forgetting that when he was in power he was a virtual one-man band. He is now a convicted criminal in exile. Yes, Thai judges will be under suspicion for having taken sides and dispensed a harsh judgment faster than usual. But the charges on which Thaksin was convicted were milder than the accusation of his abuses of power.The lesson of former Oxford-educated prime minister Kukrit is that even a minority leader must be his own person and must dare to take policy initiatives, not wait for the squabbling consensus.

Abhisit may count it to his advantage that he is Thailand's fifth prime minister this year and that Thais are tired of their corrupt erstwhile rulers. The military is licking its wounds from its failures when it took over the government after kicking Thaksin out. PAD thugs disgraced Thailand internationally as well as crippling the lucrative tourism industry.

King Bhumipol Adulyadej must long for someone who can grace his long reign with a reputation for caring government It is time for a fresh leader with the mantle of honesty, cue Abhisit?

- **Thai PM warns on economy, protesters to withdraw**

Thai Prime Minister Abhisit Vejjajiva warned on Tuesday the country's economy could slide into recession, as he finally delivered a maiden policy speech delayed by protesters who blockaded parliament for two days.Supporters of former prime minister Thaksin Shinawatra confront riot police during a protest against the government outside Parliament in Bangkok December 30, 2008. (REUTERS/Kerek Wongsa)

Underlining the challenge facing his two-week old government, and as exports shrank for the first time since 2002, Abhisit was forced to make his speech at the Foreign Ministry.

These conflicts are the country's weakness, especially at a time when the world economy is entering its worst crisis in a century," he told legislators gathered at the ministry after talks failed to lift the siege at parliament.As he spoke, hundreds of flag-waving, red-shirted supporters of former Prime Minister Thaksin Shinawatra, who was ousted in a 2006 coup and lives in exile, blocked the ministry's gates to demand that Abhisit call fresh elections.

After a brief shoving match with police, the marchers abandoned their siege, allowing Abhisit and some 300 legislators to leave in a convoy under police escort.Later outside

parliament, DAAD leaders declared "victory" and told cheering supporters to go home for the New Year holidays.

Strategic Front

Economic Front

- **ADB approves justice sector reform loan**

The Asian Development Bank (ADB) has approved a multimillion-dollar loan to the Philippines to fund the country's judicial reform program that will enhance the integrity and support efficiency in the justice sector.

The country will be borrowing $300 million for the Subprogram 1 of the Governance in Justice Sector Reform Program (GJSRP) cluster. This proposed program will support the government in its efforts to enhance the rule of law in the Philippines.

It will also enhance the integrity of justice sector personnel, support the governance and efficiency of justice sector agencies. This will also aid in expanding access to justice for the poor and vulnerable groups, with specific focus on addressing gender-based discriminatory practices and gender gaps, and the delivery of justice through alternative dispute resolution.

The program is expected to result to a more rapid and efficient processing of cases while the timeliness and accessibility of court decisions will be enhanced, the ADB said. The Supreme Court and Department of Finance will be the executing agencies. The higher court would focus on judicial reforms while DOF will be responsible for other program activities.

- **ECONOMY ON BRINK**

The venue for Abhisit's speech was changed to avoid a repeat of the fighting around parliament in October between police and the yellow-shirted People's Alliance for Democracy (PAD), protesting against the pro-Thaksin government in power then.

Two people died and hundreds were injured in those clashes, the worst street violence in Bangkok since1992This week's protests were largely peaceful, but the impasse between Bangkok's royalist and business elite, who accused Thaksin of corruption, and rural voters who loved his populist policies, shows no sign of abating.

Abhisit, an Oxford-educated economist, will lead a 19-member team of ministers and experts to tackle the economic crisis, a spokesman said after the government's first cabinet meeting.The pro-Thaksin administration elected in December 2007 was shaken

by months of protests led by the PAD, which occupied Government House for three months and blockaded Bangkok's main airports in late November, crippling cargo shipments and tourism.

The PAD ended its campaign this month after a court dismissed the government led by Thaksin's brother-in-law.Now, with the pro-Thaksin red shirts waging a similar campaign against Abhisit, analysts fear his shaky coalition could also be paralysed at a critical time for the economy.Their concerns were underscored by a dismal snapshot of the export- and tourism-driven economy from the Bank of Thailand.Manufacturing output dropped 6.6 percent in November from a year before, while exports plunged nearly 18 percent, the first decline since March 2002.

It reinforced analysts' views that the economy would shrink in the fourth quarter and that the central bank may cut interest rates again after a shock one-point reduction on Dec. 3.

- **Thailand's New Prime Minister Calls for National Unity, Economic Recovery**

Prime Minister Abhisit Vejjajiva delivers government policy speech at Foreign Ministry in Bangkok, 30 Dec 2008 In his first national policy speech, Thailand's new prime minister has given priority to economic recovery and called for national unity. But parliament was forced to convene at the Foreign Ministry after anti-government protesters maintained a blockade the legislature.

Prime Minister Abhisit Vejjajiva begins his policy speech Tuesday, before going on to say the government will provide additional funds to villages to develop their infrastructure. The new administration plans to spend over $8 billion to stimulate the economy.The economy, dependent on exports and tourism, is expected to contract because of the global slowdown and domestic political infighting.

Mr. Abhisit's speech, postponed from Monday, was relocated at the last moment to the Foreign Ministry after anti-government protesters refused to end their siege of parliament.Supporters of ousted Thai Prime Minister Thaksin Shinawatra protest in Bangkok

The protesters, who support former Prime Minister Thaksin Shinawatra, consider Mr. Abhisit's two-week-old government illegal. They demand fresh general elections. The pro-Thaksin opposition party boycotted the prime minister's speech Tuesday.

Sirichok Sopha, a member of parliament from Mr. Abhisit's Democrat Party, says the government's main goal is to ease political tensions and revive the economy."We will try to deliver our economic stimulus package, telling Thai people what we'll do through this

economic crisis."Mr. Abhisit's coalition came to power after several allies of a pro-Thaksin party split to join with the Democrats.

Social Front

- **61 killed, 200 injured in Bangkok club fire**

It was billed as a New Year's Eve blowout and a last-night celebration of the wildly popular and classy Santika nightclub before it moved to a new location.

But before the revelry was over, at least 61 people were dead and more than 200 injured after they tried to flee what swiftly became a charred, gutted ruin in a glitzy Bangkok entertainment area.Among the casualties was a Singaporean who died and at least 35 foreigners who were injured, including citizens of Australia, Belgium, Britain, France, Japan, Singapore, South Korea and the United States, according to officials and reporters.

The Foreign Affairs Department in Ottawa said it had no reports of any Canadians among the dead or injured.A full accounting was not expected for about a week since nearly 30 of the corpses were charred beyond recognition.

The cause of the fire was under investigation, with several witnesses saying a fireworks display during the New Year's countdown ignited the blaze.But one foreigner said he saw no pyrotechnics at the club and a video shot by a guest showed many inside the club waving sparklers shortly before the fire erupted.

The club was packed with about 1,000 celebrants, police officers at the scene said. Rescue workers said most of the bodies were found in a pit area surrounding the stage.

The corpses, placed in white body bags, were laid out in rows in the parking lot in front of the club, which was strewn with shoes of the victims, water bottles, parking stickers and other debris. Safety regulations are often loosely enforced in Thailand. A 1994 law requires motorcyclists to wear helmets, but bareheaded riders with policemen blithely looking on are a common sight on Bangkok's streets.

- **An investigation has begun into the fire at a nightclub**

An investigation has begun into the fire at a nightclub in the Thai capital Bangkok on New Year's Eve. At least 59 people have been killed in the fire and more than 200 are injured. Survivors say the fire was caused by fireworks being set off in the club. But the Thai media report problems with the electric wiring. The identity of most of the victims is unknown. Identification of the charred bodies is expected to take at least a week. There were reports of a Dutch fatality, but this is as yet unconfirmed. Dutch nationals and other foreigners have been admitted to Bangkok hospitals with burns. Many tourists are likely

to have been at the New Year's party. Santika nightclub is in the chic Ekkamai area, popular with tourists and Bangkok's elite.

- **Thai police say cause of club fire still unclear**

The cause of a fire in a Bangkok nightclub that killed 59 New Year revellers is still not clear so it is premature to file criminal charges, Thai police said on Friday.

More than 200 people were also injured in the fire, which broke out in the early hours of Thursday in the Santika nightclub, popular with both foreigners and high-society Thais.

Police also have to check with the Commerce Ministry to identify the real owner of the nightclub but that will not be possible until Jan. 5, when Thai government offices and businesses reopen after the long year-end holiday.

Witnesses and local media have said the fire was caused by fireworks or by an electrical fault. Police have denied speculation it was the result of an arson attack as the club held its farewell party on New Year's Eve due to its lease expiring. One Singaporean man, identified as Teo Sze Siong, was among the dead, and several foreign clubbers were treated in hospital.More than 100 people were still hospitalized on Friday. Some 32 were seriously injured, including two Americans and one Briton, an official at an emergency centre said. Dozens of bodies wrapped in white cotton sheets were moved from the club to the police headquarters, many of them charred beyond recognition.

- **Southern Philippines On Alert After Attacks**

Philippine security forces were ordered Friday to stay on high alert after threats of more bomb attacks in the country's volatile south, police said.

A New Year's Eve grenade attack at a park in the city of General Santos wounded 22 people, just a day after a similar incident at a police outpost left three injured.Extra personnel were deployed in the southern city of General Santos, particularly in parks and other popular public areas, regional police commander Fidal Cimatu said.

No one has claimed responsibility for the attacks, but intelligence officials say they suspect the separatist Moro Islamic Liberation Front, or MILF.Peace talks between the government and the MILF were suspended in August, when the rebels begun a spate of attacks across Mindanao that left scores dead and hundreds of thousands of civilians displaced. Tuesday, a suspected Muslim militant was killed when an improvised explosive device he was carrying exploded in the Mindanao town of Esperanza.Police said they foiled Thursday what they said would have been a devastating bomb attack after disarming a powerful homemade explosive device at a bus depot in the city of Zamboanga.

Environmental Front

• Singapore

Political Front

Strategic Front

- **Singapore and Vietnam held an inaugural Defence Policy Dialogue on Monday.**

Leaders from both countries exchanged views on regional security issues and areas of defence cooperation.

The dialogue is a forum to advance bilateral defence relations between the two countries. It was co-chaired by Singapore's Defence Permanent Secretary Chiang Chie Foo and Vietnamese Vice-Minister of National Defence Colonel-General Nguyen Huy Hieu who is in Singapore on a four-day visit. Colonel-General Hieu also called on Singapore's Defence Minister Teo Chee Hean and visited the 2nd People's Defence Force and the Army Museum

Economic Front

- **The global financial crisis has certainly put a damper on festive celebrations.**

Experts say glum economic tidings may heighten feelings of loneliness or depression during the festive period. Christmas is a season to be jolly but studies have shown that it isn't so merry for som Tan-Lee Yoke Yin, deputy director of Samaritans of Singapore (SOS), said: "People who have suffered some losses tend to feel more acute during this period.

There's also a group which have been having depression all along, not because of any significant losses, and the festive period can also trigger deeper emotions in them." Help hotline, SOS, tries to have more counsellors manning phones during the festive period. But it says more calls at this time does not point to more suicides. Just recently, it was reported that debt collection was up in a down economy. And experts warn that economic recession, if sudden and severe, can lead to an increase in suicide rates. Tan-Lee Yoke Yin said: "We do have callers who have called because of unemployment issues - getting retrenched, getting into financial debts, because they just can't manage their loans and mortgages."

The last national mental health survey done five years ago showed 5.6% of Singaporeans suffered from depression. And the Institute of Mental Health saw close to 30% or 308 more depressive disorder outpatient cases last year than 2006.

- **Medium- to long-term prospects for S'pore property sector still strong**

Singapore's commercial and residential property sectors will remain attractive to investors in the medium to long term. Property watchers told Channel News Asia that is because of Singapore's status as an international financial hub. 2009 looks set to be a difficult year by all accounts, but market watchers said property investment fundamentals here remain strong. As global financial institutions cut costs, they are likely to move operations out of expensive cities in the US and Europe to Asian countries such as Singapore, where the cost of doing business is cheaper.

For example, Singapore's corporate tax rate is 18 per cent, compared to 29 per cent in the UK and 40 per cent in the US.

And this could spur demand for office space in financial centers like Singapore, presenting investment opportunities for the commercial property sector. But there are opportunities in the residential market as well. The closing gap between debt servicing and rentals, as well as falling valuations in 2009, could see many investors looking for a good deal.

Observers said Singapore's property market will offer rich pickings to investors who have their eyes on long-term returns.

- **The Singapore government will make it easier and cheaper for small and medium-sized enterprises (SMEs) to get access to credit to keep their business going.**

It announced two enhancements to the government loan scheme for SMEs on Tuesday.

The government will pay 90 per cent of insurance premiums for loans made to SMEs, up from 50 per cent that was announced last month.

- **This will lower the loan insurance cost borne by companies.**

The insurance premium currently stands at 1.5 per cent of the loan quantum. With the government paying 90 per cent of the quantum, SMEs will only have to pay 0.15 per cent of the loan amount. Interest rates for key business loan schemes, such as the micro and bridging loans as well as the local enterprise finance scheme, will also be cut by 1.25 percentage points to help businesses manage the cost of credit. For loan tenures of four years or less, the interest rate will be fixed at five per cent, down from 6.25 per cent. For

loans taken out for more than four years, the interest rate will be fixed at 5.5 per cent, down from 6.75 per cent.

The changes will take effect from January 1. The government announced these enhancements to further help local SMEs with their cash flow and cost of credit in the current economic slowdown. The enhancements will be in place for a year, after which the government will review the need for an extension.

Some banks say loan applications for businesses during current market conditions will continue to be reviewed with greater scrutiny and in a more cautious manner. In response to Channel NewsAsia's queries, OCBC Bank says it has been a strong supporter of homegrown enterprises and has made available over S$300 million worth of funding to local firms for the past three years under the local enterprise financing scheme. OCBC says it will continue to work with Spring Singapore on these new schemes to help SMEs have access to much needed funds for their operations in current times.

- **Investors have been asked to exercise caution when trading with shares of Advance Modules Group (AMG).**

The Singapore-listed tech firm has uncovered over S$3 million worth of debt. AMG and its subsidiaries in China and Malaysia have received letters and court orders to repay various amounts of debt owed to creditors.

Staff salaries and social insurance contributions for the company's Chinese workers, amounting to RMB1.49 million (S$315,000), have also not been paid. In its filing to the Singapore Exchange on Wednesday, AMG said its independent board committee was unaware that the management, led by its suspended group managing director Vincent Tan Hian Chong, had transferred the Malaysian subsidiary's machinery and equipment to one of its Chinese subsidiaries in October.

The company is alleged to have faked sales in order to meet profit targets. The company directors are considering various options to resolve the matters. S'pore economy grew 1.5% in 2008, next year's prospects appear difficult S'pore economy grew 1.5% in 2008, next year's prospects appear difficult

- **Singapore's economy grew 1.5 per cent this year, according to Prime Minister Lee Hsien Loong.**

In his traditional New Year Message to Singaporeans, Prime Minister Lee also warned of job losses in the year ahead, even as he expressed confidence that the country would recover from the economic downturn.

The world is entering the most serious economic crisis in 60 years, said Mr Lee. "As a small, open economy, Singapore cannot avoid being hit," he added. Mr Lee said that

quite likely the global recession will be followed not by a quick rebound, but by several more years of slow growth.

Singapore's economy, which is already in recession, will probably contract further next year, said the prime minister. A difficult first half is expected and with more companies forced to downsize, Mr Lee warned of more retrenchments ahead. He said that the Singapore government has responded promptly to this economic storm with the key focus on jobs. The next major move will be the 2009 Budget in January and the emphasis is still to protect jobs.

Hence, the 2009 Budget will also contain measures to develop competitiveness and build up new and long-term capabilities.

For 2009, the Economic Development Board forecasts investment commitments will be lower but could still exceed S$10 billion. Mr Lee cautioned that the Budget package will not restore the economy to high growth overnight. But Singapore's measures will moderate the impact on the people and the economy.

While Singapore authorities are doing their utmost to prevent a similar incident here, Mr Lee said that there is no 100 per cent guarantee that the Republic will never be hit.

Hence, Singapore must strengthen its psychological resilience and social cohesion so that should an attack ever occur despite all efforts, Singaporeans can absorb the shock, pull together and recover from the blow.

Meanwhile, shoppers thronged post-Christmas sales, showing signs that they have good reasons to be quietly confident in a country that Mr Lee said started with precious little but built a prosperous and cohesive multi-racial nation through ingenuity and effort.

These strengths have brought us peace, prosperity and progress for decades, and they will see us through these difficult times. That is why Singaporeans will overcome this downturn and meet the future with confidence.

- **Singapore's 2009 economy may slide 2%, says govt**

Singapore's economy could contract by as much as two per cent this year, the government said Friday after data showed a deepening recession in the trade-dependent economy.

The forecast marks a downgrade from the government's previous estimate, made in November, which ranged between a contraction of 1.0 per cent and expansion of 2.0 per cent in 2009.
It also cited a sharp fourth-quarter contraction in the Singapore economy for the weaker forecast.
The Trade and Industry Ministry cited a World Bank which points to a global trade volume decline by 2.1 per cent in 2009, the first contraction in 26 years and analysts who

have shaded down their growth forecast for the US, Europe and Japan by about one percentage point.
It also took into account the growth outlook for the regional economies which has also Manufacturing will be weighed down by falling demand in the developed economies, while financial services will see a sharp slowdown reflecting weak financial markets and credit growth.

On a seasonally adjusted, annualized quarter-on-quarter basis, real GDP fell by 12.5 per cent, compared to a decline of 5.4 per cent in the third quarter of 2008. The MTI announcement said the manufacturing sector declined by 9.0 per cent compared to the same period in 2007, mainly because of a sharp drop in the output of electronics and precision engineering and the continued weakness in global demand for electronics products. Biomedical manufacturing output was also lower, reflecting the production of pharmaceutical ingredients with lower values compared to same period in 2007.

The services producing industries are estimated to have grown by 1.1 per cent in the fourth quarter, slowing down from a 5.3 per cent increase in the third quarter. The collapse in world trade severely impacted wholesale trade and transport and storage. Growth in financial services weakened on the back of declines in trading activities in foreign exchange and stock brokerage, fund management, and Asian Currency Unit (ACU) business.
For 2008 as a whole, the economy is estimated to have grown by 1.5 per cent, compared with 7.7 per cent in 2007. This figure is lower than MTI's forecast of around 2.5 per cent in November 2008.
The manufacturing sector is estimated to have contracted by 3.7 per cent, down from an expansion of 5.8 per cent in 2007. The services producing industries and construction sector are also expected to register slower rates of growth compared to 2007, at 5.3 per cent and 17.3 per cent respectively in 2008

Social Front

Environmental Front

• Vietnam

Political Front

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Economic Front

- **Vietnam, Cambodia cooperate in checking animals crossing border**

A memorandum of understanding on inspection of animals and poultry transported across the border was signed by the Vietnamese Ministry of Agriculture and Rural Development and the Cambodian Ministry of Forestry and Fishery in southern An Giang province on Dec. 29.

Under the MoU, the two sides will exchange veterinary information, build cooperation programmes in quarantine, checking the movement of animals across the border and licensing importers and exporters. The two sides will also continue the prevention and inspection of animal diseases and epidemics in the lower part of the Mekong river's basin. The two sides agreed to set up 10 quarantine posts at border gates and hold annual meetings to review the cooperation.

In the two countries' border areas, Cambodians export cows to Vietnam and Vietnamese sell poultry's eggs, water poultry and pigs to Cambodia.-

Social and political epochs rarely end precisely on schedules provided by calendars. Many historians date the end of Europe's 19th century to 1914 and the outbreak of World War I. What we call "The '60s" in the United States, with its ethos of reform and protest, ended with Richard Nixon's landslide re-election in 1972 and the winding down of the Vietnam War.

- **Central bank weakens dong to drive exports, economy**

An Asia Commercial Bank branch in Ho Chi Minh City Thursday. Commercial banks said their dollar supply has fallen since moneychangers offer higher rates for the greenback.

The central bank Thursday fixed the dong's rate 3 percent down against the dollar to boost exports, as the country's economy expanded at its slowest pace in nine years and the trade deficit widened.

The State Bank of Vietnam fixed the daily reference rate at 16,989 dong to the dollar from 16,494 Wednesday. Policy makers have retained the currency trading band at 3 percent a day, said Nguyen Quang Huy, head of the bank's foreign-exchange department. Gross domestic product grew 6.2 percent in 2008, after expanding by a record 8.5 percent last year, the government said in a statement Wednesday.Export growth slowed in the last three months as stagnating global economies cut back on the import of Vietnamese garments and coffee as currencies in neighboring markets weakened.

Vietnam's currency has fallen 5.5 percent this year against the dollar compared with an 18 percent slide in the Indian rupee, 14 percent decline for the Indonesian rupiah and a 13 percent slump in the Philippine peso.

Following the central bank's decision, local banks started adjusting their foreign exchange rates.The dong was quoted at 17,260/17,400 per dollar on Vietcombank's website Thursday afternoon, up from 16,985/16,989 Wednesday.The dong traded at 17,200 to 17,300 a dollar at Vietinbank, or Vietnam Bank for Industry and Trade.

Free-market rate

At moneychangers' in Hanoi, or the so-called black market, the currency traded at between 17,230 and 17,520, local newswire VnExpress reported.

Commercial banks said their dollar supply has fallen since moneychangers offer higher rates for the greenback.Nguyen Phuoc Thanh, general director of Vietcombank, the country's third largest lender, said dollar banks' inflows have tumbled since export earnings are down as are remittances, foreign portfolio investment and tourism arrivals.

A HCMC-based footwear company said it had failed to buy US$50,000 to pay for imported consignments despite continuously contacting banks for the past week.While commercial banks do not have enough dollars for selling to businesses, they have a surplus of dollars set aside for lending after some of their customers failed to prove they could raise dollars for repayment.Bui Thi Mai, general director of the Hanoi Building Bank, or Habubank, said, as a result, though banks are unable to find customers for dollar loans, they remain cautious.

- **Trade deficit widens, inflation slows**

Vietnam's trade deficit widened to a record $17 billion in 2008, from $14.1 billion last year, according to preliminary figures provided by the government Thursday.The current account deficit may grow to $12.1 billion, or 12.3 percent of GDP, next year from an estimated 11.7 percent this year, according to a Credit Suisse Group research report dated December 17.A slowdown in the rise of consumer prices may have provided more room for the central bank to weaken the dong.

Overall, food and beverage prices, which account for nearly 43 percent of the goods basket used to calculate the consumer price index, fell 0.13 percent in December, with grain prices declining 2.36 percent.Prices in the category including transportation fell 6.77 percent from November, according to the statistics office report.Plummeting world oil prices have led to a sharp cut in retail prices for gasoline.

The government has cut petrol prices twice this month, adding to a series of reductions since August that have left the most commonly used grade of gasoline 42 percent cheaper from its peak last July.Prices in the category including construction materials declined 2.36 percent month-on-month, the office said.Domestic steel companies are facing

difficulties due to slowing demand, with the government using higher import tariffs to allow producers to clear stockpiles, the Vietnam Steel Association said last week.

Property projects are short on working capital, economist Scott Robertson of the HCMC-based Dragon Capital wrote in a note last week.

The government may keep the inflation rate down to a single-digit level in 2009, but it has to assign top priority to combating an economic slowdown, Doanh said.

- **Vietnam Imposes New Blogging Restrictions**

GMAW is one of many to mention that the Vietnam government has approved a new set of regulations aimed at bloggers. The new restrictions ban bloggers from discussing certain subjects that the government deems sensitive or inappropriate. Not only are the topics limited, but bloggers are being directed to only write about issues that directly impact their personal lives.

- **Vietnam reports record oil and gas sales for 2008**

Vietnam's state-owned oil and gas company PetroVietnam has reported record sales of more than $US16 billion for 2008.PetroVietnam says it earned over $US11 billion from exports, a rise of well over 26 per cent, due in part to high global energy prices earlier this year.

While profits were up, Bloomberg reports that overall crude output was down 5.7% compared to 2007, due to ageing fields, technical problems and bad weather over the course of the year.While the company did not report annual profits, it said in a statement that its turnover had accounted for a fifth of Vietnam's total annual economic output in 2008.However the gruop's chairman, Dinh La Thang, says next year is expected to be tougher, especially if oil prices remain weak.Vietnam is rich in offshore oil reserves located in the South China Sea, where PetroVietnam, together with Russian and other foreign partners, draws from several major fields.

The country has no oil refining capacity and imports petroleum products for domestic needs, but it plans to have seven refineries in operation by the end of 2020, with the first - the Dung Quat refinery in central Vietnam - slated to start operating in February.

- **Vietnam opens wider for business, says US online newspaper**

Vietnam opens on January 1 its retail sector to wholly foreign-owned investments according to its World Trade Organisation obligations and lucrative opportunities await in Asia's new No. 1 retail market, a US online newspaper reported.

In an article contributed to Forbes.com, Oliver Massmann and Giles T. Cooper, who are attorneys based in Hanoi for the US law firm Duane Morris LLC., wrote that times are changing in Vietnam's capital city with tourists from all over the world flocking to picturesque market stalls and Western-style shopping malls popping up overnight, thus attracting high-end retailers from the US and Europe.

According to the American attorneys, Vietnam is leapfrogging other Asian markets in retail thanks to rapidly growing consumer demand and low barriers to market entry.

The attorneys said, harmonization of national legislation with Western corporate governance standards has also been impressive. A recent government draft decree implementing WTO commitments represents a crucial and progressive milestone on the way to an internationally integrated market as it expands the scope of application of the principle of non-discrimination and makes Vietnamese and foreign enterprises equal. As dictated by its WTO commitments, Vietnam will allow wholly foreign-owned distribution companies to enter the market starting in January 2009.

- **Vietnam, Japan in trade deal**

VIETNAM has signed a free trade deal with Japan that will exempt nearly all taxes levied on each other's goods over the next decade, the Vietnamese government said yesterday.

Following the economic partnership agreement signed on Thursday, Japan would exempt 95 per cent of import taxes on Vietnamese goods and Vietnam would also lift 88 per cent of its duties on Japanese goods, the government said in a statement.

The two countries started negotiations on the pact in January 2007 when Vietnam joined the World Trade Organization (WTO). Officials from both sides will now seek ratification by their respective parliaments to bring the pact to life in early 2009, the statement said.

It said that trade between Vietnam and Japan is forecast to rise to more than US$16 billion this year, beating an initial target of US$15 billion set for 2010. Early this month, international donors pledged US$5 billion in aid to Vietnam for 2009, almost 8 per cent less than this year's figure after Japan suspended assistance in the wake of a corruption scandal. Japan has been Vietnam's biggest single aid donor.

- **Report: China, Vietnam agree on land border**

China and Vietnam have settled a lengthy border dispute nearly 30 years after a month-long war that left tens of thousands of people dead, state-run media reported.The settlement of the dispute -- which covered the land border between the two countries --

came during a December 28-31 meeting in Hanoi, Vietnam, Xinhua news agency reported, citing a joint statement issued by the two governments on Wednesday.

The deal settled the remaining issues from a 1999 China-Vietnam land boundary treaty.Xinhua called the settlement "a major event of historical significance" in relations between the two countries. A ceremony marking the agreement and building of land border markers will be held later, the news agency said.The border dispute arose after China, which supported North Vietnam during the Vietnam War, invaded its southern neighbor in February 1979 -- two months after **Vietnam** invaded Cambodia and ousted the pro-Beijing Pol Pot regime. The 29-day incursion ended with the last Chinese troops leaving on March 19 -- and without having forced the Vietnamese out of Cambodia. During the next two decades, both sides stationed hundreds of thousands of troops along the border until the 1999 treaty. The two sides are still in disagreement over the Spratly islands, a chain in the South China Sea claimed by Vietnam, China, Taiwan, Brunei, Malaysia and the Philippines

Social Front

Environmental Front

• Laos

Political Front.

Strategic Front

- **Vietnam, Laos set tasks for border affairs**

Vietnamese and Lao officials reviewed the work on border affairs between the two countries in the past year and discussed what remains to be done at their 18th annual meeting in Vientiane on Dec. 28.

According to VNA, uncontrolled migration, unregistered marriage and the implementation of investment projects in areas along the two countries' shared border were on the agenda of the discussion.

The two delegations, led by Vietnamese Deputy Minister of Foreign Affairs Nguyen Xuan Son and his Lao counterpart Bounkeuth Sangsomsak, also looked for measures to better implement a project on planting more markers along the border and upgrading existing ones, which was launched in September this year. At the meeting, a number of units and individuals were awarded Friendship orders and medals in honour of their contributions in the field.

Economic Front

- **Vietnam to explore iron ore in Laos**

Vietnam ’s Company of Economic Cooperation (COECCO) and Lao Government’s representative on December 25 signed a contract of surveying and exploring iron ore in Laos . Attending the signing ceremony were Lao Deputy Prime Minister-cum-Defence Minister Douangchai Phichit and Deputy Minister of Planning and Investment Thongmy Phomvisay.

According to VNA, for Vietnamese side, there were representatives of Vietnamese embassy, Vietnam trade office in Laos , COECCO and some Vietnamese companies operating in Laos .

Under the agreement, COECCO will have 48 months to explore, survey and formulate a feasibility study report on the 44 sq.km area in Vientiane province with an initial capital of 3 million USD. The company will submit the report to the Lao government for further negotiations.

- **ADB plans to provide US$ 89 million for five projects in 2009**

The Asian Development Bank (ADB) is planed to help Lao government on the Nam Theun II hydropower construction project and to provide about US$ 89 million for implementing five projects in Laos by 2009.These included the project on higher education strengthening, public health sector development, private sector and SME development, and the high voltage electricity line transmission for the northern part of Laos.

The statement was released by Mr. Kil Hong Kim, representative of ADB Lao office at the ADB reception held in Vientiane for media last week.

In 2008, the ADB has provided a grant aid worth US$ 53 million to fund a number of projects including natural resource management, small town water supply and sanitation and gender equity development

- **Government urges journalists to inspect development projects**

The government is welcoming Lao journalists to scrutinize its development projects and report their observations in the media at a time when the financial tsunami is having an adverse effect on them and this was said by the government secretariat chief, Cheuang Sombounkhan.

The global financial crisis had so adversely affected the development plans of the Lao government that it is calling on all the business units in the country to join the government to brainstorm to solve this problem.

Lao economists suspected that it is the global financial crisis that caused foreign funds to decrease the money allocated to development projects in Laos, causing development projects to advance at a snail pace and accelerating unemployment.

Many development projects that were funded by the government and by foreign funds had some of their funds misappropriated and the Lao journalists could carry out investigative reporting on them so that such actions would ultimately act as a kind of stimulus for development.

Amid the global financial crisis, the Lao government promised that it would make efforts to solve many problems such as the slump in the price of maize, decrease in the production of garments, fewer tourist arrivals to the country and lower production of furniture.

He said that the government is considering the availability of low interest loans by all the banks for business units to enable them to continue to fund their businesses during this financial crisis and also to cancel some taxes.

The press conference was held in the Prime Minister's Office on Friday and it was specially meant for the members of the Lao press fraternity.

- **Vietnam leads foreign investors in Laos**

Vietnam is now the largest foreign investor in Laos , according to a recent survey conducted by the Overseas Investment Department under the Ministry of Planning and Investment.

The department's statistics showed that in the first 11 months of this year, Vietnamese businesses invested in 52 projects with a total registered capital of 450 million USD in Laos, raising the total number of Vietnam 's projects in the neighbouring country to 146, capitalised at 1.5 billion USD.

However, there remain big hurdles for Vietnamese enterprises on their way abroad due to their limits on capital, technology and experience plus an uncompleted legal framework on overseas investment.

To solve these difficulties, the Ministry of Planning and Investment is drafting a project on supporting and promoting Vietnamese enterprises' overseas investment to be submitted to the

Social Front

- **Laos wins congratulatory certificates at ASEAN artisan competition**

Participants from Laos have won congratulatory certificates for masonry and carpentry at the ASEAN artisan competition held in Kuala Lumpur, Malaysia, from 10 to 19 November 2008.

The mason is Mr Phoutsady Sayasean, from the Pakpasak Technical School and the carpenter is Mr Toujang Kaiyeupor from the Laos-Korea Vocational School.

The congratulation certificates were presented by Mr Laoly Faiphengyao, Deputy Minister of Labour and Social Welfare, during a ceremony held at the Ministry of Labour and Social Welfare, Vientiane on 26 December. The ASEAN artisan competition started in 1995 and the Lao PDR has been sending competitors since then. For this year, Laos competed in seven trades, carpentry, food processing, masonry, electricity, IT, and tailoring

- **PRF spends 168 billion kip on poverty reduction**

The Poverty Reduction Fund has spent 168 billion kip on five target provinces over the past five years. The figure was reported by Mr Sivisay Saysanavongphet, Director of the PRF at the 12th Poverty Reduction Fund meeting, on 23 December at the Vilabouly district, Savannakhet province.

The programme has run since 2003, it also spent on organizing training courses on creating income, capacity building, building savings groups and livestock promotion.

These projects benefited to 744,140 people in 1,913 villages, 161 village groups, 21 districts, and five provinces: Houaphanh, Xieng Khuang, Savannakhet, Saravane and Champassak.

The meeting was chaired by Standing Deputy Prime Minister Somsavat Lengsavad, who is also the President of the Poverty Reduction Fund. The Steering Committee of the National Poverty Reduction and Rural Development, the committees from various ministries and committees of six target provinces were at the present.

- **Champassak educates public on deadly AIDS**

The Health Service of Champassak, the Provincial Anti-AIDS Committee and the Sanfansuvanmai Group held an AIDS awareness day last Friday to mark World AIDS Day (1 December).

The activities are geared to get members of the public, like Mr Noy and Miss Noy to be aware of the dangers of this deadly disease, which kills the sufferer slowly and painfully.On this day the AIDS educators disseminated basic knowledge on this disease, the emotional problems of the AIDS patients, counselling and medical treatment of AIDS sufferers and they organised a quiz on this disease.

The activities were aimed at memorialising those who had succumbed to this disease and to promote the fight against AIDS. These activities were given financial support by the Asian Development Bank, the Centres for Disease Control and Prevention (CDC) and the Global Programme on AIDS (GPA).

- **Se Set II power plant to supply electricity to five southern provinces**

Saravan province will cease to buy electricity from Thailand in 2009. With the completion of the construction of Se Set II hydropower plant in Saravan province in June 2009 this plant would have the capacity to supply electricity to all the consumers of this state.On its completion this plant should be able to generate 76 MW and produce 309 GWH of electrical power per year, more than the Se Set I hydropower plant's capacity of 31 MW.

When the plant is fully operational it will be able to cope with the entire power demand of Saravan province and the other southern provinces, Attapeu, Champasak, Xekong, and Savannakhet.However, eight districts in Saravan province and more than half of the 926 villages of the state will receive electricity from Electricite du Laos.

Environmental Front

• Cambodia

Political Front

Strategic Front

- **Thais set to discuss dispute**

THAILAND'S newly-appointed top diplomat plans to visit Cambodia to discuss the long-running dispute over territory along the countries' shared border, Foreign Affairs Minister Hor Namhong said Tuesday.

Tempers flared on the border after the Preah Vihear temple was listed as a Unesco World Heritage site in early July, angering Thai nationalists who demanded that the then-government reclaim territory allegedly lost to Cambodia, including the 11th-century ruins.Cambodia and Thailand have never fully demarcated the 805-kilometre shared border, though Cambodia's top negotiator, Var Kimhong, told the Post Sunday that Cambodia and Thailand would resume border talks in late January.

Meas Yoeun, deputy military commander at Preah Vihear, said that the situation along the frontier is stable and that Cambodian troops are undergoing further training. "All institutions have to strengthen our forces," he said.

Human rights activist Heang Riththy, president of the Cambodian National Research Organisation, has called on Defence Minister Tea Banh to identify the owner of a black Toyota truck he claims contained people who threatened to shoot him in September. In a letter to Tea Banh, he identified the number of the military licence plate as 2-9916 and said 20 to 30 people witnessed the attempted assault.

Economic Front

Social Front

- **Cambodia opens new entry points to attract foreign tourists**

Cambodia has announced establishment of nine border entry points with Vietnam, six with Thailand and one with Laos, said the Ministry of Tourism.

This is part of a plan to attract more foreign tourists to the country, said Pak So Khum, Deputy Secretary of State at the Ministry of Tourism.The new entry points are located in places with beautiful scenery, he added, and the two busiest points of them are those at the border with Vietnam and Thailand.

- **Cambodia expects land mine casualty elimination by 2012(eco)**

The Cambodian Mine Action Center (CMAC) has set a target date of 2012 for the elimination or dramatic reduction in casualties from land mines in the country, national media said on December 29.

Between January and November this year, 244 people were killed or injured by mines, down from 317 in 2007, he said, adding that this number might drop to 50 to 60 in 2010.

Years of war have left numerous mines and unexploded ordnances in Cambodia, especially at the border areas.

- **Cambodia, Malaysia to join anti-trafficking efforts**

Cambodia and Malaysia have pledged to sign a memorandum of understanding (MoU) that will allow them to better combat human trafficking, said a Ministry of Interior officer.

“We are in the process of drafting an MoU now, and we hope that it will improve cooperation between the two countries,” Bith Kimhong, Director of the Anti-Human Trafficking and Juvenile Protection Department was quoted by the Phnom Penh Post as saying. San Arun, a secretary of state at the Ministry of Women's Affairs, said the Cambodian government has already signed MoUs about human trafficking with six countries in the Mekong basin.

According to the newspaper, last week's repatriation of 17 Cambodian trafficking victims who escaped Thai fishing vessels in Malaysia re-emphasised the global nature of the human-trafficking trade and demonstrated the importance of international cooperation, specifically between Cambodia and Malaysia, to prevent and respond to human trafficking.

Business and Politics in Muslim World

India

Sadia Khanum

27th December 2008 to 2nd January 2009

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(Outline)

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Mumbai Carnage and Aftermath:

- Pakistan armed forces on high alert
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- "Common friends" trying to defuse India-Pakistan tensions, says Gilani
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- Bring terrorists to justice: India
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- No ultimatum, says Pranab
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Domestic Situation:

- 1984 riots: key witnesses depose before CBI in U.S.
- Judicial custody of Malegaon blast suspects extended
- Serial blasts rock Guwahati, 5 dead, many injured
- Muted New Year festivities, Mumbai quiet
- Police in fear of Left attack

Economic Front:

- Inflation falls to 6.61%
- Plan to boost shipping sector
- Exports down 10%
- Rs 350 crore to help exporters
- GM India cuts output by 10%

Geo-strategic developments:

- Indian ships leave disputed area
- Two flight tests of Nag missile successful
- IAF fighters to watch Delhi skies
- India, Pak exchange lists of nuclear installations
- No threat to INS Viraat: Chidambaram
- India, China to hold new round of boundary talks: Pranab
- NASA's Chandrayaan payload finds iron-bearing minerals on moon

Kashmir:

- National Conference set to form government
- J&K verdict presents opportunity and some dangers
- A vote for democracy: PM
- PDP open to alliance: Mehbooba
- Reduced militancy led to higher voter turnout: Chief Election Commissioner
- Options open in J&K: Congress
- Azad heading for Delhi?
- In J&K, the rift runs deep
- Eager to put governance back on track: Omar
- Will be a constructive Opposition: Mehbooba
- Pakistan conundrum hangs over Kashmir poll success
- For secessionists, humiliation follows hubris
- Gen-X pins hopes on CM-designate Omar
- 'Lesson for Pakistan'

Social front:

- Crime against women on rise in Delhi: NCW
- 'Tribals saved environment'

Foreign Relations:

- Indian High Commission not informed of arrests
- Congress, Left slam Israeli air strikes
- PM asks Iranian President to pressure Pakistan
- India, Malaysia to sign MoU on labour soon
- Relocate troops to 'peace-time' positions: Pakistan
- India's gift to Pakistan on New Year
- Manmohan for close ties with Bangladesh
- No hot pursuit on terrorists operating from Pak: India

Political front:

Eight segments go to polls on 27th December 2008

The crucial byelections for eight Legislative Assembly seats, though not really regarded as a forerunner to the next Lok Sabha elections given the fact that political parties are yet to finalise their alliances and with issues in the present round of elections being markedly different, will be gone through on Saturday. The votes will be counted on December 30. Over 12 lakh people are eligible to vote in the eight constituencies coming in the jurisdiction of six districts. The constituencies are Hukkeri and Arabhavi in Belgaum district, Turuvekere and Madhugiri in Tumkur district, Deodurga in Raichur district, Karwar in Uttara Kannada district, Maddur in Mandya district and Doddaballapur in Bangalore Rural district. State Chief Electoral Officer M.N. Vidyashankar told *The Hindu* that tight security would mark the byelections in all eight constituencies which had been classified as sensitive. Each of the 1,613 polling stations would have a micro-observer and a videographer. During the month-long high voltage campaign, the authorities seized Rs. 38 lakh in cash and liquor estimated at Rs. 1.2 crore from various political parties and constituencies.

Commission preparing for elections, says Chawla

The Election Commission is slowly preparing for the Lok Sabha elections, Election Commissioner Navin B. Chawla said. Responding to a question at the airport, he, however, said no date had been decided. Mr. Chawla said that at a recent conference of State Chief Electoral Officers, the Commission discussed 'micro management' of the poll process. Correct electoral rolls, EPIC, the model codes, identification of documents, places where auxiliary polling stations were to be located were some of the aspects looked into, he said.

Thirumangalam tense as DMK, AIADMK men clash

Tension prevailed in a few areas in the Thirumangalam Assembly constituency early on Sunday after the AIADMK and DMK cadres indulged in pitched battles. Six persons were injured and

some vehicles stoned. A by-election to the constituency is scheduled for January 9. Police have registered cases following complaints from both the parties. Trouble started after midnight in Thirumangalam, where a group, said to be from the DMK, allegedly "secured" some persons, who, they said, belonged to the AIADMK. The men had cash packed in hundreds of plain covers. The AIADMK leaders sought deployment of Central Reserve Police Force for the by-election following the attack on their cadres and their vehicles. DMK chief power agent K.R. Swaminathan said that he had submitted compact discs containing photographs as evidence of AIADMK cadres distributing money to voters.

Globalisation promotes terrorism: VS

Chief Minister V.S. Achuthanandan has said that perpetrators of terrorism and communalism are trying to undermine secular and composite cultural traditions. Inaugurating the 69th session of the Indian History Congress (IHC) on the Kannur University campus at Mangattuparamba here on Sunday, Mr. Achuthanandan said that terrorism and communalism had caused untold miseries worldwide. Observing that they posed a grave threat to humanity, he said their practitioners were afraid of the past which upheld humanitarian values nurtured through the interaction of diverse communities. "The Taliban attack on the Buddhist centres in Afghanistan, the demolition of Babri Masjid and the U.S. destruction of historical monuments and cultural heritage of Iraq are examples of this attitude," the Chief Minister said adding that democracy, and not terrorism, was the answer to fascism. Terrorism and communalism were promoted by globalisation and liberalisation, he said.

Samajwadi Party-Congress seat-sharing talks to resume

The Samajwadi Party on Saturday gave a nudge to the stalled seat-sharing talks with the Congress for the 2009 Lok Sabha elections. The SP maintains that negotiations have entered the home stretch. After two rounds, talks did not progress in the last few months as both parties made competing claims on a few constituencies. "The Congress wants those seats where some of our dependable and popular leaders are sitting MPs. Practical difficulties are there, which I think would be resolved soon," SP general secretary Amar Singh told journalists after a meeting with Congress president Sonia Gandhi here. Mr. Singh said he had broached the issue with AICC general secretary Rahul Gandhi on Friday night and they would address it next week. He, however, maintained that the SP had drawn up a list of 78 candidates for the 80 seats in Uttar Pradesh, reiterating that it left Rae Bareli and Amethi, now held by Ms. Sonia Gandhi and Mr. Rahul Gandhi. "We are here for supporting the Congress and not to surrender before it," Mr. Singh said. On its part, the Congress said nothing was finalised at the brief meeting on Saturday. Party sources said the talks would continue with the team that includes Mr. Gandhi, Digvijay Singh and PCC chief Rita Bahuguna Joshi. After the last round of talks, Mr. Digvijay Singh, AICC general secretary in-charge of party affairs in the State, said a list of the constituencies the Congress was seeking had been given to the SP and it was for that party to respond.T he criterion adopted for seat sharing was that besides the nine seats it has in the current Lok Sabha, the Congress could vie for those constituencies where it finished second behind a party other than the SP. The party sources said there was little dispute over 15-odd seats, but others remained a bone of contention. The Congress is seeking Rampur, Pratapgarh and Farrukhabad, held by the SP. The SP is not keen on conceding to the Congress seats for Raj Babbar and Beni Prasad Verma, MPs who have since fallen out with its (SP) leaders. Mr. Babbar was elected from Agra, but it has become a reserved seat after delimitation. Mr, Verma represents Kaiserganj. Domariaganj, Gautam Buddha Nagar, Bulandshar, Sultanpur, Kushi Nagar and Bareilly, as also Muzzafnagar

and Salempur, are seats over which also there is a tug of war, but of lesser intensity, according to the sources.

50 per cent polling in Moirang

About 50 per cent of the 32,000 electorate cast its vote in the bypoll for the Moirang Assembly constituency in Manipur on Saturday, election office sources said.

Get ISI declared a terrorist outfit: BJP

It is becoming increasingly clear elements in Pakistan's Inter-Services Intelligence played an important role in the planning and facilitation of last month's Mumbai attacks, the Bharatiya Janata Party said and demanded that India press for a declaration of the ISI as a terrorist organisation. Party spokesperson Ravi Shankar Prasad pointed out here on Saturday that media reports in Pakistan said some important ISI officers were present at the birthday celebrations of Dawood Ibrahim in Islamabad although Pakistan often denied that the man wanted in India for the 1993 Mumbai serial blasts of 1993 was living in the country. While it was for the government to decide on the action against Pakistan, the BJP would suggest that the Indian High Commission in Islamabad be scaled down and the Indian High Commissioner recalled. An advisory cautioning Indians against travelling to Pakistan was not good enough, Mr. Prasad said. All travel by Indians to Pakistan must come to a stop except in an emergency situation. Mr. Prasad said that in all probability the 10 terrorists who made their way to Mumbai by the sea were trained commandos who were given training at PNS Iqbal, where Pakistani naval commandos are trained. He said the highly trained and well equipped terrorists would have been facilitated by "state actors" in Pakistan. Therefore, the government of India must stop using the phrase "non-state actors" to refer to the masterminds responsible for the planning and execution of the Mumbai attack.

Theft intensifies BJP factional fight

Five days after a huge sum of money, said to be Rs 2.6 crore, went missing for its headquarters, the BJP sought to play down the incident that could intensify the ongoing tussle between two factions for the control of election funds. The BJP leadership on Tuesday asked treasurer Ramdas Aggarwal to carry out "a reconciliation of all accounts" to verify if there was a theft. As the party saw it as an "insider's job" and result of a factional fight, accountant Nalin Tandon, an RSS man, was asked to hand over charge to another person even as spokesperson Ravi Shankar Prasad described media reports as "exaggerated". He said Aggarwal, a Member of Parliament, would also tally accounts with the details of expenditure incurred during the recent assembly polls. "We're checking receipts and payments. Until that is completed, I can't say whether any sum has gone missing," Aggarwal said. The money was part of the contributions made by the state units and went missing either on way or after reaching the office, a party official said. The party decided against going to the police as the amount would be hard to explain, and sought the help of private detectives. The questioning of the staff intensified tussle between two groups out to purge each other from the set-up. The faction led by Prabhat Jha, BJP secretary who is attached to Rajnath Singh, is gunning for Shyam Jaju, headquarter in-charge. Jha is backed by a senior RSS leader Suresh Soni. Jaju, posted at the instance of Sangh Number 3 Madan Das Devi, also has the support of Ramlal Aggarwal, BJP general secretary for

organization. Apparently, accountant Tandon had differences with Jaju over a pay hike for the staff. Jaju has been accused of being soft on employees accused of irregularities. The issue, which is likely to figure during the BJP-RSS meeting on January 2, has put a question mark on the party's Nagpur conclave.

Victory in bypoll gives BJP decisive majority

The Bharatiya Janata Party has won a decisive victory in the byelections to the Legislative Assembly by bagging five of the eight seats. This now gives the party a crucial majority in the Assembly. The victory is also a vindication of the party's strategy, codenamed "Operation Kamala," in which seven Opposition MLAs gave up their Assembly membership this July to join the BJP. The five BJP candidates who have won from Doddaballapur, Karwar, Arabhavi, Hukkeri and Deodurga, had defected to the party from the Congress and Janata Dal (S). With this victory, the strength of the BJP in the 225-member Assembly has increased to 115 (including the nominated Anglo-Indian MLA, and not including the Speaker). While the July defections resulted in the byelections to seven constituencies, in Maddur, the byelection was held to fill the vacancy arising from the death of MLA Siddaraju. The fight-back to the BJP came from the Janata Dal (S) that won the elections in Maddur, Madhugiri and Turuvekere, indicating that the traditional Old-Mysore base of the party remains intact. The Congress, the principal Opposition party of the State, drew a blank. However, the party came second in six constituencies, namely, Karwar, Hukkeri, Arabhavi and Deodurga in the north, and Madhugiri and Doddaballapur in the south. Janata Dal (S) State unit president H.D. Kumaraswamy's wife Anitha Kumaraswamy, a debutante in electoral politics, won from Madhugiri in a keenly fought battle. Interestingly, C. Chennigappa, the BJP candidate who defected from the Janata Dal (S), was reduced to a distant third with Congress candidate K.N. Rajanna throwing a surprise by emerging second. The results in Turuvekere turned out to be a shocker for the BJP as its candidate M.D. Lakshminarayana, who had maintained a lead of about 7,000 votes till the beginning of the last round of counting, lost to Janata Dal (S) candidate M.T. Krishnappa. Mr. Lakshminarayana, who suffered a heart attack, has been admitted to hospital. Here, the seat had fallen vacant as actor-turned-politician Jaggesh had quit his Assembly membership won on a Congress ticket, to join the BJP. The BJP made a clean sweep of all four seats here. In Karwar, the home district of Karnataka Pradesh Congress Committee president R.V. Deshpande, Science and Technology Minister and BJP candidate Anand Asnotikar (who defected in July from the Congress), won with a formidable margin over the Congress candidate. In Hukkeri, Sugar Minister Umesh Katti, won by a record margin of 67,663 votes against his Congress rival. In Arabhavi, Municipalities Minister Balachandra Jharkiholi trounced the Congress candidate by 32,861 votes. In Deodurga, BJP candidate and Small Savings Minister K. Shivanagouda Naik won by 16,252 votes against his Congress rival. The three Ministers defected from the Janata Dal (S) to the BJP in July.

Consensus eludes panel on women's reservation

Consensus eludes the parliamentary committee looking into the issue of women's reservation, though it has only a few more months left to complete its report. To elicit views of smaller regional parties and other stakeholders like non-government organisations on the issue, the committee has been travelling to different States for wider consultations. Seven States, including Maharashtra, Tamil Nadu, Madhya Pradesh and Uttar Pradesh, have been covered and plans were on to cover the other three southern States in January, committee chairman E.M. Sudarsana Natchiappan told on Monday. Another member of the committee pointed out that 'Bharat Darshan' was planned not only on women's reservation, but also to get a feedback on the

working of the Right to Information Act as well as public and media opinion on banning exit polls. Apparently, some members of the last select committee to look at the issue 12 years ago had given dissenting notes to the effect that wider consultations were needed on this politically sensitive and problematic subject that has evaded resolution. Mr. Natchiappan said that wider consultations taking place now would meet that criticism. The committee has time till April 2009 to complete its work, but could finalise a report by February, Mr. Natchiappan said. Some members said discussions on women's reservation were almost over and one more meeting had to be held before the report was finalised. However, Mr. Natchiappan felt there would be no point in finalising the report in a hurry without evolving a political consensus. Without consensus, the necessary constitutional amendments cannot take place and the proposed bill would remain a dream. The committee has before it several formulae, including an increase in the total seats of Parliament, making it mandatory for political parties to declare 33 per cent women candidates and reserving one-third of all seats in the Lok Sabha and State Assemblies for women. The most contentious issue is the demand for a quota for Backward Caste women within the larger quota for all women. One view in the committee was that the issue of a quota for Backward Caste women within the overall quota for women should be left to each State. If a few States were to give the green signal, others are likely to follow suit. But this suggestion had been termed by the CPI (M) unconstitutional, and, therefore, given up.

'No compromise on terrorism'

Senior BJP leader L. K. Advani on Tuesday appealed to all political parties to shun the politics of vote banks and take a tough, united stand on terrorism. Addressing a mammoth rally here to mark the completion of one year of the BJP rule in Himachal Pradesh, he said no compromise on terrorism would be tolerated and the terrorists should dread a strong government with powerful laws instead of terrorising a weak government. He also urged Prime Minister Manmohan Singh to clearly state how his Government intends to deal with Pakistan. He blamed the UPA Government for first repealing POTA and then taking a U-turn on the need for a strong anti-terror law. He said despite the UN giving its sanction and support for making a stringent anti-terrorist law, the Congress had opposed the enactment of POTA but the BJP now had supported the UPA Government in the passage of two important anti-terrorist Bills. Launching his party's campaign for the coming Lok Sabha elections in the hill State, Mr. Advani said it should be called a "Vijay Sankalp Rally". He said the signals of a BJP victory at the Centre had been given by the voters of Jammu and Kashmir. He congratulated the people of Jammu and Amarnath Sangharsh Samiti for fighting for a nationalist cause and voting for the BJP.

Congress to go it alone in Haryana

All-India Congress Committee treasurer and in-charge of Haryana Congress affairs Motilal Vora on Tuesday said the party would contest the ensuing Lok Sabha elections in the State alone and there was no question of entering into any alliance whatsoever. He expressed confidence that on the basis of the elections held recently in six Vidhan Sabha Assemblies, the Congress would win the ensuing Lok Sabha elections and form the next government with the alliance partners at the Centre.

Mumbai Carnage and Aftermath:

Pakistan armed forces on high alert

Pakistan's armed forces are on a "high alert" and all leave of absence has been cancelled for troops on account of the tensions with India, military officials here told journalists on Friday. Also, there were unconfirmed reports, quoting unnamed intelligence officials, that the Pakistan military had pulled out some soldiers from the border with Afghanistan and redeployed them in the east. The reports are bound to cause alarm in Washington, which is seeking to prevent any adverse fallout of the India-Pakistan crisis on its "war on terror' in Afghanistan. The military officials told journalists that acting on reports about the Indian armed forces cancelling leave for soldiers until April and calling for a high alert to enable short-notice mobilisation, Pakistan had also cancelled leave for its troops and placed its armed forces on top alert. The officials, who wished to remain unnamed, said they were keeping an eye out for any possible troop movement on the Indian side, and had meanwhile taken "minimum defensive measures" on their side. They did not explain what this meant.

Diaspora to help India turn the heat on Pakistan

The Centre is keen on utilising the economic, social and political clout enjoyed by the Indian diaspora to convince important governments on Pakistan's role in sponsoring terrorism on Indian soil, Union Minister for Overseas Indian Affairs Vayalar Ravi said on Friday.

"Common friends" trying to defuse India-Pakistan tensions, says Gilani

Fighter jets of the Pakistan Air Force (PAF) thundered through the night skies over the federal capital on Friday as the country's leadership continued to send out signals that it expected India to launch military strikes against Pakistan imminently. There was no official word from the PAF about the night sorties, nor was there any confirmation of reports about redeployment of Pakistani troops from the western to eastern borders. Speaking in Lahore, Prime Minister Yousuf Raza Gilani said Pakistan would never commit aggression first; however, it would "fully retaliate if war is imposed on it." He said the Army was playing its role to defend the country, and said "common friends" of both countries were engaged in diplomatic efforts to defuse the tensions. The Foreign Ministers of China and Iran, who spoke to External Affairs Minister Pranab Mukherjee on Friday, also spoke to Pakistan Foreign Minister Shah Mahmood Qureshi later. A statement from the Foreign Ministry said Mr. Qureshi told the Chinese Foreign Minister Yang Jeichi about the need for India "to pursue a policy of restraint and responsibility." He told Mr. Yang that Pakistan was in "full compliance" with U.N. Security Council Resolution 1267 under which Jamat-ud-dawah, its leader Hafiz Saeed and three others were designated "terrorist." He reiterated the offer to conduct a joint investigation with India into the Mumbai incidents, "provided relevant evidence was furnished." According to the statement, the Chinese Foreign Minister hoped that Pakistan and India would work together to combat terrorism, and called for peace and stability in South Asia emphasising that the escalation of tensions was not in the interest of either India or Pakistan. Iranian Foreign Minister Manouchehr Mottaki told Mr. Qureshi that he had urged India "to show calm and restraint." According to a statement, Mr. Mottaki said instability in South Asia would affect the whole region. Mr. Qureshi, according to the Foreign Ministry, told his Iranian counterpart that Pakistan, as a "victim of terrorism," was engaged in fighting the menace. He told him it was a regional concern that would require the "mutual co-operation" of all countries. Both the Iranian and Chinese Foreign Ministers said their governments would remain engaged with India and Pakistan to defuse the tensions.

India says not engaged in troop build-up along border with Pak

India has informed Pakistan that it has not engaged in any sort of troop build-up along the frontier and sought firm action against terrorist camps and militant groups operating from the Pakistani soil. New Delhi has also told Islamabad that it has no plans for a military action, but wanted a combination of "executive action and judicial processes" against terrorist elements like the Lashker-e-Toiba and its front organisation Jamaat-ud-Dawah, which have been linked to the Mumbai attacks. This message was conveyed during Indian High Commissioner Satyabrata Pal's meeting with Pakistan's Foreign Secretary Salman Bashir here yesterday. Indian Deputy High Commissioner Manpreet Vohra was also present, diplomatic sources said. The Pakistani side said any surgical strike by India in response to the Mumbai terror attacks would be seen as an "act of war". To this, the Indian officials stated that there was "no reason for the war hysteria" being witnessed in Pakistan, the sources told PTI. The Indian side also conveyed the message that "words and commitments" were not adequate in the wake of the Mumbai terror attacks, which were "just a symptom of the larger problem" of terrorists operating from the Pakistani soil, the sources said. "There is a need for firm action against such elements. We don't see the shutting down of terrorist camps. Armed militants with guns are still moving around and terrorist camps are still operational," a source said.

Bring terrorists to justice: India

India has told Pakistan that reports it was mobilising troops along its western border were without basis but has once again pressed the Zardari government to bring the perpetrators of the Mumbai attacks to justice and take steps to prevent further terrorist attacks from Pakistani territory. On Friday, Indian High Commissioner Satyabrata Pal told Pakistan Foreign Secretary Salman Bashir at a meeting in the Foreign Office that the anti-terror resolutions of the United Nations Security Council required the Pakistan government to take “judicial action” against the Jamat-ud-dawah and individuals designated by Resolution 1267 as “terrorist.” Mr. Pal said the resolutions also required Pakistan to take “executive” steps, that is, act to dismantle the “terror infrastructure,” according to diplomatic sources privy to the meeting. Pakistan wanted a response from India on its offer of a joint investigation into the Mumbai attacks. A senior Indian diplomat said New Delhi had not responded yet as it was waiting for Pakistan to act as it was required to by the U.N. resolutions. President Asif Ali Zardari, meanwhile, declared his government’s intention of acting against terrorist groups which, he said, were “forcing an agenda” on the country, but warned that Pakistan would not be pressured by India on this.

Russia concerned over troop build-up

Russia voiced grave concern over the build-up of troops on the border between India and Pakistan, urging the two states to step back from the brink of war. “Russia is extremely concerned by reports of a massive build-up of troops and military equipment on both sides of the India-Pakistan border,” the Russian Foreign Ministry said on Saturday. “Tension in the region has reached a dangerous level. There are alarming reports that New Delhi and Islamabad are not ruling out the use of military force against each other.” To emphasise how gravely it viewed the situation, the Foreign Ministry took the rare step of issuing a “statement” rather than the usual “communiqué for the media.” “Russia strongly calls on India and Pakistan to show the maximum restraint and not allow the situation on the border to escalate to the use of force,” the statement said, adding that the only way out of the crisis were talks aimed at “stepping up joint efforts to fight terrorism and eliminate its hotbeds.” “A build-up of confrontation between New Delhi and Islamabad only plays into the hands of their common enemy the terrorist international, which is out to set India and Pakistan against each other and thereby destabilise South Asia. This scenario looks especially ominous given the fact that both states possess nuclear weapons,” the statement

said. “We hope that the governments of India and Pakistan, aware of their high responsibility for maintaining peace and security in the region, will do their utmost to defuse tension in bilateral relations through political and diplomatic means. The Russian Federation is ready to extend all necessary assistance to New Delhi and Islamabad to achieve this goal,” the Foreign Ministry said.

No ultimatum, says Pranab

External Affairs minister Pranab Mukherjee on Sunday called for demolition of terror camps in Pakistan and reminded Islamabad of its commitment not to allow terrorist activities. He, however, pointed out that no ultimatum was given to the neighbouring nation to act. “No ultimatum was set. There is no question of any ultimatum. Nobody has set any ultimatum,” he said here. Asserting that India would share whatever information Pakistan required once investigations were over, he said Islamabad should admit that the terrorists involved in the Mumbai terror attacks came from there. “If all these things are done, then there is no problem at all.” Mr. Mukherjee said: “Not once, but twice Pakistan made a commitment. Once by Musharraf and now by President Zardari. Where is the commitment? Where is the action against terrorists? “We have evidence and gave the names, not once but 10 times. Pakistan had earlier accepted that the perpetrators of the Mumbai attack emanated from there. But now they are contradicting it.” Regretting Pakistan’s U-turn on Maulana Masood Azhar’s arrest, he said: “the Pakistan Defence Minister earlier said that the Jaish chief was under house arrest. “Now some others say he is not in Pakistan. Who is telling the truth? It is Pakistan which has to tell that.”

Pranab urges Pakistan not to divert attention

External Affairs Minister Pranab Mukherjee on Saturday urged Pakistan not to engage in diversionary tactics by creating fresh tension on another front. “The issue is how to prevent terrorism, there is no point in trying to deviate from the main issue. The problem will have to be tackled and that cannot be done if issues are diverted,” Mr. Mukherjee said. It should be the responsibility of every national in the world to tackle terrorism on an international scale and skirting issues will not help. He said that the scale and the magnitude of the Mumbai terror attacks showed that it was not only planned but well planned. Mr.Mukherjee said that Islam was about generosity. He urged all to abandon efforts to misinterpret Islam. “Terrorism has no religion, it is not linked to a particular religion or community. Attempts to misinterpret religion should be abandoned,” he said. Later speaking to the media, he reiterated his position saying “One has to face problems and tackle them head-on , evading issues will not solve them. No problem can be tackled by trying to suppress the main issue, please do not try to tension on another front,” he urged Pakistan.

Ajmal could be Pakistani but no proof: Durrani

Pakistan’s National Security Adviser Mahmud Ali Durrani on Tuesday did not rule out Mohammad Ajmal Amir, the lone terrorist captured alive during the Mumbai terror attacks, being a Pakistani national. “Could be. I am not saying more than that because we don’t have… I hate to say this… we don’t have proof,” Mr. Durrani told CNN-IBN when asked if some of the Mumbai attackers including Ajmal could be from Pakistan. Mr. Durrani’s remarks came in the backdrop of Pakistan’s constant denial that there was any Pakistani link to the Mumbai attacks. Mr. Durrani, however, said that till now there was no evidence of involvement of Pakistani nationals in the November 26 carnage and that India should let the investigations into the attacks finish

first. Mr. Durrani said the Pakistani government was looking at the letter written by Ajmal in which he requested consular access and also wanted to meet the Pakistani High Commissioner in India. Ajmal also asked for legal aid from Pakistan in the same letter. He said Pakistan was looking at the letter and trying to formulate its response. He also stressed that Pakistan was also a victim of terror just like India.

Pakistan: first casualty, people-to-people contact

The Mumbai attacks that India has blamed on the Pakistan-based Laskhar-e-Taiba/Jamat-ud-Dawah effectively grounded the four-year-old peace process between the countries. But nothing has been more immediately affected in the peace process and as badly as the much-vaunted "people-to-people contacts." Increased interaction between the peoples of the two countries was seen as a major driver of the peace process. More so in India than in Pakistan, where suspicion was rife that breaking down the barriers between the two sides and getting Indians and Pakistanis to know each other was a clever ploy to divert attention from the "core issue" of Kashmir. Still, enough and more Pakistanis embraced the idea, and the period from 2004 to just before the Mumbai attacks saw a record traffic of people flowing between the two countries. The majority among them were of course those belonging to divided families, but also writers, artists, actors, performers, journalists and peace activists. Certainly, more Pakistanis went to India but there were lots of Indians too who travelled to Pakistan. Just days before the Mumbai attacks, the largest contingent at Lahore's famous annual Rafi Peer international theatre festival, was from India. But after the Mumbai blasts, India appears to have rolled down the shutters on the whole people-to-people experiment. The Indian cricket team's January 2009 tour of Pakistan, which is almost certainly off, would be the most high-profile casualty. Kishwar Naheed said she was "angry and disappointed" at the call from the Ghalib Academy secretary-general Siddiq Kidwai telling her the Pakistan contingent had been "disinvited." "He said he had tried his best, but had been told by the Indian government to tell us that we should cancel our travel plans," the poet said. The December 12-14 conference was to discuss the work of Urdu writer Nazeer Akbarabadi. The well-known Pakistani writers Intezaar Hussain, Asif Farooqui and Asghar Nazi Syed, were to travel with Ms Naheed for the conference. In fact, Mr. Hussain was to inaugurate it. All of them had visas and tickets, but were forced to call off their plans. Changes in procedures have also made it more difficult for Pakistanis to obtain Indian visas. Measures to liberalise the visa regime between the two countries, discussed in detail between the two home secretaries in Islamabad just a day before the Mumbai terror began, now seem like a distant dream. The Indian High Commission in Islamabad, which was issuing an average of between 10,000 to 12,000 visas a month, recently announced new security measures would entail a minimum of 30 days to process a visa application. Officials at the High Commission said they were staving off several calls daily from people wanting short-notice visas. Pakistani journalists wanting to travel to India to cover the fall-out of the Mumbai attacks did not get visas. The only exception in recent days was made for Asad Rauf, the international cricket umpire from Pakistan, to enable him to stand in the India-England test at Mohali. On the Pakistan side too, the number of people travelling to India has dropped since the Mumbai attacks due to the tensions and the atmosphere of uncertainty between the two countries. Even those with valid papers are holding back their travel plans. Ghulam Ali, the renowned ghazal singer, cancelled shows in Kolkata and in Bihar. At first he said he had been asked by the Pakistan government not to travel. He later denied having said this, and clarified it was his own decision not to go because the Mumbai attacks had disturbed and upset him immensely. A prominent columnist with an English daily said he had been "so looking forward to his golfing holiday in Chandigarh" but decided against going because of the "possible hostility

towards Pakistanis." But Mr. Rauf, who is leaving for Mohali on December 15, said he would go to India as a "Peace Ambassador." Ms Naheed said had she been allowed to travel, she too would have taken with her a message of peace on behalf of all those Pakistanis who genuinely want good relations with India. "I had a resolution all written up, and I would have moved it. It is at times like this," Ms Naheed said, "that writers and the peace-loving people of both countries should be interacting to bring down the war hysteria. There should be more people-to-people contact, not less. India will be making a mistake if it cuts off this vital thread between our two peoples." But post-Mumbai, Indian officials in Pakistan said, there would be "unfortunate but inevitable consequences for our friends in Pakistan" as New Delhi sought to keep out foes.

Has LeT morphed into new outfit?

Has the Jamat-ud-Dawah (JuD), considered a front of the Lashkar-e-Taiba (LeT), and morphed into a new organisation to beat the ban imposed by the United Nations Security Council Intelligence agencies believe that a mass front maintained by the JuD along with some other organisations that were banned after the September 11, 2001 attacks in the U.S. could be now the new calling address for pro-jihad activists. The agencies draw their inferences from the grammar at display at a conference organised purportedly by the Tehrik-e-Hurmay-e-Rasool (Movement for defending the honour of the Prophet) on December 21 in Lahore. The event was covered by the Pakistani press and extensively reported upon. At the 'All Parties Defence of Pakistan' conference, speakers protested against the U.N. ban on the JuD, Al Rashid Trust, Al Akhtar Trust and the Al Amin Trust. And the language they spoke appeared to be coming straight out of the propaganda booklets of the LeT. A joint declaration decided to launch a 'National Hatred Against India Movement' was adopted. It urged the Pakistan government to release JuD supermo Hafiz Saeed and reopen the organisation's offices. Attended by leaders of most religious parties, the convention also wanted an immediate end to the military operations along the border with Afghanistan and closure of supply lines running through Afghanistan for foreign forces in that country. It also assailed Pakistan President Asif Ali Zardari for "not standing up to outside forces." Intelligence agencies here reported the presence of senior JuD leaders Saifullah Khalid, Ateeq Chauhan, Khalid Bashir, Shamshad Ahmad Salfi and Abdullah Muntazir, many of whom demanded the release of Hafiz Saeed, which the intelligence agencies believe, was a giveaway about the actual intent behind this month's conference in Lahore. This is not the first time that the shadow of JuD/LeT is seen behind the Tehrik-e-Hurmat-e-Rasool. Agencies recall that about two years ago, this organisation had organised another convention with the same demand legalisation of organisations banned after the September 11 attacks.

'US has already shared evidence with Pak'

The US has shared with Pakistan "strong evidence" about involvement of Lashkar-e-Taiba (LeT) in the Mumbai attacks, External Affairs Minister Pranab Mukherjee said today and asked Islamabad to hand over the perpetrators for which an Extradition Treaty is not required. Asked whether an Extradition Treaty was needed for Islamabad to hand over the attackers, he said, "it is not required to take action on these matters" as Pakistan is party to various international conventions and arrangements starting from SAARC to various international conventions against taking hostages, conventions against bombings.

'What more evidence Pakistan needs'

Chidambaram said, "Pakistan is in a state of denial. Everything that we will give will be denied." He said the father of Ajmal Kasab, the lone surviving terrorist in the Mumbai attack, has appeared on the television saying that he (Kasab) is his son. "Kasab himself has written to the Pakistan Government seeking legal help. What more evidence Pakistan needs," he said.

Domestic Situation:

1984 riots: key witnesses depose before CBI in U.S.

Two key witnesses to the 1984 anti-Sikh riots, who had claimed that the former Union Minister, Jagdish Tytler, had played a role in instigating rioters, gave their statements to a two-member CBI team, raising hopes of justice among members of the community here. The team, which visited New York and San Francisco from December 22 to December 26, recorded the statements of key witnesses Jasbir Singh and Jasbinder Singh regarding Mr. Tytler's role in the anti-Sikh riots.

Judicial custody of Malegaon blast suspects extended

Additional Sessions Judge R.G. Avachat on Monday extended the judicial custody of 11 Malegaon blast suspects till January 6. The Anti-Terrorism Squad (ATS) wanted the police custody of Sudhakar Chaturvedi. However, as the Maharashtra Control of Organised Crime Act (MCOCA) court judge was on leave, the matter will be heard on January 6. Chaturvedi has alleged links with the Pune-based Abhinav Bharat. The Jabalpur police arrived on Monday with a transfer warrant for suspect Sameer Kulkarni in connection with a case of attack on a church on September 18. They sought his transit remand. He will be produced in a Jabalpur court for police custody. The ATS is on the lookout for three suspects in the Malegaon case. They were earlier identified as Ramji, Bhagwan and Sandeep Dange. Lt. Col. Prasad Srikant Purohit, who was indicted in cases of forgery registered in Mumbai, Nashik and Pune, has got bail in the first two cases. The Pune matter is still pending, said his lawyer Shrikant Shivade.

Serial blasts rock Guwahati, 5 dead, many injured

Five people were killed and over 50 injured in three blasts set off by insurgent outfit ULFA in Guwahati on Thursday hours before Union Home Minister P Chidambaram's visit to review law and order situation in the state rocked by deadly blasts that left 88 dead two months ago. Three people were killed and 35 injured, including four women, when a bomb planted in front of a closed sweet shop exploded near upmarket Bhangagarh flyover on the busy Guwahati-Shillong road at around 5:45 pm. Five people were killed and over 50 injured in three blasts set off by insurgent outfit ULFA in Guwahati on Thursday hours before Union Home Minister P Chidambaram's visit to review law and order situation in the state rocked by deadly blasts that left 88 dead two months ago. Three people were killed and 35 injured, including four women, when a bomb planted in front of a closed sweet shop exploded near upmarket Bhangagarh flyover on the busy Guwahati-Shillong road at around 5:45 pm. The DGP said it was ULFA which carried out the blasts, at least one of them. "We know who were behind the blast but we won't divulge the names at this stage," he said. Srivastava said the police had intelligence inputs that

ULFA would carry out blasts as the group usually indulged in such activities either on December 31 or January 1 and especially when union ministers were in the city. He said that of the three blasts two were of low intensity and the one at Boothnath was serious. He said kerosene was found in a stove which burst near the sweet shop during the explosion, which set off fire but there was no casualty.

Muted New Year festivities, Mumbai quiet

Scanners, blocked roads and tight security will temper New Year revelries across India on Wednesday as fear of terrorist violence hangs over the country after last month's Mumbai attacks. An unprecedented security blanket covered the country's main cities this week, underscoring the collective jitters of a nation after terrorists attacked and killed 179 people in its financial capital. While Mumbai was the worst attack, in all more than 400 people have been killed in about a dozen terrorist attacks in 2008 across India. An economic slowdown has also dampened usually extravagant celebrations in Mumbai. While the celebrations for the city's well-heeled may go on well into the night, the more popular hangouts such as the Gateway of India and the Marine Drive promenade, where firework displays are common, would wind down revelries after midnight. "This year, the mood is likely to be a bit subdued because the thought of the attacks might be weighing on people's minds," said K L Prasad, a senior police officer in Mumbai. "Extra forces have been called and there will be an increased police presence throughout Mumbai," he said. Lavish parties on yachts and midnight ferry rides will be missing in 2008, with a heightened alert in place after the Mumbai attackers made their way into the city by boat. Marine police and the coastguard will patrol the harbour and be in touch with the Navy, which cancelled its Navy Week celebrations and annual ball. Security is tight in other Indian cities as well, including capital New Delhi where police are locking down popular landmarks such as Connaught Place and the lawns of India Gate after sunset and asking bars and pubs to close by midnight. Traffic will be regulated in all the major cities and people will be frisked and stopped to check for drink driving. There would be about 60,000 police on the roads of New Delhi alone, while thousands of them will patrol the streets of Mumbai and Kolkata.

Police in fear of Left attack

The state police is concerned about Maoist activities along its border with Jharkhand as the extreme Left elements have already warned against new year revelry."It is a very sensitive problem the Maoist warnings and the fact that a high profile election is on in Jharkhand with chief minister Mr Sibu Soren contesting for the Tamada seat," said a police officer here. "Security arrangements for the election will effect the combat strength of forces at places like Bansjore where extremists had carried out a major strike on 31 December last year," he said. There is no formal warning by way of posters or letters from the Maoists, but people living in bordering villages of the two states are scared. The villages look deserted after sunset. The Luduki river bed area, a favourite picnic spot during this time of the year, is also deserted. Meanwhile, movements of cadres have been spotted in the nearby areas of the director’s

bungalow in Biramitrapur. Mr OP Patra, inspector of Biramitrapur police station admitted to have received reports on such movement and said that the police is on high alert. The Chainbasa police had taken stock of the Bansjore area prior and the Orissa police is also on high alert. However, residents of Raibaga, Hatibari, Biramitrapur are skeptical of the security arrangements. The police are keen on guarding its post and police stations but what about commoners, they quizzed. Joint patrolling and other measure are being undertaken by Orissa police, the Special Operations Group and CRPF jawans.

Economic Front:

Inflation falls to 6.61%

The rate of inflation slipped further to 6.61 per cent for the week ended December 13 from 6.84 per cent a week earlier owing to a fall in the prices of certain food articles and some manufactured goods on account of the cascading effect of fuel price cuts and the four per cent across-the-board reduction in excise duty. With the WPI-based inflation almost halving to its nine-month low from the 2008 peak of 12.91 per cent four months ago, the Reserve Bank of India will have the necessary cushion to signal yet another cut in its key policy rates as part of the second stimulus package to be announced by the government in the next few days. In a marked shift in strategy from containing inflation to stimulating growth in the wake of the slowdown caused by the global financial crisis, the Mid-Year Review 2008-09 tabled in Parliament earlier this week said: "…there is considerable scope for monetary policy easing over the next 6 to 12 months to offset the global increase in demand for money that is being transmitted to India."

Plan to boost shipping sector

The proposed National Maritime Policy seeks to make the Indian shipping sector and ports competitive in the global market through modernising the ports and providing cost effective services to customers. The Union minister of shipping, road transport and highways, Mr TR Baalu, informed the Lok Sabha during the recently concluded session of Parliament that the objective of the new maritime policy would be to "bring Indian ports at par with leading global ports"

Exports down 10%

The new year began on a depressing note for the country's trade with official estimates showing a fall of 9.9 per cent in exports for November 2008, seen as a clear consequence of dull consumer demand in the USA and other major markets in Europe and rest of the world following the financial meltdown. Exports thus registered a negative growth for the second successive month, escalating the monthly trade deficit by over $10 billion. Official figures released on the first day of 2009 showed that exports had dropped to $11.5 billion in November this fiscal, from $12.7 billion a year ago, while imports grew by 6.1 per cent to $21.5 billion. However, exports expanded by 12 per cent in rupee terms with the increase in exporters' realisations due to about 20 per cent decline in the value of the Indian currency against the dollar in the last few months. Exports contracted by 12.1 per cent in October showing a negative trend for the first time in the last five years. For the April-November period, the country's cumulative exports grew by 19.4 per cent to $119.30 billion. Growth for the first half of the fiscal was 30.9 per cent. Imports between April and November rose by 33 per cent to $203.64 billion. The trade deficit for the period has mounted to $84.34 billion from $53.19 billion. With the USA and several European countries slipping into full-blown recession, Indian exporters have run into difficult times, especially since October. Total imports during April-November 2008-09 were at $203.64 billion, against $153.10 billion in the corresponding period last fiscal. Oil imports during November were billed at $7.25 billion, 11.9 per cent more than $6.48 billion in the corresponding month in 2007. Non-oil imports during the month were up by 3.4 per cent to $14.31 billion from 13.84 billion a year ago. In rupee terms, exports in November 2008 were Rs 56,374 crore, compared to Rs 50,353 crore in November 2007. While the import bill grew by 31.8 per cent to Rs 1,05,697 crore against Rs 80,171 crore. Exporters said that manufacturing sectors such as leather, textile, gems and jewellery have been hit hard because of demand slump in the USA and Europe. Export growth is likely to remain in the negative territory for the next few months, according to the president of the Federation of Indian Export Organisations (FIEO), Mr A Sakthivel. "Exporters have a tough time ahead unless situation improves in the USA and Europe," said Mr Rakesh Mohan Joshi, professor of international marketing in the Indian Institute of Foreign Trade. The government would have to take a strategic and long-term approach to help exporters, he said.

Rs 350 crore to help exporters

The government approved Rs 350 crore for increasing the insurance cover for small and medium exporters, besides those engaged in sectors facing slowdown amid threats of defaults by overseas buyers. The Cabinet Committee on Economic Affairs (CCEA) approved allocation of Rs 350 crore to the Export Credit Guarantee Corporation of India (ECGC) which will increase the risk cover to MSME exporters from 85 per cent to 95 per cent. Ten per cent extension in risk cover for non-MSME exporters will be limited to textile (including handicraft and handloom), gems and jewellery, leather, engineering products, carpets, project goods, automobile components and chemicals. "Exporters need additional cover in the face of slowdown," Union home

minister, Mr P Chidambaram told reporters after the CCEA meeting. Banks financing MSME exporters would now continue to give funds even if losses take place in one or two transactions. The ECGC cover for the banks would go up to 85 per cent from 75 per cent. The additional risk cover would be available up to 30 June 2009, Mr Chidambaram said. The global financial crisis has begun impacting exports significantly and the export target of $200 billion for the current year is unlikely to be achieved, official sources said. "The shortfall may be between five and 10 per cent," an official said, adding the number of exporters not getting their dues from buyers in the USA and Europe would also rise. After showing a handsome growth of 30.9 per cent for the first half of the current fiscal, exports slipped into negative territory. Exports decelerated by more than 12 per cent in October. So far, more than 7,00,000 workers have been laid off in the textile industry, while 1,00,000 people have lost jobs in the gems and jewellery sector.

Geo-strategic developments:

Indian ships leave disputed area

Three Indian ships conducting an oil exploration survey in the Bay of Bengal have left the disputed area. This follows diplomatic talks with Dhaka, the Bangladesh Navy said.

Two flight tests of Nag missile successful

Two flight tests of the third-generation anti-tank Nag missiles were successfully carried out by the Army in the deserts of Rajasthan during day and night on Sunday, as part of ongoing winter trials. While the first missile, launched from the dedicated carrier Namica at 1655 hrs, homed in on the moving target at a range of 1.8 kms in nine seconds and destroyed it in a "top-attack mode," the second Nag, fired at 2200 hrs against a derelict tank, also proved to be equally lethal and smashed the target, covering a distance of 3.1 kms, according to Nag's project director S.S. Mishra. He said the entire system for both trials was handled by the Army, which is conducting the final user trials as a prelude to the induction of the day-and-night, advanced, hit-to-kill missile, said to be superior to Spike of Israel and Javelin, U.S.A., in terms of range (four km) and lethality. Two more flight tests will be conducted on Monday and another trial on December 30.

IAF fighters to watch Delhi skies

To secure the Capital from aerial attacks, the Indian Air Force will maintain a three fighter detachment at the Hindon Air Base in Ghaziabad, near here, till the Republic Day parade. "We are basing our fighter aircraft at Hindon and will continue to have the detachment there till the Republic Day parade, as there are intelligence inputs of a 9/11-type aerial terror attacks," IAF officials told. The detachment will comprise MiG-21 Bisons from the Ambala Air Base and MiG-29s from the Adampur and Halwara bases in Punjab "We are not expecting any attack from Pakistani fighter aircraft, but from a small or medium-sized aircraft operated by terrorists, and to tackle the threat from such flying objects, the MiG-21 is more than enough," the officials said. A week before the Republic Day parade, MiG-29s would return to the base for keeping the capital's skies secure.

India, Pak exchange lists of nuclear installations

India and Pakistan on Thursday exchanged lists of their nuclear installations under an agreement aimed at preventing attacks on each other's atomic facilities in spite of prevailing tension in the aftermath of the Mumbai Terror attacks. The Foreign Office handed over a list of Pakistan's nuclear installations and facilities to an official of the Indian High Commission at 11 am here. In New Delhi, the Indian side handed over its list to an official of the Pakistan High Commission at the External Affairs Ministry. The two sides also exchanged fresh lists of prisoners being held in each other's jails, officials said. The exchange of lists of atomic facilities is done on January 1 every year under the "Agreement between India and Pakistan on Prohibition of Attack against Nuclear Installations and Facilities", which was signed in 1988 and ratified in 1991. Officials from both sides had earlier said that the tension sparked by the Mumbai terror attacks would not affect the exchange of the nuclear lists, which is done as routine every year. According to the agreement signed on December 31, 1988, Pakistan and India have to inform each other on January 1 every year about the nuclear installations and facilities to be covered by the pact.

No threat to INS Viraat: Chidambaram

India dismissed reports of an aerial Terror threat to INS Viraat, its solitary aircraft carrier currently docked in Kochi for a midlife refit. "As we speak today, there is no such threat to INS Viraat," P Chidambaram said at his maiden press conference as Home Minister while replying to queries on a reported intelligence input from the United States. Chidambaram said such inputs were received from time to time, but it was the quality and assessment of such inputs, which was important. "In our assessment, there is no real threat to INS Viraat. If there is a threat, certainly navy and everybody will be alerted in this regard," he said. Meanwhile, Defence Ministry officials here said the navy usually remained alert when INS Viraat was docked, as warships were most vulnerable to attacks while at port. INS Viraat, India's largest warship and the only aircraft carrier, has already completed 22 years of service with the Indian Navy this May. The 28,000-tonne Centaur Class ship, which was bought from the British Navy in 1987, is currently under a refit programme to extend its service life till at least 2012, by which time India hopes to have INS Vikramaditya, bought from Russia in 2004, inducted and in service. India is at present constructing an indigenous aircraft carrier in Kochi and it is expected to enter the naval service before 2015.

India, China to hold new round of boundary talks: Pranab

India and China will hold a new round of negotiations on the vexed border issue which is an area of 'differences and divergences' despite bilateral relations having witnessed 'visible' improvement, External Affairs Minister Pranab Mukherjee said on Tuesday. "Of course there are areas of concern...not concern, but areas of differences and divergences with regard to the border dispute," Mukherjee said when asked about the future of Sino-Indian relationship. He said both countries have an established mechanism at the level of special representatives to deal with the border issue at the political level. "They have completed 12 rounds of talks. More rounds of talks are to take place," he added without specifying any exact timeframe for the talks. The last round of talks was held in Beijing between National Security Advisor M K Narayanan and Chinese State Counselor Dai Bingguo in September. Unable to find a negotiated settlement through the diplomatic channels, India and China appointed Special Representatives in June 2003 to address the border issue from a political perspective of the overall bilateral relations. India says China is illegally occupying 43,180 sq kms of Jammu and Kashmir including 5,180 sq km illegally ceded to Beijing by Islamabad under the Sino-Pakistan boundary agreement in 1963. On the other hand, China accuses India of possessing some 90,000 sq km of Chinese territory, mostly in Arunachal Pradesh. Mukherjee said India has reiterated the 'one China' policy on Taiwan and has also helped in the smooth passage of the (Beijing) Olympic torch peacefully. The External Affairs Minister said both the countries have been in touch with each other after the Mumbai Terror attacks, adding that he had a telephonic conversation with the Chinese Foreign Minister Yang Jiechi. "Therefore on the whole improvement, in relationship and in different aspects this improvement is visible," he said. Reviewing high-level bilateral exchanges during the year, Mukherjee said Prime Minister Manmohan Singh had visited China twice in 2008-- once bilaterally and the second time to attend the ASEM summit.

NASA's Chandrayaan payload finds iron-bearing minerals on moon

An experiment onboard India's maiden moon mission ~ Chandrayaan-I ~ has found iron-bearing minerals in abundance on the lunar surface, initial reports suggest.Moon Mineralogy Mapper (M3) instrument of National Aeronautics and Space Administration (NASA) has beamed back images of the Orientale Basin on the western limb of the moon.An analysis of the images indicates abundance of iron-bearing minerals such as pyroxene, said Dr Carle Pieters, a senior scientist of US-based Brown University and principal investigator for the M3 experiment. "The image is from a single wavelength of light that contains thermal emission, providing a new level of detail on the form and structure of the region's surface," he said.The images were captured by the M3 during the commissioning phase of Chandrayaan-1, launched on 22 October, as the spacecraft orbited the moon at an altitude of 100 kms. "The M3 provides us with compositional information across the moon that we have never had access to before," Dr Pieters said, adding that the ability to now identify and map the composition of the surface in geologic context provided a new level of detail needed to explore and understand the moon.

GM India cuts output by 10%

Taking advantage of extended annual plant maintenance shut down, General Motors India is cutting down production by up to 10 per cent from its two plants at Halol in Gujarat and at Talegaon in Maharashtra ~ as the auto industry reels under a demand slump. "We usually have annual plant maintenance shut down for 7-10 days. This time we have extended it up to 15 days and it will result in a reduction in production by up to 10 per cent," General Motors India vice-president Mr P Balendran said. The two plants had been shut down from 16 December till the end of this year, he added. Mr Balendran said the company, which had set a target of producing 85,000 units from the Halol plant, now had scaled down it to 70,000 units. The plant on a two-shift basis manufactures about 200 cars a day. The Talegaon plant, which went on stream earlier this year, works on a single shift basis and produces 200 cars a day. It has a capacity to produce 1.4 lakh units annually. "The extended maintenance shut down will result in loss of only nine working days as we work on a five-day week basis," he said.

Kashmir:

National Conference set to form government

The National Conference on Sunday emerged the single largest party as the results of the just-concluded elections in Jammu and Kashmir threw up a hung Assembly. Indications are that the party, which bagged 28 seats, will form a coalition government with the support of the Congress, which has 17 seats. Forty-four seats is the majority mark in the 87-strong House. While the People's Democratic Party (21 seats) and the Bharatiya Janata Party (11) improved their previous tallies, the Congress won three fewer seats than last time. The National Panthers Party won three seats and the CPI (M), the People's Democratic Front and the Democratic Party (Nationalist) one each. Independents won in four constituencies. The Awami National Conference, led by the former Chief Minister, G.M. Shah, did not win a single seat. In Jammu, the BJP sprang a surprise by improving its tally in the 2002 Assembly election from one to 11. Several party stalwarts, including the former Union Minister, Chaman Lal Gupta and Ashok Khajuria, won. Nirmal Singh, a senior leader, lost, however. The former Deputy Chief Minister, Mangat Ram Sharma of the Congress, also lost, in Jammu West. All the high profile contestants, including the three former Chief Ministers, Farooq Abdullah, Mufti Mohammad Sayeed, and Ghulam Nabi Azad, besides the presidents of the NC and the PDP, Omar Abdullah and Mehbooba Mufti, emerged victorious. Mr. Khajuria, BJP State president, won by a comfortable margin. Dr. Farooq Abdullah won both the Sonwar and Hazratbal seats in Srinagar, as his party won all the eight seats from the capital city. Mr. Omar Abdullah, who lost to the PDP's Qazi Afzal from Ganderbal last time, wrested the seat that his grandfather and father had represented for many decades. Mr. Omar secured 16,479 votes while Mr. Afzal got 8,304 votes and Ashfaq Jabbar of the Congress secured 8,034 votes. The PDP improved its tally in the South Kashmir stronghold and won 12 out of 16 seats in four districts, wresting Anantnag and Tral from the NC and Wachi from the CPI(M),

though it lost Noorabad to the NC. Mr. Sayeed won from the Anantnag constituency. The former Deputy Chief Minister in the coalition government, Muzaffar Hussain Baig of the PDP, won from Baramulla for the second time. CPI (M) State secretary M.Y. Tarigami won for the third time in a row from Kulgam, where most of the Jamat-e-Islami cadres had worked against him. The former Finance Minister and National Conference president, Abdur Rahim Rather, won from the Chrar-e-Sharief constituency, securing 24,457 votes. He defeated his nearest rival, Ghulam Nabi Lone (Hanjoora) of the PDP, who secured 18,191 votes. However, NC stalwart Mohammad Shafi Uri lost for the second time to Congress nominee Tak Mohiuddin from Uri. Congress leaders Peerzad Muhammad Sayeed and Ghulam Ahmad Mir won from their constituencies of Kokernag and Dooru. Hakeem Muhammad Yaseen of the People's Democratic Front won from Khan Sahib, defeating Saifuddin Bhat of the PDP. The former PDP Ministers, Abdul Aziz Zargar and Mohammad Dillawar Mir, lost from Noorabad and Rafiabad.

J&K verdict presents opportunity and some dangers

If the huge increase in voter turnout in the Assembly elections in Jammu and Kashmir is being seen as more decisive a 'verdict' than the specific apportioning of seats among the contending parties, this is because the electorate chose not to pay heed to the separatist call for a poll boycott. But a setback for the separatists need not automatically mean the 'Kashmir issue' or 'masla-e-Kashmir' has been robbed of its salience. Indeed, if the separatist leadership is still in denial some more than others about the turnout, those in charge of Kashmir policy in New Delhi would be committing a gross error in assuming they can go back to business as usual. "Yes, we've had a setback," Sajjad Lone, a moderate in the Hurriyat camp, acknowledged. The movement made a mistake in not delinking the demand for 'azadi' from people's day-to-day issues, he told *The Hindu* in an interview on Saturday. "Our problem is that we had stigmatised elections. Had we not done so, nobody would be accusing us of having failed to read what was on the minds of the people." Other separatist leaders are not so introspective. Syed Ali Shah Geelani says the boycott call made by the Hurriyat was not wrong. And he insists, contrary to media reports, that the turnout figures were artificially inflated by bogus voting and "invisible pressure" by the security forces. Mr. Geelani's claim that the Hurriyat's boycott strategy would have succeeded if this pressure had not been there is ridiculed by independent observers. "The Jamaat-e-Islami is in complete denial," said Tahir Mohiudin, editor of the weekly *Chattan*, referring to the organisation to which the hardline Hurriyat leader belongs. they are not willing to accept that people actually voted." For rural residents, who one's MLA is really matters because often he or she is the most important conduit for ensuring that civic amenities and development works come to one's area. In towns and cities like Srinagar this is not the case, which explains, at least in part, why secessionist sentiments do not get leavened or tempered by such concerns at election time and the majority choose to stay away from the polls. According to Mr. Mohiudin, the single most important factor behind the increase in turnout this year was the near absence of militant violence. Another factor was the huge number of candidates taking part. In some constituencies, the number of contestants was as high as 27, including several that had the backing of their own villages. This created a vibrant atmosphere, with rallies and door-to-door campaigning increasing voter interest. But none of this would have been possible without the decline in militant violence, he said. Mr. Geelani alleged that some of the huge increase in the number of candidates was engineered by the

"agencies." Though he offered no proof, it does seem as if the "soft power" of the Indian political establishment did play a role. Parties like the Forward Bloc, Samata and Lok Janshakti, which has never forayed into the valley, fielded candidates with reasonably well-funded campaigns. But even if this factor helped with the turnout, it is a measure of the changed situation on the ground that parties looking for candidates faced an embarrassment of choice this time around. In the past, potential contestants were few and far between given the risks involved in campaigning. Security officials acknowledge the fact that militant organisations like the Hizb-ul-Mujahideen (HM) and Lashkar-e-Taiba made no attempt to disrupt the elections this time, unlike in 1996 and even 2002. But they say the reason for this was a certain complacency in the separatist political camp following the massive pro-azadi protests which convulsed the valley over the summer. "I think [they] assumed people were not going to vote and that there was no point in getting the militants involved," said a security official who asked not to be identified. And by the time they realised people were voting, it was too late to do anything about it, he said, adding that the security forces were vigilant and had the upper hand. Mr. Mohiudin disputed the suggestion that militants were not in a position to disrupt the elections if they really wanted to. "The Director General of Police said recently that there are still 800 militants active in Kashmir. Given the large number of candidates, even 50 militants would have been enough to disrupt things." The Kashmiri street believes the absence of violence was the result of a backdoor agreement between India and Pakistan but Mr. Mohiudin put it down to the realisation by militants, especially the HM, whose cadre is largely Kashmiri, that the international climate had turned against the use of violence and that there was little sense in using force to keep the turnout low when the international legitimacy of the elections would likely remain unaffected. For separatist leaders like Mr. Lone with the semblance of a popular base in north Kashmir, these elections are forcing a rethink of strategy. "The grammar of our movement has remained unchanged since 1989," he said. "How long can we run a movement with the same slogans and tactics." Some in the separatist camp are now toying with the idea of fielding proxy candidates in the Lok Sabha elections next year with a view to defeating mainstream parties like the National Conference and People's Democratic Party. This strategy is ridiculed by hardliners as immature and by independent observers as impractical. But it is clear that some churning is likely to happen in the Hurriyat conference over this issue. In convincing ordinary people in the valley that there was value in casting a vote, the Indian establishment has recovered some of the ground it lost over the past two decades. Though this verdict would have been even more robust if it had been accomplished without resort to questionable steps like placing separatist leaders under house arrest during the campaign, the reaction of Hurriyat leaders like Mr. Lone and Mirwaiz Omar Farooq makes it clear the APHC was genuinely out of sync with popular sentiment. And yet, the alienation and the equally toxic mistrust between the Valley and Jammu remain as major problems that will have to be resolved through careful handling. The elections of 2008 may well be a watershed but the turnout witnessed is still less than what was seen in 1987, when more than 70 per cent of the electorate came out to vote; 1987 was a watershed election because that is where the downward slide in the state all began. The results were rigged and played a major role in fuelling the insurgency which followed. Security officials now are more than willing to concede that India scored a massive own goal that year. Had the pro-secessionist Muslim United Front been allowed to win the seats they were winning, they would, by most assessments, have got around 13-14 seats. "I don't think that would have been the end of the world," one official said on condition of anonymity. In their approach to the elections, it is apparent that people in the valley made a distinction between the 'masla-e-kashmir,' or the problem of Kashmir, and 'kashmiriyon ke masail,' or the problems of Kashmiris. The latter need immediate redressal through the political process. It is possible the former could also be addressed through the normal political process but only after people regain their confidence in the robustness and democratic nature of the system, including its ability to exercise control over the security forces. The approach Mr. Mohiudin favours is one where the Centre continues to engage with the separatists, now that the latter have been chastened to a

certain extent, in a process that fully involves the mainstream parties of the state as well. The elections have made the resolution of the 'Kashmir issue' a little more easy, but it would be a mistake to assume the issue itself has now been voted away.

A vote for democracy: PM

Prime Minister Manmohan Singh and Congress president Sonia Gandhi on Sunday hailed the Jammu and Kashmir election results as a "vote for democracy." In an apparent reference to Pakistan, Ms. Gandhi said it was a "lesson to be learnt by our neighbour." Both Dr. Singh and Ms Gandhi said it was a "secondary issue" as to who emerged victorious in the State. What mattered was that the people have expressed faith in the democratic system. "The large turnout of voters is a vote for democracy. It is a vote for national integration. As far as who wins or who loses is concerned, it is a secondary issue," Dr. Singh told reporters on the sidelines of a function to mark the 123rd foundation day of the Congress. Bharatiya Janata Party president Rajnath Singh described the results as "very encouraging" for the party. He said the BJP would not have any tie-up with any other political formulation, but would serve as an effective Opposition. Communist Party of India national secretary and MP D. Raja said it was a "victory for democracy" in Jammu and Kashmir, where despite boycott call given by separatists, people came out in large numbers to cast their vote. "Now it is time for the political parties to respond," he added.

PDP open to alliance: Mehbooba

The People's Democratic Party said on Sunday the over 60 per cent voter turnout should not be considered the "end of the road" as Jammu and Kashmir was different from other States and the people had "different aspirations and ambitions." PDP president Mehbooba Mufti told reporters that her party was open to an alliance with any party that agreed to have a common minimum programme (CMP) chalked out, as in 2002. Otherwise, it would prefer to sit in the Opposition. Hailing the 2002 CMP that it had with the Congress, she said: "In 2002, we sat together and we had a CMP, where the healing touch policy became the lead. It was even appreciated by Atal Bihari Vajpayee. We brought about a turn in the whole situation." Asked if the Congress would risk a tie-up with the PDP because of its "soft separatist tag," she said, "I don't know what they mean by soft separatist approach. If opening of the Muzaffarabad road and asking for trade on the road is soft separatism, I think the Prime Minister is very much party to that." Ms. Mehbooba said what was important for her party was "how to deal with the situation in the State, how to address it and what is going to be our policies and programme. Whether the other party agrees to it is going to be the foremost thing." Asked if she would get on the bus with the Congress, she said, "They are not in touch with us. We have not decided anything." Though she directly refused to talk about the Congress as the PDP's ally for installing a new government, she said that when the National Conference and the Congress shared power in the 80's, "they had to rig the elections in '87 and that is why so many people picked up guns and they got killed." She quickly added, "We shared power with the Congress and our coalition was seen [even at the] international level as one of the best coalitions. It brought a total change in the situation." Asked about the Congress's charge that the PDP betrayed it during the Amarnath land row, Ms. Mehbooba said, "We are a people's party. What we did was that we responded to the aspirations of the people at that point of time. Three people had already been killed and we could not be just bystanders and hence we sacrificed power to see that people get what they wanted at that point of time." A report from Jammu said that for the first time, the Assembly will have no Kashmiri Pandit member as all 47 candidates, including the former Minister, Raman Mattoo, lost the elections. "It is for the first time in the history of Jammu and Kashmir that not even a single KP candidate could occupy a

berth in the Assembly," All-Party Migrant Coordination committee (APMCC) chairman Vinood Pandit said.

Reduced militancy led to higher voter turnout: Chief Election Commissioner

Less fear factor due to reduced militancy is the cause for the higher voter turnout in the Jammu and Kashmir Assembly polls, according to Chief Election Commissioner N. Gopalaswami. Mr. Gopalaswami told: "In the last one year, there has been a reduction in militancy-related incidents and hence the fear factor was not there. The real success is wherever there was low percentage in the last elections, there was higher turnout this time and it showed that people wanted to participate in the democratic process in a big way." Asked whether the credit for this should go to the Commission, he said, "It is a victory for democracy. For us Jammu and Kashmir is another State. There is no reason to distinguish J&K elections as something different from five other States that went to the polls recently. By repeatedly talking about J&K polls as something different is not correct." Asked why J&K polls were held in seven-phases, he said, "we could have reduced it to four or five, but we had to take into consideration the availability of security forces since Assembly elections were also being held in five other States. In the higher reaches we conducted the polls in November considering the weather factor and polls were spread over to December in other areas."

Options open in J&K: Congress

With the results of the Jammu and Kashmir elections throwing up a split verdict, the Congress party said on Sunday the option for forming an alliance with the National Conference was open, sources said. Senior Congress leader Bashir Ahmad Magray said the State unit of party would apprise the central leadership about its views on the issue. "But the ultimate decision has to be taken by Congress president Sonia Gandhi and others," he said. Mr. Magray said the Congress always worked for the development and prosperity of the State and would continue to do so. "The stability of the State is our priority," he added. The sources said Union Minister and PCC chief Saifuddin Soz and the former Chief Minister, Ghulam Nabi Azad, would rush to Delhi on Monday for consultations with the central leadership. Mr. Azad told reporters in Jammu that the Congress held the key to the formation of a government. All the three key players the NC, the PDP and the Congress have made it clear that they would not join the hands with BJP.

Azad heading for Delhi?

Omar Abdullah, set to be the Jammu and Kashmir chief minister, expects to have his father Farooq back in the Rajya Sabha where he has a role to play while helping him rebuild the National Conference in the state. Besides the senior Abdullah, questions are being asked about the possible roles for other senior leaders in the state, including Congress' Ghulam Nabi Azad and Saifuddin Soz. As a former CM and a veteran leader Azad will not be part of the Abdullah team. Many expect him to return to the Centre either as a minister or to help in the central organization.

In J&K, the rift runs deep

It is a truism that all three regions of Jammu and Kashmir Jammu, Kashmir and Ladakh feel 'alienated'. While Jammu and Ladakh feel alienated from Kashmir, Kashmir feels alienated from the rest of India. Rightly or wrongly, as PDP president Mehbooba Mufti articulated most recently, Kashmir considers itself 'special' because of its location, its demographic composition, the circumstances in which it joined the Indian union. "Kashmir is not like any other Indian state," Mehbooba clearly stated. Kashmir's alienation prompts its separatists to campaign for azadi (freedom) from India. "It is often said that Kashmir's problems stem from neglect and lack of development," said Noor-ul-Qamrain, editor of the local daily Muslim Kashmir. "That is simply not correct. Kashmir's alienation is because the Kashmir issue remains unresolved." The highhandedness of the Centre while dealing with Kashmir has aggravated the feeling. "The Centre dictates Kashmir related policies without taking local sentiment into account," said Amitabh Mattoo, vice-chancellor of Jammu University and Kashmir expert. Jammu's alienation draws on the widespread feeling that, precisely because the Kashmir valley has been conflict ridden, it has received far more attention and funds than the rest of the state. Jammu has been penalized for good behaviour! "Jammu feels alienated because the government pampers Kashmir," said Dhian Singh, Jammu university professor. "Those who raise secessionist slogans are mollycoddled, while those who are patriotic are made to suffer." Jammu residents note, that despite their region having a larger population than Kashmir, it sends only 37 MLAs to the assembly, while Kashmir sends 46! This alienation, concealed earlier, manifested itself starkly during the Amarnath land row in July. Ladakhis have been agitating for union territory status since 1989, but are nowhere close to getting it. "We are the nowhere people in this state," bemoaned Sonam Dorjee, a student from Leh.

Eager to put governance back on track: Omar

Chief Minister-designate of Jammu and Kashmir Omar Abdullah on Tuesday emphasized that the new government was eager to adopt a two-pronged approach of putting governance back on rails and heal the wounds following the Amarnath shrine board turbulence that hit the State this summer. Aware that the large turnout in the election meant that the people had spoken for development and a government that seeks to address basic issues like water, power and roads, Mr. Abdullah said he did realise that the youth in Jammu and Kashmir would like to have the same facilities and opportunities as people in other parts of the country. Stating that he did not believe in political vindictiveness, the NC president said he would prefer to work with the same set of bureaucrats starting from the top. Mr. Abdullah also promised to check corruption. With the support of the strong leadership of the Congress and the NC, he felt that it would be easier to crack the whip. As part of it, he plans to usher in greater transparency in administration, introduce e-governance, strengthen Right to Information on the lines of one at the Centre and also suggest to the coalition to set up a judicial committee to go into the issue of what development took place in the State and see how best to redress grievances of regional imbalance. He also promised to address the issue of Kashmiri youth jailed in the State and elsewhere. The Chief Minister-designate said while the separatists were down, it would be wrong to assume they were out. At the same time, he said, the separatist leaders should introspect. He said the Centre should try to hold talks with them but in the same breath said for that to happen the separatist leaders should respond.

Will be a constructive Opposition: Mehbooba

People's Democratic Party (PDP) president Mehbooba Mufti on Tuesday welcomed the Congress-National Conference (NC) alliance for government formation. She said her party would play the role of a constructive Opposition but would not compromise on its agenda. Wishing the NC president and chief Minister-designate Omar Abdullah the best, she said: "I will work with the government for the peace and stability in the State. It is a welcome step that a democratically elected government is taking over the State and people will heave a sigh of relief after months-long uncertainty." Ms. Mufti made it clear that there would be no compromise on the political agenda of her party the resolution of the Kashmir issue through the measures taken by the former Chief Minister, Mufti Mohammed Sayeed. "Power-sharing is not important for us but it is the agenda which matters." The NC's agenda somehow suited the Congress as the PDP's "healing touch" policy did not suit them. The PDP leader pointed out that her party advocated self-rule, dual currency free trade across the Line of Control and it might be conflicting with the Congress' national policy. The PDP was more than happy with its performance in the elections "as we have improved our tally by five seats and our vote share has increased to a large extent."

Pakistan conundrum hangs over Kashmir poll success

If the principal reason for a high voter turnout during the recent Assembly elections in Jammu and Kashmir was the absence of militant violence, to what extent was Pakistan responsible for ensuring that extremist groups operating from its territory did not disrupt the polls? The question is important because this "non-interference" – for which no less a person than Farooq Abdullah, leader of the victorious National Conference, publicly thanked Islamabad on Sunday – seems to be at variance with New Delhi's understanding of what Pakistani policy vis-À-vis India is in the wake of last month's dramatic terrorist attack on Mumbai. Though the Indian government has been careful to blame only "elements from Pakistan" for the Mumbai incidents, senior officials have spoken freely off the record about their belief that the November 26-28 terrorist operation could not have been launched without the knowledge of the Inter-Services Intelligence and the top military leadership in Rawalpindi. To be sure, Indian officials do not believe the ISI's motives were Kashmir-centric. Instead, their view is that the Pakistani military establishment wanted to trigger a military and diplomatic crisis that would allow it to honourably disengage from the American-led war on the Taliban and burnish its fraying credentials as the defenders of national honour. And, in the long term, many Indian officials believe, the Pakistani army would like to unsettle the prospects for peace with India so as to fend off internal political demands for a reorientation of the military towards a more 'normal' relationship with civilian authority. But if these motives propelled the ISI to either mount or at best turn a blind eye to the Mumbai plot, why did the same agency – which essentially manages Rawalpindi's links with militant groups active in Jammu and Kashmir – not seek to disrupt the Assembly elections? Dr. Abdullah summed up the prevailing assessment here when he told reporters, "I think Pakistan did put pressure on [the militants] that they should not do anything to affect the elections." What makes this policy of "non-interference" even more counter-intuitive is that it came at a time when U.S. President-elect Barack Obama and his South Asian advisers have given ample indication of their desire to play a "mediatory" role between Pakistan and India on the Kashmir issue. A low turnout, which is what a spurt in militant violence would have accomplished, might well have placed the Indian government on the back foot. It would have also allowed the separatist political leadership in the Valley to claim a victory and more credibly establish their continuing relevance. Why would the ISI, which was prepared to authorise so audacious a terrorist outrage as Mumbai as a means of reminding the world that South Asia remains "a nuclear flashpoint," pass up the opportunity to heighten international interest in the "core issue" bedevilling bilateral relations

with India? One answer may be that militant groups and their handlers in Pakistan suspected the international community would not have been particularly bothered by a low voter turnout. If the world's tolerance for militant violence has fallen dramatically post 9/11, recent shifts in the global balance of power have also made the world more understanding of India's position in Kashmir. The killing of more than 50 unarmed Kashmiri protesters by security forces during the land transfer agitation in the Valley this summer, for example, generated little or no criticism around the world. Under the circumstances, then, using militancy to disrupt the polling might not have yielded much of a payoff. In this context, it is noteworthy that no attempt was made by either the terrorists who attacked Mumbai or the authors of the e-mail claiming responsibility (the so-called 'Mujahideen Hyderabad Dakkan') to highlight the Kashmir issue. It is almost as if the planners had realised the futility of trying to secure a tactical advantage within the narrow battleground of Kashmir and had decided to move towards a strategy of broadening the terrain of potential conflict. The world may well have lost interest in the "Kashmir issue" as far as the grievances of a section of its people are concerned but it is still alive to the danger of a war between India and Pakistan, whatever the trigger. And the Mumbai attacks were tailor-made to create the impression of imminent war. Thanks to a deft disinformation campaign by the Pakistani military, some less-than-careful and even loose remarks by Ministers and officials on the Indian side and a media that has discussed war scenarios ad nauseam for the past three weeks, the world is getting increasingly panicky about the danger of war. No amount of militant violence in Kashmir during the elections could have produced the same result. Many observers in Kashmir believe, however, that the conundrum has another answer. That the absence of violence was the result of Pakistan's active cooperation with an Indian request made several months earlier, and that the Mumbai attacks were orchestrated by Pakistan-based terrorists without the involvement of the ISI. According to this narrative, the motive of Mumbai was to disrupt an emerging back-channel understanding between the two countries and increase tension to the point where some of the military pressure being brought to bear on the Taliban and al-Qaeda on the Pakistan-Afghanistan border might be relieved. Whatever the truth, the fact is that Pakistan's decision to lay off the Assembly elections for its own reasons has been an unexpected bonus for the Indian government. It has created a more favourable terrain for New Delhi to pursue a solution to the Kashmir problem, both in its domestic manifestation and in terms of its bilateral context. Provided, of course, the two countries are able successfully to ride out the present crisis by acting decisively against the terrorists responsible for Mumbai.

For secessionists, humiliation follows hubris

"Elections are ultimately projected as a sort of referendum by India, and that is why we have called for a complete boycott of such a process," said the chairman of the All Parties Hurriyat Conference, Mirwaiz Umar Farooq, on November 10. Speaking to journalists just a week before the seven-phase elections to the Jammu and Kashmir Assembly began, the Mirwaiz made "a last call to the so-called mainstream politicians to join the separatist movement and pull out." If they still chose to contest, "the people shall start a social boycott campaign against them." Humiliation, as any student of tragic literature could have predicted, has followed hubris. Just seven days after the Mirwaiz held out the threat, 74 per cent of the voters in Gurez, 57 per cent in Bandipora and 47 per cent in Sonawari defied his call, and lined up outside polling booths. Kashmir's Islamist-led secessionists have been further disgraced since, for the turnout in the Kashmir Valley has averaged over 50 per cent in each successive phase. On November 21, Mirwaiz Farooq insisted that "we are sure there will be 100 per cent poll boycott." Tehreek-e-Hurriyat chief Syed Ali Shah Geelani, for his part, let it be known on November 22 that the people would "boycott polls and not let the fellow Kashmiris down." But a day later, 59 per cent of the voters in Kangan and 51 per cent in Ganderbal braved the cold to exercise their franchise.

In fairness to the secessionist leadership, most experts misread the configuration of Kashmir's political life. In an October 31 article, commentator Hassan Zainagiri reported in *Greater Kashmir* that Kashmir's "people are quite jubilantly supporting the boycott schedule of the Coordination Committee." Ahmad Rashid of *Hindustan Times* asserted that "in Kashmir's atmosphere of sullen anger, the coming elections are widely regarded as a symbol of Indian rule." Eminent journalist and author Prem Shankar Jha prophesied that "the government will be lucky if they get more than 10 per cent of people to come out and vote". Errors of analysis underpinned this misreading of the course and contours of mass politics in Kashmir. Leaders of all major secessionist formations as well as several commentators read the violence that followed the Amarnath Shrine Board protest as a generalised uprising against India's presence. In fact, the election turnout has made clear that the protests revolved around communal anxieties which had little to do with the secessionist cause. Kashmir's civil society has long been anxious about its future in a Hindu-majority state. On a visit to New Delhi soon after Independence, Sheikh Mohammad Abdullah candidly underlined the relationship between politics in Kashmir and Indian communalism. "There isn't a single Muslim in Kapurthala, Alwar or Bharatpur," Abdullah said, noting "some of these had been Muslim-majority States." Kashmiri Muslims, he concluded, "are afraid that the same fate lies ahead for them as well." Fears like these fuelled by the discrimination the region's middle class encounters outside the State acquired legitimacy after Hindu communalists in Jammu announced an economic blockade. Despite its marginal impact, many saw the blockade as an existential threat; a precursor to a large-scale communal onslaught that would deprive Kashmir's people of their land. In June, Mr. Geelani charged the Indian state with working to "alter the demographic character of our State." "I caution my nation," he concluded, "that if we do not wake up now, India and its stooges will succeed and we will lose our land forever." Until state action ended the blockade, the Islamist leader's charges appeared legitimate. Secessionists also underestimated the influence of mainstream, pro-India parties. Outside of the principal urban bases of the secessionist movement Srinagar, Baramulla and Sopore the Shrine Board was not secessionist-spearheaded. A 5,000-strong June 30 gathering at Sheeri, for example, was led by local National Conference activist Abdul Qayoom and People's Democratic Party dissident Ghulam Mohiuddin. Local Congress leaders burned effigies of PDP patron and former Chief Minister Mufti Mohammad Sayeed at Wandi-Viligam on June 30, while NC activists were the principal leaders of the protests in Paibugh. Part of the reason for the incomprehension of the election turnout pattern is a discourse that a priori casts Kashmiri secessionism as the authentic sentiment of the people of the State. The high turnout in the 1996 and 2002 elections was widely attributed to coercive pressure from Indian troops, rather than the political influence of the candidates. Without dispute, the Army did ask rural residents to vote in both 1996 and 2002 action which must be read in the context of jihadi groups threatening them with death if they chose to do so, and killing dozens of political activists to demonstrate their seriousness of purpose. However, a careful study of voting patterns demonstrates that there was no demonstrable relationship between this persuasive activity and turnout. Zero voting took place in some areas where the troops were reported to have pushed voters; some areas which saw no coercion at all, conversely, reported a high turnout. Specific social classes Kashmir secessionists, it is rarely understood, represent specific social classes not a generalised, free-floating "sentiment." Most major secessionist leaders were members of the Muslim United Front, a political coalition that represented an alliance between the urban petty bourgeoisie and the rural orchard-owning elite. Both classes saw their pre-independence influence decline through years of the NC rule a rule founded on an alliance between the small peasant, on the one hand, and a new elite of contractors and capitalists, on the other. Islam, for the classes which backed the MUF, was an instrument to legitimise the protest of a threatened social order against a modernity which threatened to obliterate it. In Srinagar and other urban centres, this coalition succeeded in securing the support of disenfranchised youth the children of the city's traditional bourgeoisie, who are witnessing the inevitable death of the artisanal and trading occupations of their parents

but have neither the skills nor resources to compete in the new world emerging around them. Kashmir's Islamists-led secessionist movement became a medium for their rage at being denied entry through the gates of the earthly paradise before them a phenomenon which formed the most visible part of the street protests during the Shrine Board movement. However, the notion that the street protests reflected pan-Kashmiri sentiment was a fiction.

Emerging trends Where might events go from here? Journalists observing voting patterns in southern Kashmir have noted that large-scale participation by the Jamaat-e-Islami cadre drove high turnout in the secessionist strongholds of Shopian and Tral. Last week, key Jamaat-e-Islami figures Mohammad Amin Naqashbani, Sonaullah Kojar, Abdul Rashid Chehlan and Masood Sheikh were out on the streets of Kulgam, persuading voters to defeat Communist Party of India (Marxist) legislator Mohammad Yusuf Tarigami. For anyone not ideologically committed to the idea of Kashmiri independence, the writing has long been on the wall. Back in February, the amir of the Jammu and Kashmir Jamaat-e-Islami, Ghulam Hassan Sheikh the chief of the political formation which gave birth to the Hizb-ul-Mujahideen announced that he would not participate in a secessionist campaign seeking a boycott of the Assembly elections. "I am at variance," he said, "with leaders and organisations which over-emphasise the election boycott campaign, which may sometimes prove counterproductive." Elections," he said, "do not have any impact on the status of the Kashmir issue. If people cast their votes in the elections, it does not mean they have given up their freedom struggle or accepted India's domination of Jammu and Kashmir." Others in the Jamaat pointed to a 2004 resolution of its Majlis-e-Shoora, or central consultative council, committing the Islamist group to a "democratic and constitutional struggle."

Gen-X pins hopes on CM-designate Omar

With Omar Abdullah set to take over as the new chief minister, youths of Jammu and Kashmir are pinning their hopes on the young leader to address issues like under-development and unemployment, which they feel are the "root causes of militancy". "We have high hopes from Omar as he is one of us and thinks like youths. His priorities should be to check unemployment, develop infrastructure and rid J and K of militancy and uncertainty," Vimal Choudary, an MBA student at Jammu University, said. Noting that unemployed youths were being misused by militant outfits in the state, Choudary said, "Omar should focus on channelising youths towards jobs by focusing on building information parks, industries, bio-tech and pharma units and bring investments to J-K." Echoing similar sentiments, a few other students said they expect Omar to develop the state's twin capitals Jammu and Srinagar - on the lines of Bangalore, Hyderabad and Pune. Omar, who has the experience as Union minister, will have to formulate his programme and policies to give a fillip to tourism, handicrafts, horticulture besides industry and showcase them on the international arena, they said. "First thing, he should do is to end the regional and rural-urban divide in the state," a teacher Sanjay Pandit said. A Wani, a dental surgeon, felt that Omar should be allowed to run the Government without any interference from the political veterans. "We feel he would do the best and change the face of J and K as a developed state," he said. The educated youths felt that the leader has the energy to resolve the problems related

to water supply, power and roads. "For the first time in the history we will have a CM of our age and our thinking. Before Omar, all the CMs were above 45 years," said 37-year-old Puneet Kumar, an officer who aspires to work with the new CM. Apart from youngsters, elders too have high hopes from the incoming chief minister. I hope that the state would now move on the path of development. He is raw and pure. Corruption and nepotism that has eaten old generation will not affect him and he will focus on deliverance," said a former army office, Bhawani Singh. Other veterans feel that as the CM, Omar should address the basic needs of the people, provide employment avenues, industrialisation, weed out corruption and eradicate terrorism to bring permanent peace in the state.

'Lesson for Pakistan'

External affairs Minister Mr Pranab Mukherjee asked Pakistan to learn the "correct lessons" from the Jammu and Kashmir elections. Asked what was the lesson for Islamabad from the successful conduct of elections in the state, Mr Mukherjee said: "I hope Pakistan will draw the correct lessons... They should understand that the "so-called demand for azadi and the encouragement to indigenous terrorism is not the way."

Social front:

Crime against women on rise in Delhi: NCW

Despite public out cry over the lack of safety for women in the city, the national capital continues to be vulnerable for the fairer sex with a reported increase in number of cases of crime against them. According to the latest statistics by National Commission for Women (NCW), of the total 2,000 complaints of crimes against women received till mid-December this year, 535 were of rape, 338 of molestation and eve teasing, 361 cases were related to gender and caste based discrimination and 21 for attempt to rape among others. "These complaints are a matter of grave concern for us. Our Commission is monitoring the situation and taking strict measures to check it," NCW Chairperson Girija Vyas said. All state governments have opened separate women police stations in each districts and major cities to deal with cases of crimes against women. "Even in all other police stations, women have right to be dealt with by a women officer only for their complaints and grievances. But, the number shows that we need to do more to stop cruelty against women," she said. The Commission also received 553 complaints of police harassment and 192 for sexual harassment at work place. The NCW, however, had received a total of 1,086 cases of crimes against women last year, out of which 634 complaints were of rape and attempt to rape, 249 of police harassment, 110 of sexual harassment at work place, 88 for outraging modesty of women and 5 for gender discrimination.

According to the apex court guidelines, it is mandatory for all the Government and semi-government organisations to have an in-house committee to check the cases of sexual harassment, Vyas said, adding that "it is the job of the committee to ensure that no women is being harassed in her office. "Women face a lot of discrimination at work place on the basis of caste, creed and gender. We need to do a lot to streamline private and public sectors to stop it," the chairperson said. The Commission is also considering constituting a task force to create awareness among women on different crimes and discrimination against them. "We are planning to make a group to look after the cases of crime against women. The Commission is charting out plans to sensitise policemen and people on different issues pertinent to women," Vyas said.

‘Tribals saved environment’

Championing the cause of forest protection rights being given to tribals, human resources development minister, Mr Arjun Singh said: "Tribals are the ones who are saving the environment." "Noting that tribal lifestyle is interlinked to love and protection of nature," Mr Singh said. "Everybody who talks of environment protection, climate change and global warming ought to realise the contribution of the tribal community in this regard. It is they (tribals) who have saved the earth," he said. "One cannot protect trees or wild animals by policing or by textbook teaching," said Mr Singh before asserting that tribals and the panchayats should be given the right to forest protection. "The tribals love and worship nature, it is wrong to say that they fell trees," remarked Mr Singh. He referred to the tribal-land and forest rights law enacted by the government and the recent legislation on right to education.

Foreign Relations:

Indian High Commission not informed of arrests

Confusion surrounds the reported arrests of four men described by the Pakistani media as Indian nationals for their alleged involvement in a bomb attack in Lahore on Wednesday and Thursday, and a claim by an unknown pro-Taliban group for the same attack. Two days after the first reported arrest, no Pakistani official has yet said anything about the arrests. The Indian High Commission here said it had not been informed of the arrests of any Indian nationals. The car bomb killed a woman and left three people injured. One of the men, identified by Pakistani media as Satish Anand Shukla and by some newspapers as Satish Anand Sharma of Kolkota, is said to have been arrested in Lahore. He is supposed to have told Pakistani authorities about his three “accomplices,” who were then picked up from the Sahfeeqabad area of the city. Media reports, quoting police sources, identified them as Ram Kumar, Ram Chandar and Parkash and said they had been shifted to an unidentified location for interrogation.

Congress, Left slam Israeli air strikes

The Congress and the Left parties have strongly condemned the Israeli military strikes on Gaza Strip that left many civilians dead. They said such attacks were “unacceptable to the civilised world.” Terming the Israeli action “most unfortunate and a matter of grave concern,” a Congress statement said: “The disproportionate use of brute force by Israel, resulting in colossal loss of civilian lives, including women and children, has caused deep shock and anguish throughout the

world. This action, therefore, deserves strongest condemnation." Reiterating its solidarity with the Palestinian cause, the Congress called upon both sides to exercise restraint and abide by their agreed international obligations for an early negotiated resolution of all disputes. The party also called upon the U.N. and all countries to intervene for an immediate ceasefire and resumption of dialogue. The Communist Party of India (Marxist) called upon the United Progressive Alliance government to snap its military ties with Israel. It said this "shameful" relationship would hamper the image of New Delhi in the international community. "Its shameful policy of promoting security and military collaboration with Israel even while it continues its occupation and war against the Palestinians will harm India's image among the countries of West Asia and damage India's own interests," said the party's Polit Bureau. The "savage and horrific wave" of air strikes by Israel once again exposed the "state terrorism" indulged in by Israel. "The Israeli government has been oblivious to all the calls for stopping its policies of colonial repression in Gaza and the West Bank. Israel is emboldened in its aggression by the backing it receives from the United States." The United Nations, if it is to have any credibility at all, must immediately take all steps to halt the Israeli attacks and protect and defend the rights of the Palestinian people, the Polit Bureau said. The Communist Party of India also said the international community must pressure Tel Aviv to stop the aggression.

PM asks Iranian President to pressure Pakistan

As part of stepped-up diplomatic offensive to get Pakistan to act against the perpetrators of the Mumbai terror attacks, Prime Minister Manmohan Singh on Saturday spoke to Iranian President Ahmadinejad and is understood to have asked him to pressure Islamabad to do more to end cross-border terrorism. Dr. Singh conveyed to Mr. Ahmadinejad that Pakistan has to take concrete action to stop cross-border terror and being in denial mode would not help, sources said. The Prime Minister is understood to have told the Iranian leader that India has so far exercised restraint and asked him to pressure Pakistan to take concrete action against the handlers of those who carried out the attacks last month, they said. The telephonic conversation between Dr. Singh and Mr. Ahmadinejad came a day after External Affairs Minister Pranab Mukherjee spoke to his Iranian counterpart Manounchehr Mottaki on the issue.

India, Malaysia to sign MoU on labour soon

India and Malaysia will sign a labour pact on the recruitment, placement and welfare of blue-collar workers in each other's domain. The 'Memorandum of Understanding on Employment of Workers' is expected to be signed by Overseas Indian Affairs Minister Vayalar Ravi and Malaysia's Human Resources Minister S. Subramanian in New Delhi on January 3. Dr. Subramanian told that the new "official framework" was fashioned to "set out the basis" for "management of the movement of labour" in either direction. In prime focus would be the recruitment and entry of Indian workers into Malaysia and "solutions of issues which might arise" concerning the terms and conditions of their employment. Estimates of Indian workers in Malaysia at this stage varied from 150,000 to 200,000, he indicated, without mentioning any cap on their recruitment as such. Malaysians now employed in India, essentially by Malaysian firms, were not in the blue-collar category. Bilateral issues relating to professionals, especially in the IT sector, might be discussed now. However, an exclusive accord on IT professionals was "not [on the cards] at this point," Dr. Subramanian said. The labour MoU was "languishing for a long time" and the delay could be traced to "various reasons," he said. Under the pact, a Joint Working Group, consisting of "representatives from the two governments," would be set up to "look into details, monitor [the implementation] and provide solutions, as time goes by." So, baseline wages and "welfare of the workers can [now] be taken care of in a smooth manner. Abuses by recruiting

agents and other parties could be managed properly." The two governments and their high commissioners would also gain "more bite" to implement the accord and "take action on errant contractors," Dr. Subramanian said. When contacted, India's High Commissioner to Malaysia, Ashok K. Kantha, said the accord, which creates "a much-needed institutional arrangement," took shape during Mr. Ravi's visit to Kuala Lumpur in October.

Relocate troops to 'peace-time' positions: Pakistan

Buoyed by the entry of traditional ally China in the role of the peacemaker in the region and feeling "vindicated" by the toned down Indian statements, Pakistan proposed on Tuesday that New Delhi should send it "positive signals" by deactivating its forward air bases and relocating troops to "peace time" positions. Indian officials here said India could take neither step as it was being asked "to undo what we have not done." The Indian Defence Ministry said last week that the troop movements in the Rajasthan and Punjab sectors were linked to annual winter exercises and did not indicate mobilisation on the border with Pakistan. Defence officials have also denied that forward bases were ever "activated" in the present crisis. Pakistan's proposals were set out by Foreign Minister Shah Mahmood Qureshi in a "policy statement" The Foreign Minister said "an atmosphere would be created for taking the matters forward" along with reduction of tensions if India accepted Pakistan's two proposals. "Number one: The forward air bases, which are presently active, should be deactivated for giving Pakistan a positive signal. Number two: The armed forces should be returned to their peace-time positions, which would also give a positive signal," he said. Underlining the importance of dialogue and the need to keep diplomatic channels open, Mr. Qureshi reiterated Pakistan's offer of cooperation with India. Describing as a "positive development" Mr. Mukherjee's remarks that India had given no ultimatum to Islamabad and would share evidence of the Mumbai attacks with it when the investigation had been completed, Mr. Qureshi said Pakistan's stand that "neighbouring countries cannot resolve their problems through ultimatums" but only "through dialogue in a conducive atmosphere" had been vindicated. He also described the direct contact between the Directors-General Military Operations of the two countries as a "second positive development" of the last 48 hours.

India's gift to Pakistan on New Year

India on Tuesday repatriated 66 Pakistani prisoners to their home country as a goodwill gesture on the eve of the New Year. The Pakistanis, including 28 women and four children, were lodged in various jails in Rajasthan, Gujarat, Amritsar and Delhi. Most of them were put behind bars for entering or staying in the country with forged or expired travel documents. "The repatriation of these prisoners is a New Year's gift from India," a Border Security Force official said here.

Manmohan for close ties with Bangladesh

Prime Minister Manmohan Singh has congratulated Sheikh Hasina on her victory in the Bangladesh elections. In a message to Ms. Hasina, Dr. Singh noted that the successful conduct of free, fair and peaceful elections was a reflection of the desire of the people of that country for democracy, development and progress. "I am confident that under your leadership, Bangladesh will attain even greater heights," he said. Recalling the close and friendly relations with Dhaka, he assured Ms. Hasina of India's commitment to further strengthening and deepening of relations with Bangladesh. "I look forward to working with you towards this end for the mutual benefit of our two people. I also take this opportunity to invite you to visit India at your earliest possible convenience. I am asking my senior colleague External Affairs Minister Pranab Mukherjee to visit Bangladesh as soon as possible to personally convey our good wishes."

No hot pursuit on terrorists operating from Pak: India

India on Wednesday virtually ruled out any hot pursuit on terrorists operating from Pakistan's soil by taking a leaf out of the Israeli air strikes on Gaza strip. "So that incident or that event, (Israeli air strikes) we cannot draw any lessons for the way we deal with Pakistan," Union Home Minister P Chidambaram said when asked whether New Delhi can draw lessons from the Israeli air strikes to pursue terrorists in Pakistan. He recalled that India had strongly criticised the Israeli strikes and urged the country to stop those attacks on Palestine. Chidambaram said India's position has been made clear by Ministry of External Affairs.

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INTERNATIONAL ISLAMIC UNIVERSITY

ISLAMABAD

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

Aisha Rehman

From 2nd to 9th January, 2009

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(OUT LINE)

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- Annual prisons report for 2008 next week – minister

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- IMF appropriates $47m for 500 housing units in Halabja
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- Iraq's 2008 oil revenues hit $60b – ministry
- WHO delegation in Kurdistan to set up medicine plants
- Shortage in governmental funding limits emigrants' housing – source
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- 'Jordan aid convoy to enter Gaza despite ground offensive'
- Our humanity is incomplete without humanity of Palestinians - Queen
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- Rifai discusses Gaza with US evangelical delegation
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- Syrian and Palestinian lawyers stage a sit-in at al-Yarmouk Camp is solidarity with Gaza
- Outcry demonstrations in Syria and the Arab world on Friday in solidarity with Gaza
- Mrs. Asmaa al-Assad to Istanbul to Support Women and Children of Gaza
- Larijani, Abrash: Continuation of Troika Efforts to Expose Israeli Aggression on Gaza
- Leaders of Palestinian Factions Reject Deployment of International Forces in Gaza
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- Jumblat: Resistance Arms Underline Defensive Nature
- Hizbullah Relocated Positions … Next Battle to be Launched from Bekaa
- Analysis: Who fired on Israel from Lebanon?
- Saniora: Lebanon is Not a Post Box For Regional, International Messages
- "The next battle will be launched from the Bekaa where Hizbullah's military strength is centered," the source added.
- Nassib Lahoud: Cabinet Does Not Provide Israel With Free Assurances
- Lebanese Fertility Expert: First British Baby Born Free of Cancer Gene
- Larijani: Lebanon is the Head of Resistance

Social front:

- Lebanon 106th in 2009 Quality of Life Index

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- Israel decides to move forward with "Phase three" in Gaza
- Israeli Defense Minister Says Army To Keep Up Attacks on Gaza
- EU diplomats: Egypt's refusal to station foreign troops on Gaza border holding up truce
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Iraq

GAZA Attacks

Parliamentarian calls to facilitate sending aid to Gaza

MP from the Iraqi Islamic party Usama al-Tikriti on Tuesday urged the international organizations to take urgent measures to allow Iraqi doctors to go to Gaza, according to a statement of his party. “We seek to open a field hospital in Gaza, so we asked organizations to allow us to contribute in treating thousands of wounded Palestinians,” said the statement received by Aswat al-Iraq news agency. The Iraqi government on Saturday (Jan. 2) condemned the Israeli army raids on the Gaza Strip, the most densely-populated area in the world, and called for an end to the military operations, avoiding endangering civilian lives, and refraining from the collective punishment policy. The Iraqi Air Force on Wednesday (Dec. 31) sent four flights to the Egyptian city of al-Arish to dispatch humanitarian and medical aid to the people of Gaza, who have been coming under Israeli attacks for days now. The Gaza Strip is under continued Israeli raids, followed by ground operations, for the second week in a row, during which more than 500 persons were killed and hundreds others were wounded.

Demo in Falluja to stop attacks on Gaza

Scores of Falluja residents staged a demonstration in the city against the Israeli aggression on the Gaza Strip, calling on the UN to intervene to stop the attacks. Haqi Ismail, a protestor, “called on the UN and Arab countries to intervene to stop this

massacre against Palestinians." "Where are humanitarian organizations?, where is the Arab League?, where is the humanity?." He wondered. "We condemn this attack against Gaza and we hope the military operations stop," he told Aswat al-Iraq news agency.The Iraqi government on Saturday (Jan. 2) condemned the Israeli army raids on the Gaza Strip, the most densely-populated area in the world, and called for an end to the military operations, avoiding endangering civilian lives, and refraining from the collective punishment policy.

Sadr calls to raise Palestinian flags in solidarity with Gaza

Shiite Cleric Moqtada al-Sadr called to raise Palestinian flags over buildings, mosques and churches in expression of solidarity with the people in the Gaza Strip. Sadr has urged countries to "immediately shut down their Israeli embassies and to strip these terrorist spots of immunity," according to a statement released by Sadr's office in Najaf and received by Aswat al-Iraq news agency. The Shiite cleric also called to carry out reprisal attacks against "the Zionist enemy."

Najaf journalists request donations to Palestinians

Iraqi Journalists Union – Najaf province's branch on Thursday demanded the Iraqi government and provincial authorities in the country to send more aid to the Palestinian people, and to allow donations in this regard, according to a release issued by the branch. "We announce that we stand and support our people in Gaza," Abdulrazaq al-Sultani, the branch's head, said in the release "The branch condemns the Israeli aggression on the innocents in Gaza," he added.

Pro-Gaza protests in Baghdad, Anbar, Ninewa

The provinces of Baghdad, Anbar and Ninewa witnessed protest marches in solidarity with the people of Gaza, who are coming under heavy Israeli attacks for two weeks now as demonstrators urged Arab countries to stop oil exports to the West. In Baghdad, the Aswat al-Iraq news agency correspondent said that a demonstration started from the Abi Hanifa al-No'man in the northern city of al-Adhamiya, where protesters chanted slogans demanding Arab countries to sever relations with Israel and support the Palestinian people. Dawoud al-Adhami, the chief of the al-Adhamiya municipal council, in a speech he delivered at a rally, called for "official moves" to extend foodstuffs and medicine to the people of Gaza.In the predominantly Sunni province of al-Anbar, namely the city of Falluja, (45 km) west of Baghdad, a demonstration began after the Friday prayers in which the mayor, clerics and local residents took part. According to Aswat al-Iraq news agency correspondent, the demonstration started from the Abu Obayda Mosque as protesters burned the Israeli flag and chanted slogans condemning the attacks on Gaza.

Political News

Deputy PM calls on UN to make elections success

The Iraqi deputy premier Rafeaa al-Isawi on Saturday received the special representative of the United Nations Secretary General in Iraq (SRSG), calling on the international organization to work on making upcoming provincial election on January 31st 2009 a success, according to a release issued by al-Isawi's office. "We trust your professional staff in Baghdad and the provinces," the release that was received quoted al-Isawi as addressing Staffan de Mistura. "We praise your positive role in helping the Iraqi people, and we hope that your efforts will help our new democracy succeed with honesty and transparency," al-Isawi added. According to the release, the two sides discussed a number of issues on the Iraqi scene.

IHEC to approve women's quota

The Iraqi Independent High Electoral Commission (IHEC) is waiting for the women's quota bill to be approved by its Board of Commissioners, to preserve women's rights in the upcoming provincial elections, according to an IHEC official. "Either today or tomorrow, the board will approve a quota of 25 percent for women in the upcoming provincial elections," Waleed al-Zaidi told Aswat al-Iraq news agency. "The bill has been thoroughly studied for a period of two months using international theories," he said."International experts helped the commission draft the bill," he added.

Constitution specifies mechanisms to change cabinet – VP

Iraqi Vice President Adel Abdelmahdi that the constitution specifies certain mechanisms to carry out any changes in the cabinet. "This is a normal issue, and we have moved on this path for years," said the release that was received by Aswat al-Iraq news agency. "The abnormal thing is to create fears by talking about conspiracies that aim at making the cabinet falls," he added. "If we have something in this regard, we will express our opinion in a very clear and direct way," he noted.

U.S. forces hand over Diala's Sahwa to Iraqi authorities

U.S. forces on Sunday handed over the file of Diala's Sahwa councils to Iraqi forces based in downtown Baaquba's Saad Camp, according to an army source. "The U.S. commander of the central area; Diala's operations commander, Staff Lt. Gen. bdelkareem al-Rubaie; the commander of the fifth division in the Iraqi army, Staff. Maj.Gen. Khaled Jawad Kadhem; and Diala's Governor Raad Rasheed al-Mulla Jawad attended the handover ceremony," the source told Aswat al-Iraq news agency.The Sahwa (Awakening) councils were set up in a number of Iraqi provinces such as Anbar, Diala, Ninewa, and Salah al-Din with the aim of bolstering political and local tribal powers to fight armed groups, particularly al-Qaeda network, in those areas. These councils are usually led by tribal chiefs or notables in the provinces.

The Sahwa fighters managed to flush out armed groups from a number of areas once considered strongholds of gunmen for years.

Sistani does not support any side in election – IHEC

The Highest Shiite clergy represented by Sayyid Ali al-Sistani called on Iraqis to participate in the upcoming provincial election, stressing that he does not support any one side in particular, according to the head of the Independent High Electoral Commission's (IHEC) board. "Sistani stressed his support of the electoral process," Faraj al-Hayderi said in a press conference in Najaf after meeting Sistani. "He said that he stands within the same distance from all political entities and candidates, and does not support any side in a special way," al-Hayderi added.

VP, political bloc leader take up provincial elections

Iraqi Vice President Adel Abdelmahdi discussed with the head of the National Accord Movement, Iyad Allawi, the political situation in the country and means of rendering the upcoming provincial council elections a success. "Abdelmahdi received Allawi, who is also a former prime minister, and discussed relations between political blocs in the country," according to a presidential statement The meeting also tackled the upcoming provincial council elections, scheduled to take place later this month, the statement added.

Iraqi president condemns Baghdad blast

Iraqi President Jalal Talabani's office denounced the suicide bombing attack that targeted a Shiite shrine in the city of al-Kadhemiya, where 114 pilgrims, mostly Iranians, were killed or wounded. The attack coincides with a visit currently being paid by Iraqi Prime Minister Nouri al-Maliki to Tehran. "The attack that killed or wounded innocent civilians in the holy city of al-Kadhemiya is a heinous terrorist crime," according to a presidential statement received. Earlier, the Baghdad Operations Command said that casualties from the suicide bombing that ripped through an Iraqi checkpoint in Baghdad's al-Kadhemiya area have reached 114. "The final toll from the Kadhemiya blast is 35 dead and 79 wounded," said BOC spokesman Maj. General Qassem Atta. Atta had said that a woman wearing an explosives belt blew herself up at a joint army-police checkpoint in Kadhemiya, northern Baghdad. "The sinful terrorism is targeting this secure and holy area in an attempt to shake Iraqi's confidence in the security agencies' capabilities," read the presidential statement.

President Talabani, VP discuss political developments in Iraq

Iraqi President Jalal Talabani discussed with his deputy Tareq al-Hashemi the latest political developments in the country, according to a presidential statement. "The president discussed with Vice President Tareq al-Hashemi the latest political developments, mainly after the initial implementation of the U.S. troops withdrawal agreement," said the statement The Iraqi Parliament had passed the pact, also known as the status-of-forces agreement (SOFA), on

November 27, 2008, just 10 days after the Iraqi cabinet approved with an overwhelming majority.

Army is no longer politicized – PM

The Iraqi prime minister and commander in chief, Nouri al-Maliki, on Tuesday said that Iraq's army is no longer "politicized" by any party, according to a release issued by the council of ministers' media office. "The Iraqi army is currently built on bases of professionalism and patriotism," the release that was received by Aswat al-Iraq news agency quoted al-Maliki saying during a celebration organized by the Iraqi general command of armed forces for the army day. "The army's new belief is the patriotic belief that respects people and the political process," he added.

Parliament's speaker should be IAF nominee– Kurdish MP

MP from the Kurdistan Alliance Khaled Shawani said on Tuesday that the position of the parliament's speaker should be filled by the nominee from the Iraqi Accord Front (IAF). "The KA believes that the nominee should have the ability to run the parliament," Shawani told "The parliament's chairmanship is allocated only to the Iraqi Accord Front according to political agreements reached after the parliamentary elections held in 2005," he explained. On December 23, the Parliament accepted the resignation presented by Mahmoud al-Mashhadani during an extraordinary session after a heated debate erupted between al-Mashhadani and members of parliamentary committees over the issue of Iraqi Journalist Muntadhar al-Zaydi, who threw a pair of shoes at U.S. President George W. Bush at a Baghdad-based press conference last week. The Sunni Iraqi Accord Front has 38 seats in the 275-member Parliament. It comprises the Iraqi Islamic Party (IIP), the Iraqi People's Congress (IPC), in addition to the Iraqi National Dialogue Council (INDC) and the Independent Bloc.

Kurdish president, IUP head mulls political developments

President of Iraq's Kurdistan region Massoud Barzani on Wednesday held a meeting with the Head of Iraqi Umma Party (IUP) Mathal al-Alusi on means to activate the political process in Iraq. "The two officials discussed on Wednesday (Jan. 7) means to activate the political process in Iraq and the importance of boosting Iraqi people unity within the new federal democratic Iraq," said a statement released from the IUP received by Aswat al-Iraq news agency. The statement asserted that the two officials have identical viewpoints regarding several issues

PM's list accuses governmental sides of removing leaflets

The electoral list of the State of Law Alliance, headed by Premier Nouri al-Maliki, on Wednesday accused governmental sides of removing the list's electoral leaflets in Wassit province, without naming those sides. "Those sides are known to us," one of the list's

candidates told Aswat al-Iraq news agency. “They sometimes dress in military uniform to conduct this campaign against us,” he added. Kut, the capital city of Wassit province, lies 180 km southeast of Baghdad.

IAF to nominate parliament’s speaker on Saturday – MP

Lawmaker Adnan al-Dulaimi of the Iraqi Accord Front (IAF) Sunni parliamentary bloc on Thursday said that the IAF will meet next Saturday (Jan. 10) to nominate a candidate for the position of the Iraqi parliament’s speaker. “There are a number of names proposed within the Front in this regard, and we will agree on one of them to nominate a legislator who must gain acceptance from all the political blocs,” al-Dulaimi told Aswat al-Iraq news agency. “Lawmakers who nominated themselves from outside the IAF have had no formal nomination, as the position of parliament’s speaker belongs to the Front,” he added. He did not mention furthe r details.

A

Accusing IAF of sectarian quota system unfair – MP

Lawmaker Harith al-Obaidi of the Iraqi Accord Front (IAF) Sunni parliamentary bloc on Thursday considered accusations against the IAF that it is seeking the sectarian quota system by insisting that the parliament’s speaker position were “unfair.” “All parliamentary blocs receive governmental and parliamentary posts relying on the quota system,” al-Obaidi told Aswat al-Iraq news agency. “If those blocs want to be fair, they should start with themselves by disregard ding the quota system, before they ask the IAF to do so,” he added.

Elections for new parliamentary term in Kurdistan this year

The Iraqi Kurdistan region in 2009 will witness elections for a new parliamentary term, the speaker of the region’s parliament, Adnan al-Mufti, said on Thursday, according to a release issued by Kurdistan’s parliament. “The constitution of Kurdistan region, provincial elections and the budget are all draft laws at their complementary stages,” read the release as received by Aswat al-Iraq news agency, quoting Mufti during a meeting with the British deputy consul in Arbil city. “The parliament will debate all those draft laws,” he added.

Final drafts to implement SOFA pondered – ministry

The Joint Military Operations Coordination Committee is currently considering the final drafts to implement the security pact with Washington, the Iraqi defense ministry said in a release on Thursday. “The JMOCC, which is responsible for following up the implementation of the Iraqi-U.S. security deal, held a meeting today (Jan. 8) at the Iraqi defense ministry HQ, attended by the Iraqi defense minister and chief of staff and a number of high-ranking Iraqi and U.S. officers,” read the release as received by Aswat al-

Iraq news agency. "Discussions between the Iraqi and U.S. sides aimed at laying mechanisms to implement the pact and making recommendations in this regard to the Iraqi premier as well as the Iraqi parliament's security and defense committee," it added. The pact, also known as the status-of-forces agreement (SOFA), had been passed by the Iraqi parliament in November 2008 to replace the UN mandate for the U.S. forces to intervene in Iraq, which expired late last year.

Cheney says U.S. withdrawal from Iraq now 'wrong medicine'

U.S. Vice President Dick Cheney, warning against impulsive U.S. action in Iraq, says that whether the struggling nation backslides into a cycle of violence partly depends on how President-elect Barack Obama decides to pull out American forces. "An irresponsible withdrawal now is exactly the wrong medicine," Cheney said in an interview Thursday with The Associated Press. Cheney is leaving the White House after a government career spanning four decades, including stints as defense secretary, President Gerald R. Ford's chief of staff and a longtime congressman from Wyoming. In a broadcast interview earlier this week, the vice president dismissed as "urban legend" the notion that he played his role as second-in-command like a wizard, controlling the levers of the Bush presidency from behind the scenes. Strong-willed to the end, Cheney defended the Iraq war against critics, saying that while there is much work left to do, much progress has been made. Obama has said he wants all combat troops out of Iraq by the spring of 2010, leaving behind a residual force of trainers, air controllers, advisers and logistics soldiers until the end of the mission. "I hear a lot of people, among our critics, who keep saying `Iraq's a mess, pull out.' Well, that's not true. It's not a mess," Cheney said. "We have made major progress. We have come close to achieving a significant proportion of our objectives."

2 candidates for local elections in Diala excluded

Iraq's Independent High Electoral Commission excluded two candidates for the provincial council elections in Diala province for "violating" candidacy terms, the IHEC Diala office chief said on Friday. "The number of candidates in Diala thus went down from 641 to 639 after excluding a man and a woman from the Iraq is Ours list for failing to provide their graduation documents," Amir Lateef Al Yahya told Aswat al-Iraq news agency. The provincial council election is scheduled to be held on January 31 all over Iraq except the province of Kirkuk and the three autonomous Iraqi Kurdistan region provinces of Arbil, Sulaimaniya and Duhuk. "Most candidates of political blocs in Diala for the forthcoming elections are technocrats and academicians," said Yaha, adding the province comprises 44 entities while the number of the electorate is 798,202 out of a total population of 1.350 million. Diala lies 57 km northeast of the Iraqi capital Baghdad

Geo strategic front:

Maliki in Tehran on official visit

Iraqi Prime Minister Nouri al-Maliki arrived on an official visit to the Iranian capital Tehran, according to al-Iraqiya TV. First Vice President of Iran Parviz Dawoudi and members of the Iraqi community in Tehran have received Maliki. Earlier today, a source from the Iraqi cabinet that Maliki had left Baghdad for Tehran on his first visit to Iran after his government has restored full control over Camp Ashraf. Minister of transport Aamer Abdel Jabbar, Minister of Trade Abdelfallah al-Sudani and Minister of Electricity Kareem Waheed have accompanied Maliki during his visit, which is scheduled to last two days. Maliki is expected to meet with Iranian President Mahmoud Ahmadinejad and several officials to discuss several electricity, transport and trade issues.

Maliki, Iranian VP discuss bilateral relations

Iraqi Prime Minister Nouri al-Maliki met with Iranian Vice President Parviz Davudi means to push bilateral relations ahead and agreed to increase the volume of trade exchange between the two countries, according to a release issued by al-Maliki's office. "Exchanging visits means bilateral relations are heading toward more development in all fields," Maliki was quoted as saying in the release that was received "Accomplished security achievements offered an opportunity to give more efforts aiming at accelerating the rebuilding process in Iraq," he added, calling on activating the two countries' joint committees.

Maliki, Ahmadinejad discuss Iraq-Iran ties

Iraqi Prime Minister Nouri al-Maliki discussed in Tehran with Iranian President Mahmoud Ahmadinejad bilateral relations in all fields, according to the official al-Iraqiya TV. "Maliki met with the Iranian president and tackled with him bilateral relations and means to bolster them, particularly in the economic domain," the Iraqi channel said. "Maliki's visit to Iran will deal with a host of economic topics including electricity, encouraging Iran's private sector to invest in Iraq and cooperation in the field of maritime transport in addition to organizing transport of travelers via the joint border outlets and facilities for pilgrims," the channel's correspondent in Tehran said.

Maliki says relations with Iran on right track

Iraqi Prime Minister Nouri al-Maliki said that Iraqi-Iranian relations are on the right track. The remark came during his meeting with Iranian President Mahmoud Ahmedinejad in Tehran, according to the media office of the Iraqi premier."A remarkable development can be seen in all fields. We are determined to activate all Memoranda of Understanding (MoUs) between the two countries," Maliki was quoted as saying. On Saturday (3/1), Maliki led a high-ranking delegation on a two-day visit to Iran.

Foreign ministry undersecretary meets Kuwaiti amb.

Undersecretary to the Iraqi Foreign Ministry Mohamed al-Haj Hamoud on Thursday discussed with Kuwaiti Ambassador to Iraq Ali Mohamed Mouamen pending issues between the two countries, according to a statement of the Foreign Ministry. "Hamoud met the Kuwaiti ambassador at the later's request to discuss the pending issues between the two countries and ways to solve them," said the statement received The two agreed to facilitate all obstacles facing the two sides," it added.

Security firms in Iraq keen to recruit Filipinos

Foreign security services are trying to illegally recruit active police and military men for deployment in the security services in Iraq, Gulf News reported on Friday. "Their offer is an initial payment of 20,000 pesos (Dh1,666). The rest of their salary is to be negotiated when they reach Baghdad," a source told Gulf News. Foreign security groups are keen to recruit active police and military men whom they can further train outside the country, said a source. It is illegal for foreigners to conduct armed training inside the Philipines, and locals are not allowed to work inside Iraq. The source, a 34-year-old government investigator, admitted that he was offered a job but declined the foreign group's offer. Members of US-led allied forces in Iraq have been hiring security guards and drivers from the Philippines. "The foreign recruiters are not being arrested because they do not give training and they do not process recruitment and travel papers in Manila," the source explained."Those who dare to give armed training in Manila for deployment in Iraq are protected by influential officials," said the source. Earlier, there were reports that just retired police and military men were being trained for deployment to Iraq.The Philippine government currently has a travel ban on overseas workers going to Iraq.Roy Cimatu, presidential special envoy to the Middle East, has recommended the adoption of stricter measures to prevent Filipino workers from being sent to the war torn country, following reports that workers have been illegally sent there. Sources report that there are more than 5,000 Filipinos in Iraq.

Social Front;

Blackwater guards trial postponed until 2010

Judge Ricardo Urbina, assigned to work on the case against five Blackwater security guards involved in al-Nissor Square shooting, decided to set a trial date for February 1, 2010. "Judge Ricardo Urbina set a trial date for February 1, 2010. He agreed with defense attorneys that preparations for the complex case will require a full year, including the likely need for lawyers to travel to Baghdad to gather information and conduct interviews," CNN reported on Wednesday. The five defendants are Donald Ball, 26, of West Valley City, Utah; Dustin Heard, 27, of Knoxville, Tennessee; Evan Liberty, 26, of Rochester, New Hampshire; Nick Slatten, 25, of Sparta, Tennessee; and Paul Slough, 29, of Keller, Texas. A sixth former security guard, Jeremy P. Ridgeway, 35, of California, has pleaded guilty to voluntary manslaughter and attempted manslaughter. Each of the

former guards has been charged with 14 counts of manslaughter, 20 counts of attempted manslaughter and one count of using a firearm in the commission of a violent crime. Attorney David Schertler, speaking for all the defendants outside the courthouse, predicted they will be proved innocent. If convicted, the defendants would face a maximum sentence of 10 years in prison for each manslaughter count, seven years in prison for each count of attempted manslaughter, and a 30-year mandatory minimum sentence for the firearms charge. In September 2007, Blackwater security guards were involved in a shooting in downtown Baghdad in which at least 17 Iraqis were killed. After the shooting, the Iraqi government demanded that Blackwater be expelled from the country and that its guards be held accountable. Despite the protests, the State Department has continued to use Blackwater in Baghdad, although the Justice Department has been conducting a criminal investigation of the shooting. The fact that Blackwater continued to operate in Iraq contributed to the Iraqi government's hard-line stance on the legal immunity issue in the negotiations. Whether the Iraqi government will now begin its own criminal investigation of the Blackwater shooting is unclear, administration officials and contracting industry executives said.

Annual prisons report for 2008 next week – minister

Iraq's human rights minister revealed on Thursday that an annual report on the Iraqi prisons and detention centers for the year 2008 will be issued next week, terming it as "positive" compared to the previous two years. "The report contains a comparative study on the work of ministries concerned with human rights issues during the year 2008 and the previous two years," Wijdan Mikhail Salim told. "The study was prepared by the ministries of interior, defense, justice and labor & social affairs, which cooperate in the application of human rights activities, particularly in the health, service and sports domain," she added. Salim pointed out that her ministry would issue another report within the next couple of weeks on the victims of violence during 2008.

Economic Front;

Iraq to make $1.1B armored vehicles orders

The U.S. army could sell armored vehicles worth $1.1 billion to Iraq, according to Phoenix Business Journal. "The Pentagon notified Congress Friday that the Iraqi government wants to buy 400 Stryker armored vehicles or 400 M117 Armored Security Vehicles (ASVs)," the journal said on Friday (2/1). "The Iraqis are building up their military and security forces in anticipation of a reduced U.S. presence after Barack Obama takes office," it noted. "The U.S. Air Force has also told Congress that Iraqis have shown interest in buying $210 million worth of Texan aircraft manufactured by Hawker Beechcraft," it added.

Iranian firm to set up $81m iron plant in Samawa

An Iranian company delegation arrived in the city of al-Samawa on Sunday to negotiate over the construction of an iron & steel company in the province of al-Muthanna at a cost

of $81 million. “We are in the final stages of negotiations with the Iraqi investment agency to sign a final deal on the construction of an iron & steel plant in Muthanna province. The initial costs of the project are $81 million with a planned production capacity of 250,000-500,000 tons of iron molds and different kinds of reinforced iron,” Mujtabi Hashimi, the Iranian group director, said in a press conference he held at the Iraqi investment agency HQ. “We have similar plants in Iran that export hundreds of thousands of tons of iron to global markets and we would be pleased to invest in this field in Iraq and the province of Muthanna,” Hashimi said. He noted that his company is currently negotiating to build cement plants in the holy Shiite city of Karbala. For his part, the Iraqi investment agency chief, Adel Dakhil al-Yasseri, told Aswat al-Iraq news agency that the agreement was initially endorsed with the Iranian company and an Iraqi businessman and investor Ahmed Farhoud al-Khawam as an official partner in the project pending the completion of the investment license procedures.

IMF appropriates $47m for 500 housing units in Halabja

The International Monetary Fund okayed the appropriation of $47 million to build 500 housing units in Halabja district, the Kurdish province of Sulaimaniya, according to a local official on Sunday. “Halabja, (83 km) southeastern Sulaimaniya, has allocated 300 *donums* of land for the project to be carried out by the Iraqi government and financed by the IMF,” Khidr Kareem, the director of the Halabja municipality, told Aswat al-Iraq news agency. The Iraqi *donum* equals 2,000 square meters. “Different designs will be endorsed in the construction of these housing units,” said Kareem, adding the sum of $30,000 will be appropriated for each unit. He did not say when the project is supposed to be implemented. Sulaimaniya, one of the three autonomous Iraqi Kurdistan region provinces, lies 364 km northeast of the Iraqi capital Baghdad.

Ministry collects $226 million in customs revenues in 11 months

The Customs Authority has collected $226 million U.S. dollars in revenues from January 1- November 30, 2008. “The authority has achieved an increase of $95,52 million U.S. dollars, compared to the previous year,” according to a statement released by the authority and received by Aswat al-Iraq news agency. The statement did not elaborate on the reasons behind the leap in customs revenues.

$700,000 to preserve Babel archeological site

The U.S. embassy in Iraq said on Friday that the U.S. government has contributed with the sum of $700,000 for a plan to preserve the archeological site of Babel. “The U.S. State Department has donated $700,000 to sustain the efforts of the Iraqi State Council for Antiquities and Heritage to draw up a plan to preserve the ancient archeological site of Babel,” according to a U.S. embassy release. Babel, a Shiite province that lies 100 km south of the Iraqi capital Baghdad, has an area of 6,468 square kilometers (2,497.3 sq mi), with an estimated population of 1,385,783 people in 2003.

Iraq's 2008 oil revenues hit $60b – ministry

An Iraqi oil official on Thursday said that the country's oil revenues were up over 30 percent last year — to about $60 billion — despite the sharp decline in world prices in the last half of the year. Fahd al-Amiri, the head of the State Oil Marketing Organization, also told The Associated Press on Thursday that Iraq's oil exports averaged 1.85 million barrels a day in 2008 — a 13.5 percent increase from 2007.He says December's export levels reached about 1.815 million barrels per day.He expects Iraq to export 2 million barrels per day this month. Iraq depends on oil revenues for nearly 95 percent of its budget. It has suffered as oil prices have plunged roughly 70 percent from record highs of almost $150 last July. Proceeds from crude oil exports during 2007 hit $39.8 billion, according to a release by the ministry's media office early last year. Oil revenues make up to 95% of Iraq's budget. The country had suffered from a sharp plunge in oil prices to 70% from a record high of $150 per barrel last July. The Iraqi government had decided to cut $13 billion of its draft budget in light of the declining oil prices that currently went down to nearly $47 per barrel and might reconsider its budget for the third time as the second edition of the state budget was approved on a notion of $50 per barrel. The Iraqi finance ministry's budget department had announced in September 2007 that the country's budget for 2009 was made based on appropriating $80 as a rate of one barrel of crude oil and a production capacity of 2 million barrels per day (bpd) at a total sum of 94.665 trillion Iraqi dinars, tantamount to $70.88 billion, distributed over $60.26 billion for operational expenditure and $18.62 for investment expenditure.

WHO delegation in Kurdistan to set up medicine plants

An economic delegation from the World Health Organization (WHO) will arrive early next week in Iraq's Kurdistan region to help establish two medicine factories in the region. "The delegation, which comprises three engineers, is expected to arrive in Arbil city on Sunday (11/1)," a member of the region's investment authority, Taha Zanka, told Aswat al-Iraq news agency. The World Health Organization is a specialized agency of the United Nations (UN) that acts as a coordinating authority on international public health. Established on 7 April 1948, and headquartered in Geneva, Switzerland, the agency inherited the mandate and resources of its predecessor, the Health Organization, which had been an agency of the League of Nations.

Shortage in governmental funding limits emigrants' housing – source

A source from the Iraqi Ministry of Immigration and Emigrants said that the shortage in governmental funding my force the ministry to postpone some emigrants' housing projects inside Iraq until 2010, according to the United Nations (UN) Integrated Regional Information Networks (IRIN). "We demanded $34.2 million for the ministry's investment budget of 2009," said Ali Shaalan, the ministry's planning director."We have been informed that only $6.85 million were allocated to the ministry in 2009," he added. "This issue will prevent us from achieving our goals this year," he noted.

Iraq's oil exports exceeded 54 million barrels in December – Oil Ministry

Spokesperson for the Iraqi Oil Ministry on Tuesday said that Iraq's exports of crude oil in December 2008 reached 54.45 million barrels. "The daily average of crude oil exports reached 1.815 million barrels," Asim Jihad told "This includes all exportation outlets," he added.

Establishing largest city in Middle East in Nassiriya

The Thi-Qar investment authority on Monday signed a memorandum of understanding with a Turkish company to set up the largest industrial city in the Middle East in the city of Nassiriya, the head of the authority said. "The authority signed the memo with the Austem company to set up the biggest industrial city in Nassiriya at a total cost of $8 billion for five years," Dr. Ismail al-Aboudi told Aswat al-Iraq news agency. "The company is considered one of the biggest companies in Middle East and has assisted in the development of the Turkish industry by 30 percent because of the company's experiences," he added. Nassiriya, the capital of Thi-Qar, lies 360 km south of Baghdad.

Iraqis to contribute in al-Ahdab oilfield project - Wassit governor

The director of the Chinese Al Waha company, which implements al-Ahdab oilfield, expressed readiness to receive Iraqi workers to contribute in the project's implementation, the governor of Wassit said "The governorate received today (5-1-2009) a written request from the director of Al Waha, in which he expressed the company's readiness to receive Iraqi workers to take part in the project, noting that would contribute in fighting unemployment after employing Iraqi workers in this huge project," Latief Hamad al-Tarfa told Aswat al-Iraq news agency. "The governorate will facilitate the project to ensure it is implemented on time," he noted. Al Waha, partly owned by China's biggest oil company China National Petroleum Corp. (CNPC), embarked on Friday (2/1) on the first stage of the project of al-Ahdab oilfield, 25 km western Kut, in the presence of the Chinese company's president and staff as well as a delegation from the Iraqi oil ministry's North Oil Company. The oil ministry had recently launched a plan to attract foreign companies to invest in Iraq's oil sector and increase the country's output to reach 4-4.5 million barrels per day (bpd) by 2010 if the discovered oilfields - 80 in number - were developed

$70m contract signed with U.S. company

The Iraqi Ministry of Electricity on Monday said that it has signed a $70 million worth of contract with an American company to purchase five turbines. "On January 2, the ministry signed a $70.4 million contract with Pratt & Whitney in Beirut to purchase five oil and gas-oil operated turbines," according to a ministerial statement received. The contract was signed by a senior under secretary of state, Engineer Raad al-Haris, according to the statement. Pratt & Whitney is an American aircraft engine manufacturer of products widely used in both civil and military aircraft. In addition to aircraft engines, Pratt & Whitney manufactures gas turbines for industrial and power generation, marine turbines, and rocket engines.

British, Italian companies invited to invest in Iraq

The Iraqi minister of oil has invited British and Italian companies to engage in investment activities in Iraq, according to a ministerial spokesperson. "On Sunday, Minister Hussein al-Shahrestani met separately in Baghdad with the British ambassador, Christopher Prentice, and the Italian ambassador, Maryso Melanie, to discuss means of cooperation," Asem Jihad told Aswat al-Iraq news agency. The minister called on British and Italian firms to enter the Iraqi market and to contribute to the country's reconstruction.

Iraq, Iran to up economic cooperation to $10b

Iranian First Vice President Parviuz Davoudi on Sunday said that Iran and Iraq will give a shot in the arm to their economic cooperation to hit $10 billion in 2010, according to an Iranian official TV station. "Cooperation will focus on the fields of energy, trade as well as Iraq reconstruction projects," Davoudi said. Current estimations put economic cooperation between the two neighboring countries at $4 billion. The Iranian president's comments came as Iraqi Prime Minister Nouri al-Maliki is capping a two-day visit to Iran, his fourth to the Islamic republic since he took office in 2006. Maliki had left Baghdad on Saturday (Jan. 3) to Iran at the head of a delegation comprising a number of ministers on a two-day visit to the Islamic republic. He had met with Iranian President Mahmoud Ahmadinejad, Davoudi and other senior officials to discuss means to push forward bilateral relations and increase the volume of trade exchange between the two countries.

Jordan

Gaza Attacks:

University students demand severing of Jordanian-Israeli ties

Thousands of university students marched to the Parliament building, calling for the government to end diplomatic relations with Israel as violence in the Gaza Stip escalated with the ground invasion of Israeli forces. From the southern town of Muta to Irbid, Amman and Salt, university students converged on Parliament to participate in the first demonstration since the onset of the Israeli ground offensive. Students from both private and public universities joined activists from the leftist and Islamist movements in the protest, holding banners condemning the Israeli attacks and urging Hamas fighters to "hit Tel Aviv hard". "No Israeli embassy on Jordanian soil," chanted around 5,000 protesters marching from Jamal Abdul Nasser Square to the Parliament building ahead of a scheduled Lower House session. At the end of the

demonstration, student representatives and the National Coalition of Political Parties met with Lower House Speaker Abdul Hadi Majali and handed him a memorandum requesting the expulsion of the Israeli ambassador from Amman and annulment of the 1994 Wadi Araba peace treaty.

'Jordan aid convoy to enter Gaza despite ground offensive'

Ten trucks laden with relief aid arrived in the Palestinian lands and are expected to enter Gaza despite the Israeli ground offensive under way in the war-stricken enclave. An official at the Jordan Hashemite Charity Organisation (JHCO) said that Jordan has made all necessary contacts and has the green light to make the delivery. The JHCO official said that the blood units prepared to go to Gaza are not included in the cargo because they need a special environment to preserve them, "which we cannot guarantee because the convoy had to wait overnight before entry to Gaza". Meanwhile, the official announced that the JHCO, which handles all the local and non-Jordanian aid to the Gaza Strip, received a total of 20 tonnes of assistance presented by the Lebanese government to the Palestinian people in Gaza who had been under Israeli attacks. The aid cargo was accompanied by a Lebanese official delegation including Lebanese ministers of health, Mohammad Khalifeh, and social affairs, Mario Aoun, along with state minister, Khaled Qabbani, the head of the Lebanese-Palestinian Dialogue Committee, Khalil Makkawi, and media representatives.

Our humanity is incomplete without humanity of Palestinians - Queen

Her Majesty Queen Rania said either the Universal Declaration of Human Rights is not so universal, or the people of Gaza are not human beings, worthy of the same "universal" rights. Speaking at a press conference in the presence of UN officials concerned with Gaza, Queen Rania said: "Over the past 41 years, the people of Gaza have been living under occupation. Over the past 18 months, they have been living under siege. And for the past 10 days, the people of Gaza have been subject to a cruel and continuous military attack." Her Majesty also referred to articles 1 and 3 of the declaration stating that all human beings are born free and equal in dignity and rights and that everyone has the right to life, liberty and security. Queen Rania pleaded on Monday for a humanitarian ceasefire in the Gaza Strip, urging governments to contribute to UNRWA's emergency appeal for $34 million to meet the immediate needs of Gaza's civilians. In her remarks, the Queen said it is imperative that every nation act to end the fighting, and open all crossings, especially Karni, to permit the uninterrupted passage of wheat, fuel, medicine and other vital supplies.

No' to Jewish embassy

To protest Israel's attacks in Gaza, hundreds of protesters marched on the Israeli embassy in Amman after Friday prayers chanting: "No Jewish embassy on Arab land". Protesters left Kalouti Mosque in the Rabia and headed to the nearby Israeli embassy.

Four UN agencies issue emergency humanitarian appeal for Gaza Strip

Representatives of four UN agencies operating in the Gaza Strip said the besieged coastal enclave is in a humanitarian crisis, appealing to the international community to donate to meet Gazans' urgent needs. "There is a humanitarian crisis in Gaza as we speak… the dead are everywhere… and it has become more difficult for us humanitarian agencies to move across Gaza and for people to take shelter with their numerous families," UNRWA Deputy Commissioner General Filippo Grandi said in a press conference on Monday in the presence of Her Majesty Queen Rania. Grandi said all crossing borders must be opened to allow the entry of humanitarian assistance, calling on the international community to contribute emergency funds required to meet the basic needs of those living in Gaza. Other aid groups said yesterday the Israeli aggression in the coastal enclave has exacerbated the humanitarian crisis in the strip, which they said suffers from a lack of fuel and power, negatively affecting healthcare services. UNICEF Regional Director Sigrid Kaag said yesterday the humanitarian crisis in Gaza is affecting children and women the most, pointing out that children account for over half of Gaza's nearly 1.5 million population.

Rifai discusses Gaza with US evangelical delegation

Senate President Zeid Rifai received Mark S. Hanson, presiding bishop of the Evangelical Lutheran Church in America and president of the Lutheran World Federation and an accompanying delegation. Rifai briefed the delegation on the latest developments of the Israeli aggression in the Gaza Strip and the humanitarian crisis in the coastal enclave. Also yesterday, Rifai met with Italian Ambassador in Amman Francesco Fransoni and discussed regional developments and ways to boost ties between the two countries.

Lower House speaker stresses UN role in ending Gaza violence

Lower House Speaker Abdul Hadi Majali on Monday underscored the importance of the UN's role in exerting efforts to stop the Israeli aggression against the Gaza Strip and to bring about peace and stability in the region. Majali's remark came during his meeting with Italian Ambassador in Amman Francesco Fransoni. Also on Monday, Majali met with Australian Ambassador to Jordan Trevor Peacock on the occasion of the end of his term and discussed bilateral ties and means to enhance cooperation, particularly on parliamentary level.

Gaza violence expected to affect Kingdom's tourism industry

The country's tourism sector is expected to witness a 30 per cent decline in 2009, the Jordan Hotels Association (JHA) said on Monday. JHA President Michael Nazzal told reporters yesterday that the initial forecasts for 2009 indicated that the year will most likely witness zero growth in the sector in light of the global financial crisis. However, in light of the recent violence in Gaza,

the sector will most likely witness a decline, he said. According to Nazzal, the tourism sector, which employs about 70,000 people, grew by about 40 per cent in 2008 compared to 2007

JPA to hold demonstration for those suffering in Gaza

The Jordan Press Association (JPA) will organise a march in solidarity with the people of Gaza Strip and the besieged journalists in the enclave and the West Bank, the JPA said on Monday. The association also announced that it will donate JD3,000 to Palestinians residing in the coastal enclave.

King warns of 'conspiracy' against Palestinian rights

His Majesty King Abdullah warned that there is a conspiracy being concocted against the Palestinian people, their future and right to establish their independent state. He said he is mostly wary of what will happen in the aftermath of an ongoing Israeli aggression against Gaza. In an interview with Al Jazeera satellite channel yesterday following a meeting with a delegation from the International Association of Muslim Scholars (IAMS), King Abdullah said: "We should be aware of the conspiracy and, God willing, we will as soon as possible stop the Israeli agenda with the spirit of one team as Arab countries." King Abdullah said he was working with Arab and foreign parties to immediately stop the Israeli aggression, adding that Arab countries, in cooperation with foreign states, are doing their utmost and placing pressure on Israel to end its onslaught. Meanwhile, Jordan and the EU agreed to work out a joint mechanism to send humanitarian aid, food and medical supplies to the Gaza Strip which is going through a humanitarian crisis due to the Israeli military campaign. The agreement was reached during a meeting yesterday between King Abdullah and the European Troika delegation that arrived in Jordan as part of a regional tour seeking to reach a ceasefire.

Israel turns back Jordanian truck carrying blood units

A Jordanian truck laden with 2,000 blood units bound to Gaza was denied entry to the Palestinian territories by Israeli authorities, according to an official from the Jordan Hashemite Charity Organisation (JHCO). The official, who spoke on condition of anonymity, confirmed a statement to The Jordan Times by Director of the Health Ministry's National Blood Bank Nidal Irshaid, who added that the shipment would leave early today to the besieged enclave. He said that the JHCO coordinated with border crossing authorities to allow entry to the truck along with other relief convoys dispatched by the organisation. Health Ministry official indicated that the Kingdom's blood banks have collected more than 8,000 blood units since the first day of the Israeli attacks on the Gaza Strip. "The bank branches across the Kingdom receive hundreds of people who want to donate blood every day," Irshaid noted, adding that the capacity of the bank is between 8,000 to 10,000 units and the validity period of blood is 35 days. He said that thousands of people are on the waiting list to donate blood as more than 150 organisations have launched donation campaigns.

Jordan, EU to establish humanitarian corridor to Gaza

The government announced on Tuesday plans to establish a humanitarian corridor running through the Kingdom to Gaza with the coordination of the EU, in the culmination of a series of meetings between the King, senior officials and an EU Troika Delegation. Minister of State for and Media Affairs and Communications and acting Minister of Foreign Affairs Nasser Judeh said yesterday that senior officials and the visiting EU delegation have agreed to work together to facilitate the distribution of assistance to Palestinians living in the coastal enclave. "We have agreed on coordinating closely and we have also agreed on finding a mechanism through which we can ensure that humanitarian aid reaches the people of Gaza," Judeh said following a meeting with the delegation. In a separate press conference yesterday, EU Troika officials said they have agreed with Jordan to open a humanitarian corridor through the Kingdom to help Palestinians living in the besieged enclave after conceding a ceasefire in Gaza is unlikely in the near future. Following their meetings with the King and top officials, including Prime Minister Nader Dahabi, the delegation, headed by Czech Foreign Minister Karel Schwarzenberg and European Commissioner for External Relations Benita Ferrero-Waldner, said they intend on working closely with the Kingdom to alleviate the suffering of residents in the Gaza Strip.

Dahabi underscores diplomatic efforts to end Gaza violence

Prime Minister Nader Dahabi highlighted the government's efforts to immediately halt Israeli attacks on the Gaza Strip. In a statement released yesterday, the premier said the government has intensified its diplomatic efforts at the Arab, regional and international levels to immediately end the Israeli aggression and ensure the resumption of direct negotiations between the Palestinians and Israelis to result in a two-state solution. In regards to the humanitarian aspect of the war in Gaza, the premier said His Majesty King Abdullah directed the government to place all medical and humanitarian capabilities at the service of the Palestinians suffering from the attacks in addition to sustaining the continuous flow of aid convoys. Also on Tuesday, Dahabi reiterated the government's commitment to aid the country's agricultural sector and implement the directives of King Abdullah to designate 2009 as a year for agricultural development. During a meeting of the Higher Agricultural Council, the premier said the outcome of meetings between the ministry and concerned parties have focused on ways to address challenges facing the sector. He urged the Agriculture Ministry to prepare a practical plan within a specified time frame soon to include projects and programmes aiding the sector. The government will provide financial support to farmers along with necessary water resources, he said, calling on farmers to ration water use in order to maximise profits.

Civil society delegation visits wounded Palestinians from Gaza

Delegations representing the Jordanian Writers Association, the Amman Municipality Council and other local community institutions on Wednesday visited wounded Gazans currently receiving medical treatment at the Queen Alia Military Hospital from the Royal Medical Services.

The delegates checked on the condition of the wounded and thanked the Royal Medical Services for their attentive care. Eight wounded Palestinians who sustained injuries during the Israeli attacks on Gaza were flown from El Arish to Amman on Thursday to receive medical treatment at Jordanian military hospitals.

Jordan, UNRWA to continue Gaza relief operations

Jordan Hashemite Charity Organisation (JHCO) sent a total of 165 tonnes of foodstuff to the West Bank en route to the war-stricken Gaza Strip, JHCO's spokesperson said The 10-truck convoy crossed the King Hussein Bridge carrying food assistance to Gazans "as part of the Kingdom's continuous support to Gaza residents", Mohammad Kilani told Jordan also serves as a conduit of relief aid destined for Gaza and Palestinian lands donated by Arab and international parties. The charity delivers the humanitarian shipments to UNRWA, which reportedly halted its operations in the strip Thursday after one of its convoys in Gaza was hit by an Israeli shell, killing two of its staff. Kilani said he contacted the agency's office in Amman, where officials stressed the agency will continue to carry out its mission to distribute to Gaza citizens aid items received from the JHCO. Furthermore, Kilani said the organisation sent 8.5 tonnes of aid via air transport in cooperation with Royal Jordanian (RJ), through El Arish airport in Egypt. According to an RJ statement e-mailed to The Jordan Times, the freighter carried around 36 tonnes of medicine and medical supplies donated by the airline's employees to Gazans. Three ambulances were also sent on board the plane, one donated by RJ staff members and the other two by the Jordan Construction Contractors Association. The JHCO also sent relief aid items on board the same freighter. RJ President/CEO Samer Majali said the national carrier is keen to respond to His Majesty King Abdullah's calls to support the Palestinian people in Gaza who are suffering from the continuous Israeli attacks. He pointed out that the airline is willing to bring to Amman food and medical assistance bound for Gaza, free-of-charge, from any of the countries covered by the RJ route network.

Children urge UNICEF to protect Gaza peers

Nationwide protests continued against Israeli attacks on the Gaza Strip that have left more than 750 casualties, one-quarter of whom are women and children. Hundreds of children marched from the King Hussein Cancer Centre to UNICEF headquarters in Amman on Thursday, demanding protection for their peers in the Hamas-run coastal enclave. Accompanied by their parents, children chanted slogans against Israel, calling for an end to Israel's "war crimes". They carried banners condemning Gaza attacks and the silence of the international community over the tragedy. Some carried Palestinian, Jordanian or Hamas flags and painted their faces with slogans supporting Gaza. As the group reached UNICEF headquarters, they delivered a message to UN officials in which they called for international pressure on Israel to stop the "massacre". Meanwhile, scores of activists gathered in front of the French embassy to protest against what they said was French bias towards Israel. Covering their mouths with black cloths, activists held signs urging France not to "take part in the massacre of Palestinians". Children also held pictures

of victims of Israeli attacks on Gaza and signs decrying France's position. Participants said they refused the Franco-Egyptian ceasefire proposal on the grounds it is tailored to "protect Israel rather than provide true security".

Doctors Without Borders to send surgical team to Gaza

Médecins Sans Frontières International (Doctors Without Borders) announced that it is planning to send a team of surgeons and a mobile field hospital to the Gaza Strip to help the Palestinian medical cadre in dealing with the large number of injured in the coastal enclave. In a statement released Wednesday, the organisation's regional office in Amman said the organisation seeks to dispatch the team of surgeons upon a request by Al Shifaa Hospital in Gaza, stressing that the strip is in dire need of surgeons to help save those injured. The statement indicated that the intensive care unit at the Shifaa Hospital has reached maximum capacity, noting that the lack of security prevents those injured from having access to medical care. In the statement, the organisation indicated that the field hospital it seeks to dispatch to the coastal enclave will be fully equipped with medical supplies.

Kingdom's charity organisations donate JD200,000 aid to Gaza

The amount of assistance presented by the Kingdom's charity societies to people in Gaza Strip stood at around JD200,000 and 350 tonnes of foodstuff and medical assistance as of Thursday. The donations have been collected under a national campaign launched last week by the Ministry of Social Development in cooperation with charity societies across the Kingdom to support Palestinians in the coastal enclave. The assistance will be sent next week to the Gaza Strip, according to the ministry.

NATO presence in Gaza requires UN mandate'

A North Atlantic Treaty Organisation (NATO) official said an alliance role in Gaza was not an option for the time being, but added that there should be a UN mandate allowing for the presence of NATO troops in the war-stricken territory. "Let me be clear: No one is talking about a NATO role in Gaza, nor do I consider that a possibility. I believe, however, that in the context of a peace agreement achieved between Israel and the Palestinian Authority, should all parties ask for NATO's assistance in implementing such an agreement, and should there be a UN mandate, then the North Atlantic Council would certainly discuss it," NATO Secretary General Jaap de Hoop Scheffer told "Personally, I think the answer would be positive. But unfortunately, these conditions are not in place as we speak," he said, adding that the Western alliance was watching the crisis in the Gaza Strip with concern. "But NATO is not party to international efforts aimed at solving the Israeli-Palestinian conflict," he noted. Israel's military onslaught on the Gaza Strip, which started on December 27, has so far killed more than 765 Palestinians, according to latest media figures. UN and medical staff said most of the casualties were civilians. During NATO's June 2004 Istanbul Summit, heads of state and government said they attach the

utmost importance to reaching a just, lasting and comprehensive settlement of the Israeli-Palestinian conflict. They also stated that this should remain a priority for countries of the region and the international community as a whole, and for the success of the security and stability objectives of the Mediterranean Dialogue (MD) and Istanbul Cooperation Initiatives.

Political Front:

Premier discusses Disi project with GAMA officials

Prime Minister Nader Dahabi discussed with Arif Ozozan, managing director of GAMA, the Turkish company implementing the Disi Water Conveyance Project, the latest developments in the project, particularly issues related to its financial closure. During meeting, attended by Minister of Water and Irrigation Raed Abu Saud, Ozozan confirmed GAMA's commitment to implement the project within the timeline set for the project. He also stressed the company's commitment to finalise the financial closure soon after completing negotiations with parties set to fund the project. In November last year, Dahabi called for accelerating the implementation of the project, which is projected to supply the capital with 100 million cubic metres (mcm) annually in three-and-a-half years time.

King to meet Troika, Muslim scholars

His Majesty King Abdullah is scheduled to meet with a high-profile EU delegation to discuss international efforts to stop the Israeli aggression in Gaza, an official said. The official added that the King will also hold talks with delegates from the International Association of Muslim Scholars (IAMS), headed by leading cleric Yousef Qardawi. These talks will focus on Arab efforts to end the attacks on Gaza. Agence France-Presse reported that the IAMS delegation is on a regional tour to raise funds for Gaza's battered population. An EU official said the European Troika delegation is headed by Czech Foreign Minister and new EU Council President Karel Schwarzenberg. The Troika comprises European Union High Representative for the Common Foreign and Security Policy Javier Solana, European Commissioner for External Relations Benita Ferrero-Waldner, Swedish Foreign Minister Carl Bildt and French Foreign Minister Bernard Kouchner, according to a statement from the EU.

Social Front:

King demands decisive stand from Security Council

His Majesty King Abdullah called on the Security Council to issue an immediate binding decision to stop the Israeli aggression in the Gaza Strip, open the border crossings and end the humanitarian crisis in the coastal enclave. At a meeting of the National Policies Council, King

Abdullah said Jordan will deploy all possible means to hammer out an international stand to pressure Israel into ending "its aggression on innocent people in the Gaza Strip" and highlight the destructive impact of the offensive on the entire region. The King told the meeting that Jordan will continue to exert all possible efforts to bring about an end to the onslaught, a Royal Court statement said Sunday. Jordan supports the Palestinians with all its capabilities in standing up to the aggression and its consequences, the King reaffirmed at the meeting, attended by Prime Minister Nader Dahabi, Senate Speaker Zeid Rifai and Lower House Speaker Abdul Hadi Majali along with senior officials.

Dahabi urges officials to address poverty pockets

Prime Minister Nader Dahabi urged concerned officials to examine the needs of areas designated as the Kingdom's poverty pockets. Chairing a meeting of the Higher Guidance Committee on Combating Poverty, the premier asked attendees to decide on and prioritise development programmes and income-generating projects for their respective areas. Dahabi also underlined the importance of public-private partnership to support these projects. Also Monday, the premier chaired a meeting designed to discuss the needs of universities and ways to upgrade the higher education sector in the Kingdom.

Fayez urges citizens to demonstrate in 'civil' manner

Minister of Interior Eid Fayez on Monday called on citizens to express their feelings in demonstrations in a civilised manner. He made the remarks during a meeting with General Directorate of Gendarmerie Director General Major General Tawfiq Halalmeh. The minister commended the measures taken by the gendarmerie staff in handling the demonstrations and public rallies in the Kingdom in the aftermath of Israeli aggression in the Gaza Strip.

Kingdom's illiteracy rate drops to 7.9 per cent in 2008

Minister of Education Tayseer Nueimi announced that Jordan has achieved the highest level of literacy in the Arab region as illiteracy rates have dropped from 45 per cent in 1970 to 7.9 per cent in 2008. During his speech to commemorate Arab Literacy Day, he expected that the level of illiteracy in the Kingdom will decrease to 5 per cent by 2015.

Health minister calls for enforcement of smoking ban at airport

Minister of Health Salah Mawajdeh underlined on Thursday the need to prevent smoking at the departure and arrival terminals at the Queen Alia International Airport in compliance with the Public Health Law which considers the airport a public place. During a meeting with Airport International Group CEO Curtis Grad, Mawajdeh said the law seeks to protect the health of citizens and ensure a clean and smoke-free environment. He added that the ministry has constructed a strategy aimed to raise awareness on the law and its enforcement.

Water minister stresses importance of developing Southern Ghor

Minister of Water and Irrigation Raed Abu Saud stressed the importance of providing agricultural lands in Southern Ghor with the largest amounts of water possible to help improve the sector. During a visit to check on services offered to farmers in the district, Abu Saud said the ministry will not spare any efforts in supporting area farms. At the meeting, Director of the Agricultural Credit Corporation Tawfiq Habashneh said the corporation has allocated JD1.5 million for agricultural loans to farmers in Southern Ghor. Farmers present at the meeting referred to problems facing them, mainly weak financial situations.

Economic front;

Turkish delegation visits JIB

A Turkish businessmen delegation visited the Jordan Investment Board (JIB) to seek new business prospects and get acquainted with the Kingdom's investment climate. Assistant JIB Chief Executive Officer (CEO) Isa Qamouh briefed the delegation on Jordan's investment climate and policies, investment opportunities and privileges offered to investors. Trade exchange between the two countries stood at $400 million last year, while the volume of Turkish investment in Jordan reached $100 million

Qteishat discusses energy cooperation with Australian ambassador

Minister of Energy and Mineral Resources Khaldoun Qteishat discussed with Australian Ambassador in Amman Trevor Peacock means to boost cooperation between the two countries in the field of energy. Qteishat briefed the diplomat on investments available in the Kingdom's energy sector.

Mobile operators decry proposed tax on phone calls

Mobile operators decried the Lower House's endorsement of a tax on phone calls saying it was "unfair" to the telecom industry, while economists described the decision as irrational. Deputies yesterday endorsed the 2008 livestock protection fund draft law, which entails imposing a one-fils tax on each minute of a mobile or landline phone call, saying it is meant to support the livestock sector by facilitating farmers' access to low-interest loans. Three out of the Kingdom's four mobile operators said the law, if implemented, would increase the financial burden on end-users and negatively impact the telecom sector, which already contributes to the treasury. Zain General Manager Ahmad Al Shatti said the new tax would also cause chaos in the local telecommunications market. Currently, taxes constitute 20.5 per cent of subscribers' bills, in addition to an annual JD1 university tax per line, according to Shatti. In addition to the 16 per cent sales tax and 4.5 per cent special tax, around 10 per cent of local operator's revenues go to

the treasury, he said, adding that they also pay 25 per cent of their total profits to the treasury, as well as contribute indirectly through the income tax paid by their employees.

Islamists call for boycott of French products

The Islamist movement called for a regional boycott of French products in light of remarks made by French President Nicolas Sarkozy which the group considered to be pro-Israel, according to an official statement. "The French statement is hostile and reveals a bias towards Israel and against the Arab and Muslim nations," said Hamam Said, overall leader of the Muslim Brotherhood, in a statement published on the group's website. The Muslim Brotherhood statement came in response to Sarkozy's comments regarding Hamas' culpability in the violent attacks on Gaza Strip. "Hamas acted in an irresponsible and unforgivable manner... Hamas is to blame for the suffering of the Palestinians," Sarkozy said on Monday after arriving for talks with Palestinian President Mahmoud Abbas in the West Bank and Israeli Prime Minister Ehud Olmert in Jerusalem, Agence France-Presse reported. "Muslim and Arab nations should boycott French products in response to President Nicolas Sarkozy's remarks about Hamas," Said said in yesterday's statement. The group also rejected the Franco-Egyptian truce plan, saying the terms of the proposal would "enhance the occupation" by allowing foreign forces in Gaza. "We cannot stay silent regarding the French proposal," said Said, who recently returned to Amman from a visit to Damascus where he and other top Islamist leaders held talks with Khaled Mishaal, the chief of Hamas' political bureau. Under the proposal, foreign observers would be sent to monitor and control the border, a measure Hamas has repeatedly said it will not adhere to. Meanwhile, the Islamist movement renewed calls for Jordan and Egypt to cut diplomatic ties with Israel following Venezuela's expulsion of the Israeli ambassador from Caracas. Meanwhile, women gathered at Al Kalouti Mosque in Rabia, near the Israeli embassy, in solidarity with Gazans as the Israeli military offensive against Gaza entered its 12th day.

Revenues from vegetable exports rose in 2008

Jordan's revenues from vegetable exports rose by 5 per cent during the first 10 months of 2008, amounting to JD237.6 million, compared to JD226.3 million the same period of 2007, according to official statement issued by the Central Bank of Jordan (CBJ). The markets of Iraq, Syria and the UAE accounted for two-thirds of the Kingdom's vegetable exports. Vegetables are considered Jordan's fifth largest exported product, according to the CBJ statement.

Syria

GAZA Attacks:

Asian Parliamentary Troika Calls of Stopping Israeli Aggression and Withdrawal of Israeli Forces from Gazac

Speakers of the Syrian, Iranian and Indonesian parliaments called for stopping the Israeli aggression against the people of Gaza, achieving ceasefire, withdrawing Israeli forces from Gaza, ending the siege imposed on Gaza Strip, and opening all crossing points, harbors and Gaza airport immediately. The Asian Parliamentary Troika, which had held a meeting in Damascus on behalf of the Asian Parliamentary Assembly, issued a statement denouncing the Israeli inhumane practices and violent attacks against the defenseless Palestinian people in Gaza Strip, claiming hundreds of victims and inuring thousands. The statement stressed that the events in Gaza constitute a crime against humanity and a threat to peace and security. The Troika called on international human rights organizations and institutes and international, Arab and Islamic parliamentary groups around the world to assume their responsibilities and work to improve the situation in Gaza and deliver aid to the besieged people of Gaza via a unified, coordinated and swift mobilization plan. Member countries in Asian Parliamentary Assembly called for annulling parliamentary friendship association between their countries and Israel, stressing the need for expediting the delivery of humanitarian aid, medical supplies, food and fuel to Gaza strip and transporting the injured to be treated in other countries. They called for forming a fact-finding committee to study the different aspects of the aggression and the Israeli crimes, bring the war criminals responsible to justice, reimburse the Palestinians for the damages caused by the Israeli aggression, rebuilding the destroyed areas, and provide monetary aid and aid in kind from Islamic countries in Asia. The Assembly decided to send a letter to Egypt urging it to provide facilitations for delivering humanitarian aid to Gaza Strip, in addition to sending letters to the UN Secretary General and the European Parliament calling for taking steps to relieve the suffering of the people of Gaza. They also decided to visit Lebanon, Jordan, Turkey, Russia, China and the European Parliament to gather support for the people of Gaza, in addition to holding an extraordinary session for the Asian Parliamentary Assembly soon. In a press conference following the meeting, Speaker of the Majlis (Parliament) of Iran Ali Larijan said that the meeting of the Troika with President Bashar al-Assad discussed viewpoints regarding the Israeli aggression and what the Troika can provide to help end this aggression, adding "we were informed of President al-Assad's viewpoints regarding this issue, and we commend his ideas and positive attitudes in that regard." Larijani stressed the importance of benefiting from the resources of member countries to end the Israeli aggression and intensifying efforts to reclaim Palestinian rights to guarantee that Israel will not commit similar crimes again. For his part, Indonesian People's Representative Council and current Chairman of the Asian Parliamentary Assembly Agung Laksono stated that the Association has opened bank accounts to collect donations from Asian parliaments in order to deliver them to the people of Gaza as soon as possible. In turn, Speaker of the People's Assembly Dr. Mahmoud al-Abrash pointed out that this meeting is the beginning of an Asian parliamentary movement, calling on the world's parliaments to mobilize and exercise their constitutional rights in their countries to pressure Israel to stopp its aggression and withdraw from Gaza immediately. Al-Abrash underlined the need for bolstering the role of the Troika in uncovering Israel's aggressive practices against the Palestinian people, particularly their arrest of 41 members of the Palestinian Legislative Council including the Council's Chairman.

Al-Moallem, Baroness Neville-Jones Discuss Situation in Gaza Strip

Foreign Minister Walid al-Moallem discussed on Thursday with a British parliamentary delegation headed by Shadow Security Minister Baroness Pauline Neville-Jones the Israeli aggression and massacres on defenseless civilians and the need to reach a truce that allows delivering humanitarian aid, medical supplies and food to the Palestinian people. During the meeting, Minister al-Moallem reviewed Syria's efforts along with a number of regional and international sides to stop the Israeli aggression, achieve the withdrawal of Israeli forces from Gaza and to lift the siege and open crossing points. The meeting was attended by Chairman of the National Security Committee at the People's Assembly Fajr Issa and the British Ambassador in Damascus Simon Collis. After the meeting, Baroness Neville-Jones affirmed the importance of Syria's effective role regarding the current situation in Gaza, expressing relief over this role. She described the visit of the British delegation to Syria as "very beneficial for developing bilateral relations between Syria and England and pushing them forward," adding that this visit will also help solve the problems in Gaza Strip, and that the British government is working to achieve ceasefire to help stabilize the region. During her visit to al-Quneitira, Baroness Neville-Jones praised Syria's effective role in regional issues, particularly regarding the Arab-Israeli conflict. She also affirmed the importance of the delegation's meeting with President Bashar al-Assad, describing the meeting as "transparent and clear" and praised President al-Assad's vision and commitment to the interests of his people and nation. Baroness Neville-Jones stressed the need for establishing peace in the region to prevent the destruction and murder in Gaza from ever happening again.

Christians in Damascus pray for Gaza Martyrs

Christian denominations in Damascus prayed for the souls of the Palestinian martyrs who passed away as a result of the Israeli continued aggression on Gaza Strip. Patriarch Ignatius IV Hazim of Antioch and all the East for Roman Orthodox who led the prayers, underlined in a speech following the prayers that "what is going on in Gaza is an Israeli brutal aggression and a shame on humanity" He praised the heroic struggle of Gaza people in the face of Israeli destructive machine. Patriarch Hazim condemned acts of killing children, women and elders perpetrated by those who abandoned their humanity, adding "Zionists are staining the land of peace and holy religions."

Syrian and Palestinian lawyers stage a sit-in at al-Yarmouk Camp is solidarity with Gaza

Syrian and Palestinian lawyers staged a sit-in at al-Yarmouk Camp in Damascus in protest and condemnation of the Israeli continued brutal aggression on Gaza and in solidarity with Palestinian besieged people in Gaza. "The crime which is being perpetrated by the Israeli occupation forces against the Palestinian civilians in Gaza is a crime against humanity and a shame… and the world should move to stop it," lawyers said during the sit-in. They called on the international community to work for halting the Israeli barbaric onslaught on Gaza, opening crossing-points, lifting the unfair siege and compelling Israel to withdraw its forces from the Strip. Meanwhile, the Damascus-based Palestinian factions' Alliance said it doesn't consider the Egyptian initiative to solve the

crisis in Gaza as suitable to any acceptable solution because it includes items that harm the Palestinian resistance. "The aim of the initiative is to limit the resistance, besiege it," a statement by the Palestinian factions said. They underlined their demand of stopping the aggression, lifting the siege and opening crossing-points.

Outcry demonstrations in Syria and the Arab world on Friday in solidarity with Gaza

Damascus and other Syrian cities on Friday witnessed anger demonstrations and sit-ins, showing solidarity with the Palestinian people in Gaza in the face of the two-week holocaust perpetrated by the Israeli occupation forces. The protestors expressed their support to the Palestinians who are confronting a barbaric aggression which spares no children, women, the elders, schools or mosques. They condemned the massacres carried out by Israel in Gaza, calling on the countries that have diplomatic relations with Israel to cut them off and dismiss the Israeli ambassadors and representatives. In this regard, Islamic scholars and imams in the Syrian cities underlined that the massacres of the Israeli occupation against the Palestinian civilians are a war crime and a crime against humanity.
During Friday sermons, the scholars condemned the prevention of the necessary medical and nutritional aid from reaching the affected Palestinians in Gaza and the continuation of the unfair siege on the Strip. Donations were allocated today for the people of Gaza. In Doha, thousands of Qatari people demonstrated throughout the capital streets in solidarity with the Palestinians in Gaza and in condemnation of the Israeli brutal aggression. The demonstrations throughout the Arab world come in response to an appeal by the Islamic scholar, Chairman of the World Assembly for Muslim Scholars, Sheikh Yosuf al-Qaradawi who asked to make this Friday an Arab and international outcry day in denunciation of the Israeli crimes in Gaza. In Jordan, different Jordanian cities witnessed mass demonstrations announcing their solidarity with the Palestinians.
The demonstrators staged a sit-in near the Israeli Embassy in Amman, raising the Palestinian flags and calling for closing the Embassy and dismissing the Israeli Ambassador. Thousands of Egyptians also demonstrated in the coastal city of Alexandria, showing full solidarity with the Palestinians.

Mrs. Asmaa al-Assad to Istanbul to Support Women and Children of Gaza

By a Syrian-Turkish joint initiative, Palestine Summit will be held on Saturday in the presence of first ladies from Arab world and Europe and social and intellectual figures with the aim of reaching an initiative and a work plan to alleviate the suffering of the Palestinian people in the Gaza Strip due to the Israeli brutal aggression and heinous crimes committed against them. In this context Mrs. Asmaa al-Assad arrives in Istanbul heading a Syrian delegation to participate in this forum for unifying the Arab and Islamic and European efforts to support Gaza and mobilizing free forces in the world to intensify their efforts and stand by the people of Gaza. The one day forum includes a number of first ladies, world artists, personalities known for their support to justice and human rights and representatives of the UN bodies and relief and refugee affairs organizations working in the Gaza Strip.

Larijani, Abrash: Continuation of Troika Efforts to Expose Israeli Aggression on Gaza

Speaker of the Majlis (Parliament) of Iran Ali Larijan , at the end of the Asian Parliamentary Troika's first round, said Friday there are many Arab and Islamic countries and parliaments stand by the Troika efforts to stop the Israeli aggression on Gaza, lift the siege and to open the crossing points, adding that these parliaments and countries are keen to provide assistance and support to the Troika efforts. Larijani, in a statement to SANA reporter before leaving Damascus coming from Ammman added that the Troika, after the Israeli aggression on Gaza, decided to regionally and internationally move where it held its first meting yesterday in Damascus and issued a final statement. The statement included exerting every effort to stop this aggression, lift the siege imposed on Gaza in addition to withdrawal of the Israeli forces and opening the crossing points for delivering aid. Larijani pointed out that the Troika also decided to send a message to president Hosni Mubarak of Egypt signed by heads of the three parliaments, demanding the opening of Rafah crossing for reaching aid to people in the Gaza Strip. For his part, Speaker of Syria's Parliament Mahmoud al-Abrash underlined that the Troika's forthcoming steps will be resumed next Tuesday by visiting Istanbul followed be a number of meetings with the Russian Parliament Duma, Chinese Parliament, Organization of the Islamic Conference OIC. The Troika's first round included Lebanon and Jordan. The efforts and meetings will continue to reach voice of the Palestinians people to the world as a whole.

Leaders of Palestinian Factions Reject Deployment of International Forces in Gaza

Leaders of the Palestinian factions reiterated Saturday rejection of deployment of any international forces or observers in Gaza and any security arrangements that affect the resistance and its role and legitimate right to struggle against the occupation. During their meeting in Damascus, they considered that the UN resolution 1860 does not meet the demands and the national interests of the people and harms the Palestinian resistance and its continuation and the essence of the Palestinian issue. The leaders underlined the necessity for any initiative or proposal to include stopping the Israeli aggression on Gaza immediately, complete withdrawal of the occupation forces, lifting the siege and opening all crossings and allowing the delivery of the foodstuffs and medical materials to Gaza. The Senior official in Hamas Muhammad Nazzal stressed the Palestinian resistance rejection of the deployment of international forces in the Gaza Strip because it will be only to protect Israel. " The deployment of international forces in the Gaza Strip aims at neutralizing the resistance in the Gaza Strip from the conflict in the light of the continuation of the occupation and separation of Gaza from the West Bank." He indicated that Hamas has a set of observations on the Egyptian initiative that must be dealt with positively. Meanwhile, Member of the Palestinian Legislative Council Mustafa Barghouti said Israel's insistence to continue the barbaric aggression on the Gaza Strip despite the issuance of the UN Security Council resolution necessitates imposing political sanctions on Israel immediately. In a speech during the press conference of the parliamentary blocs in the Legislative Council in Ramallah, Barghothi urged the international and parliamentary institutions to pressure Israel through imposing sanctions,

expelling Israeli ambassadors and severing relations with Israel. He warned against dangers of using cluster and phosphorous bombs by Israel in its aggression which poses a flagrant violation of the human rights, calling for the formation of an international investigation committee identified by the UN secretary-general to investigate the war crimes committed by Israel

Fakoush Stresses Importance of Syrian Support to the Palestinian People

Member of the Regional Leadership and Head of the Public Organizations Bureau at al-Baath Arab Socialist Party Mrs. Shahinaz Fakoush stressed importance of providing all forms of support to the Palestinian national resistance in Gaza Strip as it represents the Arab Nation's dignity and steadfastness. Receiving members of the General Secretariat of the Arab Youth Union on Saturday following their emergency meeting on supporting the Palestinian resistant people in Gaza Strip, Mrs. Fakoush said Syria will continue to serve as the incubator of the national resistance everywhere. Mrs. Fakoush pointed out to Syria's unlimited backing to the resistance as a thought, culture and will that represent our Arab Nation's will and its active forces. Members of the Arab Youth Union expressed high appreciation for the great role being played by Syria and its firm stances toward the Arab Nation's issues, praising its stances over the Israeli aggression on Gaza Strip. They also called on the Arab masses everywhere to go on with their public movement to stop the aggression, open the crossing points and break the siege.

Meshaal: Aims of Israeli Aggression on Gaza is Wearing Away, Resistance in Good Position

Head of Hamas Politburo Khaled Meshaal stressed that the Israeli enemy had already outlined aims for itself but they started to erode with time and gained nothing in its 15 days of aggression on Gaza Strip. In a speech broadcast by the Syrian TV Saturday night, Meshaal said the Palestinian national resistance in Gaza is in good situation and would emerge victorious against the Israeli aggression. Mr. Meshaal stressed that the Israeli aggression on Gaza is not only against Hamas but also against the Palestinian issue as a whole. He demanded the stop of Israeli aggression, the withdrawal of the Israeli occupation forces, lifting the siege on Gaza and opening of all the crossing points.

He added that the Palestinian resistance has achieved steadfastness in the face of the Israeli aggression, and Israel has totally failed militarily, adding that it achieved nothing and wants to cover up its defeat. Mr. Meshaal emphasized that the resistance will continue to exit as long as there is occupation, adding it rejects the deployment of any international forces in the Strip. He said that Israel has been committing a holocaust in Gaza, but it lost morally and materially in terms of world public opinion.

Brazilian Foreign Minister Arrives in Damascus for Talks on Serious Situation in Gaza Strip

Brazilian Minister of External Affairs Celso Amorim arrived in Damascus on a visit to Syria. Mr. Amorim is due to hold talks with senior Syrian officials on the serious

situations in Gaza Strip and ways of movement to immediately reach ceasefire, the withdrawal of the Israeli occupation forces, lifting the siege on Gaza and opening of all the crossing points.

The Brazilian Minister of External Affairs was received by Deputy Foreign Minister Dr. Fayssal Mikdad at Damascus International Airport.

Arab Youth Union Condemns Israeli Aggression on Gaza

The Damascus-based Arab Youth Union (AYU) strongly condemned the heinous Israeli aggression on Gaza Strip, calling for immediate stop of the killings and war of extermination being perpetrated by Israeli occupation forces against defenseless people in defiance of all international laws and UN Charter. The AYU General Secretariat, in statement at the conclusion of its emergency meeting in Damascus, called on the Arabs to support the heroic steadfastness of the Palestinian resistance men, stop of the Israeli aggression and opening of all the crossing points. It added that what is going on in Gaza Strip is a copy of what had already happened in Iraq and Lebanon. The AYU called for an Arab emergency summit and severe of all forms of relations with Israel.

Donation Campaigns Continue across Syrian Governorates in Support of Gaza

Syrian citizens continue to donate in kind and cash for the Palestinian population of Gaza Strip who are suffering under the heinous crime being committed against them by the Israeli occupation forces in defiance of the international laws and the UN Charter. In Hasaka Governorate, northeast of the country, more than four million Syrian Pounds were collected along with huge quantities of in kind aid, including food stuffs, medicines, blankets among others. In the northern Edleb Governorate, donations continued for the forth day running with the participation of local Party and state officials as well as social, economic, religious and public circles. In the central Governorate of Hama, the Syrian Red Crescent's Branch sent the aid collected so far to the Damascus-based headquarters as part of the local campaign to assist the defenseless Palestinians in Gaza Strip. Local sources said the in kind aid amounted to nearly 77 tons of various food stuffs and a quantity of medicines and blankets. In the southern Quneitra Governorate the local authorities formed five sub-braches in the area's mosques, schools, neighborhoods and public organizations as part of a plan to activate donations.

Geo strategic Front;

Minister of Information: Israeli Occupation is Cause of Problems in Region

Minister of Information Dr. Mohsen Bilal affirmed, during his meeting with a Chinese press delegation on Thursday, that any initiative for stopping the Israeli aggression on Gaza Strip will be meaningless without stipulating for the immediate cease of aggression, lifting the siege, opening crossing points and holding Israel accountable. Minister Bilal pointed out that Israeli occupation is the cause of all problems in the region and that solving these problems requires ending occupation, adding that Israel has no will

or desire for peace in the region and that Israel uses negotiations and talk of establishing peace to cover its crimes of murder and destruction.
He pointed out that the US, which is controlling the Security Council, has disabled its peacekeeping role in the world, noting that the Security Council issued more than 300 resolutions for peace in the region and that Israel didn't carry out any of them due to the US support. Dr. Bilal called on free mass media to uncover the brutal crimes of the US occupation forces of murdering children, women and the elderly and destroying hospitals, schools and homes. He stressed the need for holding the people responsible accountable for these crimes. For their part, members of the Chinese delegation denounced the Israeli aggression, affirming that the Chinese mass media will work to inform the Chinese people of the brutal Israeli practices against the Palestinian people in Gaza Strip.

Kuwaiti Delegation Discuss with Meshaal, Shallah, Palestinian Faction Leaders the Israeli Aggression on Gaza

Leaders of the Palestinian factions and the Secretariat of the Palestinian National Congress (PNC) in Damascus on Sunday discussed with a delegation of the Nation's Party in Kuwaiti the Israeli criminal aggression against the defenseless innocents in Gaza, and the underway movement to stop this aggression. Both sides reviewed the Arab demonstrations and public movement in the face of the Israeli heinous aggression, highlighting the steadfastness of Gaza and its courageous resistance, calling for further activating the public movement in the Arab region to support the resistance in Gaza. The delegation expressed the Kuwaiti people's solidarity with the struggle of the Palestinian people and their brave resistance. The Kuwaiti Nation's Party delegation includes the party's Secretary General Dr. Fayssal al-Hamad, his Deputy Dr. Hakem al-Mteir and Politburo Member Seif al-Hajiri. The delegation had already met Head of Hamas Politburo Khaled Meshaal and Secretary General of the Islamic Jihad Ramadan Abdullah Shallah. Members of the Kuwaiti delegation stressed in a press conference following the two meetings their Party and Kuwait's solidarity with the legitimate struggle led by the Palestinian people and their support to the steadfastness of Gaza and its resistance until the restoration of the all the national legitimate rights.

Lebanon

GAZA attacks;

Geo strategic Front;

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Minister Bilal pointed out that Israeli occupation is the cause of all problems in the region and that solving these problems requires ending occupation, adding that Israel has no will

or desire for peace in the region and that Israel uses negotiations and talk of establishing peace to cover its crimes of murder and destruction.
He pointed out that the US, which is controlling the Security Council, has disabled its peacekeeping role in the world, noting that the Security Council issued more than 300 resolutions for peace in the region and that Israel didn't carry out any of them due to the US support. Dr. Bilal called on free mass media to uncover the brutal crimes of the US occupation forces of murdering children, women and the elderly and destroying hospitals, schools and homes. He stressed the need for holding the people responsible accountable for these crimes. For their part, members of the Chinese delegation denounced the Israeli aggression, affirming that the Chinese mass media will work to inform the Chinese people of the brutal Israeli practices against the Palestinian people in Gaza Strip.

Kuwaiti Delegation Discuss with Meshaal, Shallah, Palestinian Faction Leaders the Israeli Aggression on Gaza

Leaders of the Palestinian factions and the Secretariat of the Palestinian National Congress (PNC) in Damascus on Sunday discussed with a delegation of the Nation's Party in Kuwaiti the Israeli criminal aggression against the defenseless innocents in Gaza, and the underway movement to stop this aggression. Both sides reviewed the Arab demonstrations and public movement in the face of the Israeli heinous aggression, highlighting the steadfastness of Gaza and its courageous resistance, calling for further activating the public movement in the Arab region to support the resistance in Gaza. The delegation expressed the Kuwaiti people's solidarity with the struggle of the Palestinian people and their brave resistance. The Kuwaiti Nation's Party delegation includes the party's Secretary General Dr. Fayssal al-Hamad, his Deputy Dr. Hakem al-Mteir and Politburo Member Seif al-Hajiri. The delegation had already met Head of Hamas Politburo Khaled Meshaal and Secretary General of the Islamic Jihad Ramadan Abdullah Shallah. Members of the Kuwaiti delegation stressed in a press conference following the two meetings their Party and Kuwait's solidarity with the legitimate struggle led by the Palestinian people and their support to the steadfastness of Gaza and its resistance until the restoration of the all the national legitimate rights.

Economic Front:

U.S. Helps the Economically Disadvantaged

USAID/Lebanon Mission Director Denise Herbol presented two checks for a total of $100,000 to two Lebanese organizations, Association Centre Mar Semaan and the Safadi Foundation, the U.S. embassy said. Association Centre Mar Semaan, which is located in Wadi el-Karm near Baskinta, received $50,000 to improve its facilities including the children's dormitory section, bathrooms, kitchen, fence and heating system. The center provides free of charge residency, education and medical care for a yearly average of 100 socially and economically deprived boys and girls (ages 3-18 years) The Safadi Foundation, established in 1990, received $50,000 to upgrade and equip eight computer centers in the districts of Akkar, Batroun, Koura and Minieh.

As a result of the assistance, the foundation will provide 3,000 students per year with computer training, to enhance their skills and capabilities to integrate the job market. Safadi Foundation offers a variety of social services for economically disadvantaged populations in Tripoli and the surrounding suburbs.

Geo strategic front:

Jumblat: Resistance Arms Underline Defensive Nature

Progressive Socialist Party leader Walid Jumblat voiced fear over the situation in south Lebanon in the wake of Thursday's Katyusha attack on northern Israel "because uncontrolled weapons could give Israel … an additional pretext to launch an offensive against southern Lebanon and against Lebanon." Jumblat described as "very positive" Hizbullah's announcement that the Shiite group had nothing to do with the rocket firing. Hizbullah's announcement "also confirms that the resistance arms are of a defensive nature to confront any (possible) Israeli assault," Jumblat said in remarks published in Beirut dailies Friday. He said he believed the Gaza events would eventually lead to the recognition of Hamas as a "key negotiator" in Mideast peace talks. Jumblat called for settling the issue of the "so-called Palestinian arms … which pose a danger to Lebanon's security."

Hizbullah Relocated Positions … Next Battle to be Launched from Bekaa

Hizbullah has over the past two days relocated all its positions and main centers, the daily Asharq al-Awsat reported Friday. It cited a source close to Hizbullah as saying that the Shiite group has moved all its logistics and security cadres from Beirut's southern suburbs to east Lebanon's Bekaa Valley and southern Lebanon. The source said Hizbullah has also called upon its skilled members – from communications technicians to engineers and technicians residing oversees – to return to Lebanon. The source, however, ruled out a new war on Lebanon, "particularly since the wounds of the previous war have not yet healed." He said Hizbullah will not engage in a new confrontation with Israel "unless Iran decided to wage war in the region." The source said that in the event Hizbullah chose war, "then the next battle arena would not be the south where the Lebanese army and UNIFIL are deployed."

Analysis: Who fired on Israel from Lebanon?

Lebanon's traditionally volatile border with Israel reprised its role as a bellwether of Israeli-Arab tensions morning as unknown militants fired at least three Katyusha rockets into Israel. It was the third such attack since the end of Israel's 2006 Lebanon war. The first two attacks involved a number of 107-mm Katyusha rockets, which have a range of seven miles, but were poorly executed — some did not explode, one did not make it across the border, and one did not even leave the launcher. This time, however, the rocket attack showed a greater level of proficiency. Larger-caliber 122-mm rockets, with a range of 12 miles, were employed and carefully aimed at Nahariyah, a coastal town six miles south of the Lebanon border with a population of 50,000. Two Israeli civilians were slightly hurt when one of the rockets struck the roof of a nursing home. The intention appears to be to keep Israel on edge along its northern border without eliciting a disproportionate reaction. Indeed, Israel's response to the Katyusha attack — firing a few artillery shells into a deserted valley in southern Lebanon — neatly fits within the finely calibrated rules that define violence and retaliation along the border, rules tacitly observed by both Israel and Hezbollah, the radical Shi'ite group that dominates much of Lebanon. Israel's artillery shelling was a step up from no response at all — which was how Israel greeted the two earlier rocket attacks. But it was sufficiently limited to deny Hezbollah a pretext to respond in kind. "I don't think it will get worse than that," says Timur Goksel, university lecturer in Beirut and former long-serving official with the U.N. peacekeeping force in southern Lebanon. "You don't open a second front with a couple of Katyusha rockets." Since the Gaza war began on Dec. 27, the Israelis have kept one eye open on its northern border. "What is unexpected is why it took so long for rockets to be fired," says Goksel, voicing the view of analysts who had expected just such an incident since the onset of Israel's offensive against Hamas. There was no claim of responsibility for the attack, although suspicion has fallen on militant Palestinian groups such as the Damascus-based Popular Front for the Liberation of Palestine-General Command (PFLP-GC), which may have acted with a nudge and a wink from Hezbollah. Hezbollah, Hamas and other Palestinian groups denied responsibility. "When Hezbollah does something, it announces it and has no problem doing so," says Mohammed Fneish, minister of labor in Lebanon's national unity government and also a Hezbollah lawmaker. The PFLP-GC, however, maintained a deliberately ambiguous stance. "It is not the time to say who is responsible; it is time to be united to confront the Israelis," Anwar Raja, PFLP-GC spokesman in Lebanon, told TIME. "We support the launching of rockets on Israel because of the massacre that is occurring in Gaza." Israel has been wary of Hezbollah coming to the aid of its Palestinian ally Hamas by opening up a fresh front. The Shi'ite group has done so in the past. In April 2002, during Israel's Defensive Shield operation to reoccupy the West Bank, Hezbollah militants staged nearly daily assaults against Israeli military outposts in the Shebaa Farms, a strip of mountainside running along Lebanon's southeast border. This time around, however, Hezbollah has confined its actions to fiery statements, speeches and demonstrations of support for the beleaguered Palestinians in Gaza. The powerful organization has little to gain from triggering a new conflict with Israel at this time, despite having given the

Israeli military a bloody nose during the month-long war in 2006. Lebanon heads to the polls in June for knife-edge parliamentary elections. If Hezbollah and its allies in the opposition win and form the new parliamentary majority, it will greatly strengthen the organization's ability to deflect domestic and foreign demands that it dismantle its military wing. But with Lebanon still recovering from the 2006 conflict, few Lebanese, including its core Shi'ite support base, will thank Hezbollah if it provokes a new war with Israel for the sake of its Hamas ally in Gaza.

Saniora: Lebanon is Not a Post Box For Regional, International Messages

Prime Minister Fouad Saniora said the Lebanese revealed their rejection to turn Lebanon into a post box to exchange regional and international messages. The rocket attack "from the south (on northern Israel) was meant to drag Lebanon to harms way," Saniora told reporters following Friday prayers. He said the Lebanese also refuse to turn Lebanon into a platform for launching rockets. "Lebanon holds onto the full implementation of U.N. Security Council Resolution 1701," he said. He said the Lebanese cabinet's rejection to turn south Lebanon into a platform for launching missiles was backed by all ministers, including Hizbullah. "The Lebanese made it clear yesterday that they reject turning their country into a platform to drag Lebanon (into a confrontation) and using Lebanon as post box to shoot or exchange messages whether regional or international," he said. Saniora did not disclose if authorities have made arrests in connection with the rocket attack, saying the matter remains under investigation. "I once said very clearly, the Lebanese do not want Lebanon to become entangled again. All the Lebanese and in particular the southerners do not want to return Lebanon to aimless battles that would unleash the Israeli killing machine," Saniora said. The prime minister added that one must draw lessons from events taking place in the Gaza Strip. Asked whether an Arab summit should have been held prior to heading to the Security Council for a resolution, Saniora said: "The problem is in differences. If there was a common (Arab) stance, one individual could have headed to the Security Council to speak for all the Arabs," he replied. He pointed to Palestinian divisions, saying: "As if there is no Israeli aggression (on Gaza), it looks as if there is an inter-Arab problem and not an Arab-Israeli problem."

"The next battle will be launched from the Bekaa where Hizbullah's military strength is centered," the source added.

March 14 Questions Harmony Between Military and Cabinet on Rocket Incident

The March 14 Forces on Friday questioned wording used by the Lebanese army in a communiqué on the rockets fired from southern Lebanon onto northern Israel.

The coalition's Secretariat-General drew attention to a sentence in Thursday's communique that said "the launching of the rockets coincided with the Israeli artillery shelling." It questioned the harmony of the military communique with official state policy. The March 14 Forces also lauded the cabinet consensus on the rocket incident, saying it was a positive sign in attempts to settle future issues. The cabinet rejected turning south Lebanon into a platform for launching missiles and refused to give Israel pretexts to launch a wide-ranging offensive on Lebanon. The March 14 forces also praised the government in announcing its commitment to U.N. Security Council Resolution 1701. The coalition's statement called on the government to implement all what has been agreed on at the 2006 national dialogue, in particular issues dealing with Palestinian arms. The March 14 forces also supported the interior ministry's decision in setting the date for the parliamentary elections on June 7. It called on the ministry of energy to secure the needs of citizens during winter amidst continued power shortages and urged the government to end fuel smuggling.

Nassib Lahoud: Cabinet Does Not Provide Israel With Free Assurances

State Minister Nassib Lahoud said the government does not provide free assurances to Israel, adding that cabinet decisions are taken to protect Lebanon against the madness of the Israeli aggression on Gaza. In an interview with Future News Channel on Friday, Lahoud said: "It is our duty to prevent another war with Lebanon, particularly when the effects of the 2006 war are still present." He pointed that Lebanon has not yet finished paying and rebuilding what was destroyed and damaged in 2006. He affirmed that the last cabinet meeting was one of the best in terms of vision and consensus in denouncing the use of south Lebanon as a platform for launching rockets against Israel. He stressed that all those that threaten the national security of Lebanon and its citizens must be identified and held accountable. He referred to President Michel Suleiman's earlier visit to the south that coincided with the discovery of a rocket platform. He added that the president stated at the time "the south shall not be a platform for launching rockets." He pointed that the national dialogue is aimed at providing a common Lebanese vision on defense, the future of Hizbullah and its relationship with the state. He reiterated the Lebanese state's support for holding an Arab summit, adding that Lebanon was represented at the U.N. Security Council through Foreign Minister Fawzi Salloukh.

Lebanese Fertility Expert: First British Baby Born Free of Cancer Gene

A mother who is the first woman in Britain to have a baby selected free of a gene which causes breast cancer has given birth successfully, doctors, including Paul Serhal, who is of Lebanese origin, said Friday. "The mother and her little girl are doing very well," said University College London (UCL) of the baby, who grew from an embryo screened to ensure it did not contain the faulty BRCA 1 gene. Doctors said the parents were relieved to have a guarantee that the faulty gene would not be passed to their daughter. "This little girl will not face the specter of

developing this genetic form of breast cancer or ovarian cancer in her adult life," said fertility expert Serhal who treated the couple. Serhal is also head of the Assisted Conception Unit at UCL Hospital.

Larijani: Lebanon is the Head of Resistance

Iranian Parliament Speaker Ali Larijani said that the visiting Asian troika began its tour from Lebanon because it is an important country and "the head of resistance particularly in the past few years." Following a meeting with President Michel Suleiman on Friday, Larijani said: "More efforts must be exerted regarding the U.N. resolution for securing a cease-fire and lifting the siege on Gaza." "President Suleiman is an excellent personality and he played a good role in supporting the resistance," he added. The Asian troika is composed of Indonesian Parliament Speaker Agung Laksono, Syrian Speaker Dr. Mahmoud al-Abrash and Iranian Speaker Ali Larijani. Following the troika's meeting with Prime Minister Fouad Saniora, Larijani stressed that any solution to the Gaza war requires an immediate cease-fire, returning the rights of Palestinians, opening of crossings and the withdrawal of Israeli forces. "Any assistance in this regard must be made via consultation with the legal Palestinian government. We are continuing with our efforts and welcome all ideas presented by other states," Larijani said. The troika also met with Hizbullah's Secretary-General Sayyed Hassan Nasrallah and discussed with him the situation in Gaza. "Today we are witnessing the international presentation of proposals and fabricated suggestions regarding this case (Gaza). However, such proposals do not secure the rights of Palestinians," Larijani said. Larijani later visited the graveyard of Hizbullah commander Imad Mughniyeh who was killed in a car bomb blast in Damascus last Feb.

Social front:

Lebanon 106th in 2009 Quality of Life Index

Lebanon was 106th worldwide in quality of life, according to a report issued by International Living magazine and carried by Bank Audi-Saradar group's Lebanon Weekly Monitor. The annual Quality of Life Index, ranked Lebanon 106th among 195 countries and 4th out of 20 Middle East and North Africa countries in 2009. To produce this Index, International Living considers for each country nine categories: Cost of Living, Culture and Leisure, Economy, Environment, Freedom, Health, Infrastructure, Safety and Risk, and Climate. For each category, the country receives a score out of 100, with a weight of 10%, except for cost of living, and economy, which have equal weights of 15%. Globally, Lebanon had the same score of countries such as Peru, Jordan, Ghana, Cuba and China. It came ahead of Brunei, Fiji, Macau, Madagascar, Malawi and Swaziland and directly after Mongolia, Guyana, Georgia, Belarus, Morocco, Samoa and Yugoslavia. Lebanon's overall score was at 54 in the 2009 index, the same as that of last

year. In the Middle East, Lebanon tied with Jordan for fourth place and lagged behind Morocco, Tunisia and Israel which took first place in the region.

Israel

GAZA Attacks;

Thousands of people flee their homes in southern Gaza after threats by the army

Local media sources reported that Israeli jet fighters drooped leaflets warning people that they are going to shell their homes. The Sources added that around three thousand people have left their homes so far since the morning due to the warnings. The military leaflet told residents to run for their lives "Because Hamas uses your houses to hide and smuggle military weapons, the IDF will attack the area, between the Egyptian border until the beach road," local residents said. The Israeli army confirmed the leaflets, Israeli sources reported. After 12 days of Israeli continued attacks on Gaza the death toll reached today 700 people, half of that number is from children and women, and more than 2900 injured among them 200 in critical conditions.

Israel decides to move forward with "Phase three" in Gaza

The Radio reported that a meeting last night that included the Israeli Prime Minister Ehud Olmert, the Israeli Defense Minister, Ehud Barak, and the minister of Forging Affairs, Tzipi Livni. During the meeting, the three decided to extend the military operations to its third stage. They also agreed to reschedule the visit of Ivad Ghelad, the chief of Security and Political Affairs Dept. in the Israel Israeli Defense Ministry from today to Tuesday.
The Israeli government demands from Egypt that they put to an end the smuggling of weapons into the Gaza Strip through tunnels from within Egypt's borders. The Israeli radio reported that Israel is wiling to stop the attack, that entered its 15th day on Monday, if Egypt manages to form an effective mechanism to control its borders with Gaza. The Israeli Army embarked on its military offense on Saturday December 27, 2008. In the first stage, warplanes shelled all Palestinian security posts in the Gaza Strip. In the following days, the shelling was expanded. Hospitals, homes, blacksmith workshops, schools, and mosques were targeted. Day and night, the entire Palestinian coastal region was under attack. January 3, 2009, the second stage of the attacks was implemented as Israeli ground forces entered the Gaza Strip from several directions, cutting off Gaza City from the rest of the Coastal region. Gaza reported that Israel had called up more reserve

troops to Gaza. Tanks and existing infantry units proceeded to push deeper inside the Costal territory. The Israeli government decided last night to call more reserve units back to action, Israeli radio stated. Since the Start of the Israeli attack on Gaza 17 days ago, 901 Palestinians have been reported killed, more that 50 percent children, while 3,695 others were wounded, including 300 in critical conditions. These figures don't take into consideration the hundreds of bodies gone mising under the rubble.

Israeli Defense Minister Says Army To Keep Up Attacks on Gaza

Israeli defense minister, Ehud Barak, said this evening that his army's attacks on the Gaza Strip will continue until goals are reached. Barak was speaking in a press briefing following the breakout of the Israeli military ground offensive on the coastal territory later in the day. Barak also warned of his army's readiness to retaliate to any attempt by other regional bodies - referring to the Lebanese Hezbollah party - to involve any other front with his army. "The Israeli Army has announced a state of high alert on the northern Israeli border with Lebanon", Barak was quoted as saying. An Israeli Army spokesperson said that the ground offensive in Gaza will take more than a few days. "It is not a school trip", the spokesperson said. According to Israeli sources, the Israeli cabinet has set specific goals for the ground offensive; undermining the infrastructure of Palestinian resistance groups and taking over the area where these groups are said to fire homemade Qassa rockets into nearby Israeli towns. Meanwhile, Israeli air assaults on Gaza have been concurrent with the ground offensive in Gaza. Initial reports stated that an orphan charity, as well as a house in Gaza city were hit by warplanes, causing the death of one Palestinian and wounding a number of others. Since last Saturday, the Israeli Air Force has hit hundreds of targets throughout the coastal enclave, including houses, mosques, charities, Al Aqsa television station, ministerial buildings as well as vehicles. According to Palestinian medics, more than 460 Palestinians, including more than 20 percent of the death toll representing women and children, and more than 2300 others have been wounded since the Israeli air strikes began on Gaza.

EU diplomats: Egypt's refusal to station foreign troops on Gaza border

holding up truce

Egyptian efforts to broker a Gaza ceasefire appeared on Friday to have to run into trouble because of disagreements with Israel over how to secure the border to prevent Hamas from rearming, diplomats said. Israeli and European diplomats, speaking to Reuters on condition of anonymity, said Egypt had objections to proposals for foreign forces deploying on the Egyptian side of its 15-km (9-mile) border with the Gaza Strip. Instead of foreign troops, Cairo told Israel and the European Union, it was prepared to accept only increased international technical

assistance to help its own forces combat arms smuggling through tunnels dug across the border. Israel is demanding the tunnel traffic end as part of a ceasefire deal. "The truce talks are going nowhere at the moment," said a senior European diplomat involved in the effort. "There is a growing sense that the Egyptian-French plan is not going to work." Jerusalem has said it will not agree to a ceasefire unless it contains regional and international commitments that will prevent Hamas from smuggling rockets into the Gaza Strip that could strike deeper into Israeli territory. Hamas has demanded that any truce require Israel to end its blockade of the Gaza Strip and halt cross-border incursions. That plan, announced by Egyptian President Hosni Mubarak after talks on Tuesday with French President Nicolas Sarkozy, called for an immediate cease-fire and for subsequent talks on securing Gaza's border and reopening its border crossings. Following talks in Cairo with top Defense Ministry official, Amos Gilad, Israeli and European diplomats described the gap with Egypt over securing the border as wide. Diplomats said an international deployment on the Palestinian side of the border was unlikely because of objections from Hamas, which has yet to take a formal position on Cairo's ceasefire blueprint. Israeli officials said their Egyptian counterparts were skeptical Hamas would accept it. Hamas, which is seeking an end to Israel's blockade on the territory, had likewise rejected the presence of international forces. European diplomats said NATO member Turkey was one of the few countries that appeared willing to send contingents to the border if an agreement between Egypt and Israel can be reached. EU foreign policy chief Javier Solana has played down the need for ground forces, saying technology was the key. The bloc preferred to send "money and technology" to Egypt as part of any border mission, a senior diplomat said. Relevant equipment may include sonar devices for picking up evidence of tunnelling and other means of geological detection. Czech Foreign Minister Karel Schwarzenberg told Haaretz he is not very optimistic about the possibility for an agreement that would bring an end to the fighting. "First of all, the Egyptians would have to accept this plan," he said. The longer the military operation goes on, the more Israel loses in terms of European public opinion, Schwarzenberg said in an interview to Haaretz.

Senior Hamas Commander Killed in Gaza Operation

Amir Mansi, the commander of the Hamas rocket launching program in the Gaza City area, was killed today by IDF fire with assistance of the ISA. Mansi was also the leading Hamas authority with regard to the long range Grad missile launching program. Amongst other activities Mansi directed and actively fired dozens of rockets at Israel, killing and wounding Israeli civilians. Mansi was spotted firing a rocket in the Jabel Rise area during a ground force operation today. The forces opened fire, killing Mansi and injuring two additional terror

operatives.

Leaders of Palestinian Factions Reject Deployment of International Forces in Gaza

Leaders of the Palestinian factions reiterated Saturday rejection of deployment of any international forces or observers in Gaza and any security arrangements that affect the resistance

and its role and legitimate right to struggle against the occupation.

During their meeting in Damascus, they considered that the UN resolution 1860 does not meet the demands and the national interests of the people and harms the Palestinian resistance and its continuation and the essence of the Palestinian issue. The leaders underlined the necessity for any initiative or proposal to include stopping the Israeli aggression on Gaza immediately, complete withdrawal of the occupation forces, lifting the siege and opening all crossings and allowing the delivery of the foodstuffs and medical materials

to Gaza. The Senior official in Hamas Muhammad Nazzal stressed the Palestinian resistance rejection of the deployment of international forces in the Gaza Strip because it will be only to protect Israel." The deployment of international forces in the Gaza Strip aims at neutralizing the resistance in the Gaza Strip from the conflict in the light of the continuation of the occupation and separation of Gaza from the West Bank."He indicated that Hamas has a set of observations on the Egyptian initiative that must be dealt with positively.Meanwhile, Member of the Palestinian Legislative Council Mustafa Barghouti

said Israel's insistence to continue the barbaric aggression on the Gaza Strip despite the issuance of the UN Security Council resolution necessitates imposing political sanctions on Israel immediately.In a speech during the press conference of the parliamentary blocs in the

Legislative Council in Ramallah, Barghothi urged the international and parliamentary institutions to pressure Israel through imposing sanctions, expelling Israeli ambassadors and severing relations with Israel.

He warned against dangers of using cluster and phosphorous bombs by Israel in its aggression which poses a flagrant violation of the human rights, calling for the formation of an international investigation committee identified by the UN secretary-general to investigate the war crimes

committed by Israel.

Gaza: international plan hatched to bring back Fatah

A plan to create a new foothold in Gaza for the Palestinian Authority and to bring in international monitors was being drawn up by diplomats yesterday as a UN ceasefire call was dismissed by both sides.The plan would allow a return of the authority, led by the secular Fatah faction, to the territory 18 months after it was expelled by the Islamist Hamas. Diplomats are considering taking a triangle at the southern end of Gaza, including the Rafah crossing to Egypt and the Kerem Shalom crossing to Israel, to be policed by Turkish and French military monitors to stop arms smuggling into Gaza.

The zone would nominally be controlled by the authority, the internationally recognised Government. Such a plan would allow the crossings to reopen for the first time since Hamas seized power in Gaza in June 2007.The plan is being negotiated as part of the Egyptian peace initiative, announced by President Mubarak after talks with President Sarkozy of France, which calls for an immediate ceasefire to be followed by talks on securing the Gaza-Egypt border and reopening the crossings.It faces formidable obstacles. Diplomats said yesterday that the Egyptian efforts were getting bogged down because of disagreements over how to secure the border. Hamas has said it would consider allowing observers at the border crossings with Egypt but opposes an international force. It also claimed yesterday that a delegation of three Hamas leaders had crossed the border into Egypt to join talks.

Israel, however, is insisting on a robust international force to destroy smuggling tunnels under the border.Egypt, for its part, does not want international troops on its territory.

Instead, Cairo wants to revive the 2005 agreement on movement and access, under which EU monitors oversaw the passage of people through the Rafah crossing and vehicles through Kerem Shalom, a deal that fell through when Hamas came to power. The new plan came as the UN ceasefire proposal was flatly rejected almost as soon as the Security Council backed it 14-0, with the US abstaining.

The US had been expected to back the UN resolution but abstained at the last minute. Diplomats said Condoleezza Rice, the Secretary of State, changed her position after a call from President Bush.Yesterday F16s continued to fire missiles at houses and apartment blocks in Gaza City, and the air reverberated with artillery fire. The fire was not all one way, though. Rockets repeatedly streaked out of Gaza towards the settlements of Sderot, Beersheba and Ashkelon just across the border.Ehud Olmert, the Israeli Prime Minister, said: "Israel has never agreed for any outside influence to decide on its right to defend its citizens. The firing of rockets this morning only goes to show that the UN decision is

unworkable and will not be adhered to by the murderous Palestinian organisations."

Israel's rejection of the resolution was no surprise. The offensive against Hamas is hugely popular: a poll in the Maariv newspaper showed 91 per cent of Israelis supporting it. "This is the

time to back the commanders, soldiers and pilots working day and night to conduct a difficult, complex and entirely just war," Ari Shavit, of the left-of-centre Haaretz newspaper, said.

Geo strategic front:

Israel protests firing of Katyusha rockets from Lebanon

The Israel Foreign Ministry today instructed its Ambassador to the United Nations, Gabriela Shalev, to submit a letter to the UN Secretary General and the President of the Security Council in the wake of the firing of rockets from Lebanon this morning.

Ambassador Shalev noted in the letter that the firing of rockets constitutes a gross violation of UN Security Council resolution 1701 and confirms Israel's contentions regarding the availability and use of weapons in southern Lebanon Israel must protect its citizens from the growing threat of rockets being fired by terrorist groups supported by Iran and the extremist axis, and the shooting this morning reinforces Israel's demands to establish effective mechanisms to prevent arms smuggling into Lebanon. The prevention of arms smuggling - in Lebanon as in Gaza - is a vital element in achieving regional stability, as expressed among others in Resolution 1701.

Israel views the Lebanese government as responsible for maintaining quiet in southern Lebanon and from it, as well as for preventing the smuggling of weapons into its territory.

EU diplomats: Egypt's refusal to station foreign troops on Gaza border holding up truce

Egyptian efforts to broker a Gaza ceasefire appeared on Friday to have to run into trouble because of disagreements with Israel over how to secure the border to prevent Hamas from rearming, diplomats said. Israeli and European diplomats, speaking to Reuters on condition of anonymity, said Egypt had objections to proposals for foreign forces deploying on the Egyptian side of its 15-km (9-mile) border with the Gaza Strip. Instead of foreign troops, Cairo told Israel and the European Union, it was prepared to accept only increased international technical assistance to help its own forces combat arms smuggling through tunnels dug across the border. Israel is demanding the tunnel traffic end as part of a ceasefire deal. "The truce talks are going nowhere at the moment," said a senior European diplomat involved in the effort. "There is a growing sense that the Egyptian-French plan is not going to work." Jerusalem has said it will not agree to a ceasefire unless it contains regional and international commitments that will prevent Hamas from smuggling rockets into the Gaza Strip that could strike deeper into Israeli territory.

Hamas has demanded that any truce require Israel to end its blockade of the Gaza Strip and halt cross-border incursions. That plan, announced by Egyptian President Hosni Mubarak after talks

on Tuesday with French President Nicolas Sarkozy, called for an immediate cease-fire and for subsequent talks on securing Gaza's border and reopening its border crossings.Following talks in Cairo on Thursday with top Defense Ministry official, Amos Gilad, Israeli and European diplomats described the gap with Egypt over securing the border as wide. "They (the Egyptians) told us they won't agree to a force on their side" of the border, known by Israel as the Philadelphi corridor, a senior Israeli official said. Diplomats said an international deployment on the Palestinian side of the border was unlikely because of objections from Hamas, which has yet to take a formal position on Cairo's ceasefire blueprint. Israeli officials said their Egyptian counterparts were skeptical Hamas would accept it. Hamas, which is seeking an end to Israel's blockade on the territory, had likewise rejected the presence of international forces. European diplomats said NATO member Turkey was one of the few countries that appeared willing to send contingents to the border if an agreement between Egypt and Israel can be reached.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH EAST ASIA

Tatheer Zahra Sherazi

Monitoring Report

From 2 January to 9 January

Presentation, January 14, 2008

- Indonesia

Political Front

- Run-up to K. Terengganu by-election: Bashful Wahid rescued by roses
- Indonesia supports UN resolution on Israeli strikes
- Middle East crisis: Malaysia issues ultimatum to UN Security Council

Strategic Front

Economic Front

- VP: Indonesia to cut oil prices
- Indonesian authorities cut subsidized oil prices

Social Front

- Series of quakes hit eastern Indonesia, killing 2

The government initially issued a tsunami warning but lifted it within an hour Indonesia Inflation Slows(eco,social)

- A violation of human rights

- Malaysia

Political Front

- DPM: 'Hudud dispute shows Pakatan is weak'
- Run-up to K. Terengganu by-election: PM's presence boosts Wan Farid
- Middle East crisis: Malaysia issues ultimatum to UN Security Council
- Programmes to uplift Indians delayed
- Mubarak is lawful Sungai Ujong chief, says MB

Strategic Front/security

- M’sia to get its first submarine in July

Economic Front

Social Front

- Perak Umno: Pakatan stopping Umno-run preschools(political,social)
- Feedback on disability act

- Philippine

Political Front

- Arroyo to push for agrarian reforms law
- Saudi Arabia calls for peace for Mindanao development

Strategic Front

Economic Front

- Raises $1.5 billion from bond offering :Govt completes foreign borrowing
- More Filipinos brave pirate-ruled high seas
- Thousands displaced by floods in southern Philippines
- Muslim civil society group scores Israeli attacks on Palestinian people.

Social Front

- 17 Filipinos evacuated from Gaza Filipinos stage a protest against Israeli attacks on Gaza outside the Israeli Embassy in Makati's financial district in Manila yesterday.
- Thousands of barefoot faithful parade in Manila
- Muslim moderates meet on peaceful co-existence(social,political)
- Quake shakes north Philippines
- Philippines: Rebels bomb electricity tower, official says

- Thailand

Political Front

- Thailand deemed ready to host ASEAN
- Five years on, no end seen to Thai insurgency

Strategic Front

Economic Front

- Thai airports occupation cost over six billion euros

Social Front

- Two more nightclub victims die
- 278 killed in road accidents in Thailand during New Year holidays
- Bangkok nightclub inferno toll rises to 61

- Singapore

Political Front

Strategic Front

Economic Front

- Singapore, China markets offer opportunities for investors
- Slowing global demand, excess capacity hit dry bulk shipping firms
- Tax waiver extended to enhance Singapore port's attractiveness

Social Front

- Survey shows Singaporeans stepping back from personal luxuries
- Singapore to develop new ways to get elderly citizens to work longer
- Experts say children are a vulnerable group affected by economic crisis

- Vietnam

Political Front

- 2008 – a remarkable year for US-Vietnamese relations
- Ambassador: Vietnam, US ties bright in 2008
- Vietnam condemns Israel's military attacks at Gaza
- Vietnam, Malaysia enjoy developing ties, says PM

Strategic Front

- Vietnam, China complete historic border demarcation

Economic Front

- Vietnam to build three hydropower plants in Laos
- Vietnam expects lower FDI attraction this year

Social Front

- Floods kill five in central Vietnam
- Ex-refugee now 1st Vietnamese-American congressman

- Laos

Political Front

Strategic Front

Economic Front

- Oudomsay province: economic development promoted
- Trade deficit vs 28 million US dollars

Social Front

- National education reform discussed
- Underprivileged children receive help

- Luang Prabang people urged to continue to contribute for social-economic development
- Lao Embassy Officials Help Korean Farmers(political,social)
- WHO delegation monitors aid relief project in Luang Prabang

.

- Cambodia

Political Front

Strategic Front

Economic Front

- Petrol prices drop after PM demands results .
- Further price cuts needed

Social Front

- National judges indignant over corruption lawsuit .
- Govt initiative encourages farmers to make smaller farms go further

Summary

This week in south East Asia same things are going on with a little bit changes at different fronts.

At political front there is a great concern of all countries for on going situation in middle east.Vetanm has condemned this act of fight against Palestinians. Indonesia has also supported the UN resolution to hold peace in Middle East. Malaysia has given the United Nations Security Council an ultimatum to come up with a resolution to condemn Israel on its brutal aggression against Palestine.UNMO in Malaysia has also criticized for discussion of hadud laws by PAS. There is also improvement on Mindanao because Muslim countries are also taking interest in this issue, Saudi Arabia has also called for peace and unity in Muslim countries, particularly in Mindanao, so they could easily achieve much needed development.

At Economic front

Philippine government has completed its external funding requirement for this year after launching its global bond offering Many cooperating projects are going on between Vietnam and Laos especially Vietnam To build three hydropower plants in Laos In Vietnam expects lower FDI attraction this year due to financial crisis. While according to survey Singaporeans are starting to step back from personal luxuries and ambitions. Instead, they are now more concerned about the basics of home, relationship and family.Indonesian government would reduce domestic prices of subsidized fuel following the slumping of the global oil prices.

At Social Front

Death tool remained very high in this month, 278 killed in road accidents in Thailand during New Year holidays About 5,000 families in the southern Philippines have been displaced by flash floods and large waves spawned by heavy rains, officials said Saturday. A series of powerful earthquakes killed and displaced many Philippians.

Summary of news items is as below:

- # Indonesia

Political Front

- **Run-up to K. Terengganu by-election: Bashful Wahid rescued by roses**

Roses came to the rescue of Pas Kuala Terengganu parliamentary by-election candidate Mohd Abdul Wahid Endut when meeting voters in Kampung Cina recently.

- **Indonesia supports UN resolution on Israeli strikes**

Indonesian Foreign Minister Hassan Wirajuda said on Friday that Indonesia welcomes the United Nations Security Council's new resolution on Israeli attacks on Palestine, Antara reported here.

- **Middle East crisis: Malaysia issues ultimatum to UN Security Council**

Malaysia has given the United Nations Security Council an ultimatum to come up with a resolution to condemn Israel on its brutal aggression against Palestine.

Strategic Front

Economic Front

- **VP: Indonesia to cut oil prices**

Indonesian Vice President Jusuf Kalla said here Friday that the government would reduce domestic prices of subsidized fuel following the slumping of the global oil prices.

- **Indonesian authorities cut subsidized oil prices**

Ezam Mohd Noor will tell the people what the BN has done and has to do more in the fight against corruption.

Social Front

- **Series of quakes hit eastern Indonesia, killing 2**

A series of powerful earthquakes killed a 10-year-old girl and seriously injured dozens in remote eastern Indonesia, briefly triggering fears of another tsunami in a country still recovering from 2004's deadly waves.

- **The government initially issued a tsunami warning but lifted it within an hour** after it was confirmed that the epicenter was on land, not water

Quakes centered onshore pose little tsunami threat to Indonesia itself, but those close to the coast can churn up large waves that sometimes reach the coastlines of other countries such as Japan.

- **Indonesia Inflation Slows(eco,social)**

Indonesia reported slowing inflation for December and a surge in the November trade surplus, which will likely prompt the central bank to continue to cut rates gradually.

- **A violation of human rights**

The police and Federal Reserve Unit (FRU) used excessive force on a mechanic and his friend during the Bandar Mahkota Cheras fracas, said Human Rights Commission of Malaysia (Suhakam).

• Malaysia

Political Front

- **DPM: 'Hudud dispute shows Pakatan is weak'**

Umno does not need to be educated by Pas on hudud, Umno deputy president Datuk Seri Najib Razak said. Najib, who is deputy prime minister, also shot down suggestions by the Islamist party to meet and discuss the issue.

- **Run-up to K. Terengganu by-election: PM's presence boosts Wan Farid**

Tan Sri Muhammad Muhammad Taib, Datuk Seri Abdullah Ahmad Badawi, Datuk Wan Ahmad Farid Wan Salleh, Datuk Ahmad Said and Tan Sri Muhyiddin Yassin joining hands in Dewan Tunku Abdul Rahman, Kuala Terengganu on Thursday. Datuk Seri Abdullah Ahmad Badawi's presence here on Thursday was brief but it might have been enough to tip the scales in Barisan Nasional's favour to retain the Kuala Terengganu parliamentary seat.

- **Middle East crisis: Malaysia issues ultimatum to UN Security Council**

Malaysia has given the United Nations Security Council an ultimatum to come up with a resolution to condemn Israel on its brutal aggression against Palestine.

- **Programmes to uplift Indians delayed**

Datuk Dr Denison Jayasooria says there is lack of urgency in implementing programmes

THE government has been urged to hasten the implementation of programmes initiated by Datuk Seri Najib Razak after the March 8 general election to improve the lot of Malaysian Indians.

- **Mubarak is lawful Sungai Ujong chief, says MB**

The state government has called on those questioning the appointment of Datuk Mubarak Doha as the 10th Datuk Klana Petra and Undang Luak Sungai Ujong to back down.

Strategic Front/security

- **M'sia to get its first submarine in July**

Malaysia's first submarine KD Tunku Abdul Rahman is expected to arrive at the Sepanggar navals base in July this year.

Economic Front

Social Front

- **Perak Umno: Pakatan stopping Umno-run preschools(political,social)**

The Perak Pakatan Rakyat government is accused of stopping Umno-run Kemas preschools in community halls while in Selangor all 17 Umno-run Tabikas have been taken over by the state government.

- **Feedback on disability act**

The Persons with Disabilities Act, effective since last July, does not prescribe penalties against those who violate the rights of this group.

• Philippine

Political Front

- **Arroyo to push for agrarian reforms law**

President Gloria Macapagal Arroyo would strongly push for a "reformed" Comprehensive Agrarian Reform Program (CARP) law in Congress despite criticisms that she has not decisively acted on it to help farmers. Lawmakers passed what is described as a watered-down resolution that extended CARP for another six months.

- **Saudi Arabia calls for peace for Mindanao development**

SAUDI Arabia yesterday called for peace and unity in Muslim countries, particularly in Mindanao, so they could easily achieve much needed development.

Strategic Front

Economic Front

- **Raises $1.5 billion from bond offering :Govt completes foreign borrowing**

The government has completed its external funding requirement for this year after launching its global bond offering on Wednesday.

- **More Filipinos brave pirate-ruled high seas**

THE alarming rise of piracy in the high seas does not deter Filipinos from working as sailors in dangerous oceans.

- **Muslim civil society group scores Israeli attacks on Palestinian people.**

Protest rallies held in front of Israeli Embassy in Makati CityA Muslim civil society group just right after the Friday congregational prayer in Marawi City showed its solidarity with their Muslim brothers by condemning the Israeli attacks on the Palestinian people and urged the Arab world through their different embassies and consulates in Manila to unite against the reported Israeli aggression.

Social Front

- **Thousands displaced by floods in southern Philippines**

About 5,000 families in the southern Philippines have been displaced by flash floods and large waves spawned by heavy rains, officials said Saturday.

- **17 Filipinos evacuated from Gaza Filipinos stage a protest against Israeli attacks on Gaza outside the Israeli Embassy in Makati's financial district in Manila yesterday.**

The first batch of 17 Filipinos have been evacuated from war-torn Gaza and will travel to Jordan before flying back to the Philippines, the Department of Foreign Affairs said yesterday.

- **Thousands of barefoot faithful parade in Manila**

A sea of Filipino Roman Catholic devotees gather around the 'Black Nazarene' seen at the centre, as it is wheeled towards Quiapo church in central Manila yesterday for an annual procession through the streets of Manila. Many among the predominantly Catholic Filipinos believe the icon has miraculous powers and that it can help them get their wishes to come true.

- **Muslim moderates meet on peaceful co-existence(social,political)**

A group of ulamas (Islamic scholars) from the Autonomous Region in Muslim Mindanao (ARMM) as well as from this city arrive in Manila to join other moderate Muslim advocates from the Association of Southeast Nations (Asean) as participants in the 3rd International Conference of Muslim Leaders opening today at Dusit Thani Manila hotel in Makati City. The conference will be held until Monday.

- **Quake shakes north Philippines**

A 5.1-MAGNITUDE earthquake struck the northern Philippines on Friday, the US Geological Survey and Philippine volcanologists said, but there were no reports of casualties or damage.

- **Philippines: Rebels bomb electricity tower, official says**

Rebels from the Moro Islamic Liberation Front, an Islamic militant groupElectricity tower supplies power to several towns in south of countrySeparatist rebels bombed an electricity transmission tower in the southern Philippines on Saturday, according to military spokesperson Lt. Stefani Cacho.

• Thailand

Political Front

- **Thailand deemed ready to host ASEAN**

Thailand is ready to play host to next month's Association of Southeast Asian Nations summit despite its recent political turmoil, officials for the group say.

- **Five years on, no end seen to Thai insurgency**

Thailand's new premier has vowed to tackle a separatist insurgency raging in the south, but the Muslim region on Sunday marked five years of bloodshed with little end in sight to the daily violence. Thai political turmoil has left the army with free rein in the south, prompting widespread human rights violations, activists say, while militants are turning to increasingly sophisticated technology to terrorise communities.

Strategic Front

Economic Front

- **Thai airports occupation cost over six billion euros**

The Thai central bank reports that last year's occupation of the country's main airports by opposition supporters caused more than six billion euros worth of economic damage. The occupations, which lasted more than a week, left hundreds of thousands of foreign tourists stranded.

Social Front

- **Two more nightclub victims die**

Two more Thais who were severely injured in a New Year's fire at a Bangkok night club have died in hospital, taking the death toll in the tragedy to 61, medical officials said.

The pair, 30-year-old and 26-year-old women, died on Friday night as a result of severe burns sustained in the blaze, which also injured more than 200 others celebrating the start of 2009, one official at Bangkok Hospital said.

- **278 killed in road accidents in Thailand during New Year holidays**

The death toll of road accidents throughout Thailand during the first four days of the seven New Year holidays rose to 278, the Disaster Prevention and Mitigation Department announced Saturday.

- **Bangkok nightclub inferno toll rises to 61**

Thai policemen and rescuers stand by the bodies of victims of a fire that ripped through a nightclub in Bangkok

• Singapore

Political Front

Strategic Front

Economic Front

- **Singapore, China markets offer opportunities for investors**

Some investors who are getting concerned about the Indian market have been turning to opportunities in Singapore and China, along with the commodities market.

- **Slowing global demand, excess capacity hit dry bulk shipping firms**

Slowing global demand and overcapacity are sinking dry bulk shipping firms, with several seeking bankruptcy protection in the past three months.

- **Tax waiver extended to enhance Singapore port's attractiveness**

The government is extending a waiver on tax for the purchase of Singapore-flagged vessels. The waiver of withholding tax on overseas interest payments to finance the vessel purchase will be extended for another five years.

Social Front

- **Survey shows Singaporeans stepping back from personal luxuries**

A survey by OCBC Bank has shown that Singaporeans are starting to step back from personal luxuries and ambitions. Instead, they are now more concerned about the basics of home, relationship and family.

- **Singapore to develop new ways to get elderly citizens to work longer**

Singapore will need to develop new arrangements to help the elderly work as long as they can. Prime Minister Lee Hsien Loong said one such feature in place is getting companies to rehire workers aged 62 years for another three years till 65. But that could mean taking up a different job at a lower pay.

the older ones as well, as part of the government's S$600m skills upgrading scheme.

- **Experts say children are a vulnerable group affected by economic crisis**

As the world economies grapple with the financial turmoil, a group of humanitarian experts said children will be a vulnerable group affected by the crisis.

• Vietnam

Political Front

- **2008 – a remarkable year for US-Vietnamese relations**

Aimee Kligman, an American foreign policy researcher, has praised the development of relations between the United States and Vietnam , especially in 2008.

- **Ambassador: Vietnam, US ties bright in 2008**

Vietnamese Ambassador to the US Le Cong Phung described 2008 as a bright year of the Vietnam-US relations, showing political determination of the two countries' leaderships and desire of both nations.

- **Vietnam condemns Israel's military attacks at Gaza**

Vietnam requests that Israel cease all military acts and withdraw from the Gaza Strip, said Representative of Vietnam to the UN Security Council, Ambassador Le Luong Minh in New York on Jan. 3.

- **Vietnam, Malaysia enjoy developing ties, says PM**

Vietnam and Malaysia have seen positive developments in their multi-faceted cooperation, especially in the areas of politics, diplomacy and trade, said Prime Minister Nguyen Tan Dung.

Strategic Front

- **Vietnam, China complete historic border demarcation**

Vietnam and China on Wednesday marked a historically significant milestone in their bilateral relations completing demarcation of their land border as well as the planting of markers. This was announced in a joint statement issued by the chief negotiators of Vietnam and China after four days of talks in Hanoi.

Economic Front

- **Vietnam to build three hydropower plants in Laos**

EVN International Joint Stock Company and the Bac Ha Joint-stock Investment Company on Wednesday signed an agreement with their Lao partners to invest in three hydropower projects on the Namet River in Huaphan Province.

- **Vietnam expects lower FDI attraction this year**

Vietnam has set a target of luring just 20 billion USD in foreign investment this year, nearly one-third of 2008's figure, due to the global economic downturn.

Social Front

- **Floods kill five in central Vietnam**

Unseasonable floods brought by rains this week have killed at least five people in central Vietnam while 10 others remained missing, the government and state-run media said Saturday.

- **Ex-refugee now 1st Vietnamese-American congressman**

On Tuesday, more than 30 years after that refugee child escaped aboard a U.S. military transport plane with his uncle, brother and sister, leaving their parents behind, Cao was sworn in as the first Vietnamese-American to serve in Congress.

• Laos

Political Front

Strategic Front

Economic Front

- **Oudomsay province: economic development promoted**

The northern province of Oudomsay organized recently a meeting to promote the economic development. It was attended by business units in the province and discussed about the establishing of business group and commerce chamber in the province..

- **Trade deficit vs 28 million US dollars**

(Last year the country had trade deficit standing at 28.13 million US dollars with which the export was 973 million US dollars and the import was one billion US dollars.

Social Front

- **National education reform discussed**

The Ministry of Education and the National Committee for Education Reform held a meeting on the National Education Reform last Wednesday in Vientiane. The meeting was under the chairmanship of Standing Deputy Prime Minister and President of the National Committee for Education Reform Mr. Somsavat Lengsavad. Provincial Governors, ministers of relevant ministries and the National Committee for Education Reform attended the meeting.

- **Underprivileged children receive help**

Talat Sao Mall presented 19 million kip to the Association for Helping Underprivileged Children and the Sengsourigna Children Music Culture Center (SCMCC) last Wednesday.

- **Luang Prabang people urged to continue to contribute for social-economic development**

All people in Luangprabang province, especially those who are working for government offices have been asked to continue to contribute all their great efforts for the social-economic development in the province.

- **Lao Embassy Officials Help Korean Farmers(political,social)**

Chaleune Warinthrasak, Lao ambassador to the DPRK, and staff members of his embassy visited the DPRK-Laos Friendship Taewon Cooperative Farm in Sadong District, Pyongyang, where they gave helping hands to its members in harvesting.

- **WHO delegation monitors aid relief project in Luang Prabang**

The delegation of World Health Organization (WHO) to Laos monitored the progress of rice supply projects for flood victims and hungers in Luang Prabang province on 6 January.

• Cambodia

Political Front

Strategic Front

Economic Front

- **Petrol prices drop after PM demands results**

Sokimex leads the way with a 50-riel cut since Tuesday, but analysts say drops in international crude prices don’t immediately translate to lower pump costs.

- **Further price cuts needed**

But a local labour leader said his union members, who are often paid very little, are tired of expensive petrol.

Social Front

- **National judges indignant over corruption lawsuit**

The day after 50,000 Cambodians turned out to celebrate the fall of the Khmer Rouge -- and tribunal officials stated they believe the trial of "Comrade Duch" will begin in March -- defense lawyers lodged a complaint with Phnom Penh's Municipal Court, demanding investigation into corruption at the ECCC.

- **Govt initiative encourages farmers to make smaller farms go further**

A new agricultural initiative targeting fish farms is helping farmers diversify their crops and farm more sustainable breeds of fish in order to broaden their income baseFish farmer Hong Hen with her daughter in front of her new catfish pond.

Detailed Monitoring Report

- # Indonesia

Political Front

- **Run-up to K. Terengganu by-election: Bashful Wahid rescued by roses**

Roses came to the rescue of Pas Kuala Terengganu parliamentary by-election candidate Mohd Abdul Wahid Endut when meeting voters in Kampung Cina recently.

Admittedly nervous about meeting the women there to introduce himself, Wahid was wondering what to do as he did not want to shake hands with the fairer sex. Wahid said the meet-the- people session went well as he observed the Chinese community here had less reservation towards a Pas candidate. Some even remembered him campaigning in the constituency many years ago.

In 1986, Wahid lost to Barisan Nasional candidate Datuk Tok Teng Sai, a former state MCA councillor for the Bandar state seat.This time round he will be facing candidate, Datuk Wan Ahmad Farid Wan Salleh. Wahid was accompanied by Seputeh MP Teresa Kok

- **Indonesia supports UN resolution on Israeli strikes**

Indonesian Foreign Minister Hassan Wirajuda said on Friday that Indonesia welcomes the United Nations Security Council's new resolution on Israeli attacks on Palestine, Antara reported here.

The United Nations on Thursday approved the resolution 1860/2009 on Israeli air strikes on the Gaza Strip which has killed nearly 1,000 Palestinian.

He said some of the problems which the resolution had tried to address could not be decided by the council alone because they depended on the initiative of some countries or regions.

The minister also said Indonesia's efforts to have the UN Security Council hold special emergency meetings were appreciated by the Arab countries as they had helped to persuade the Council to convene the official meeting at which the resolution was passed.

- **Middle East crisis: Malaysia issues ultimatum to UN Security Council**

Malaysia has given the United Nations Security Council an ultimatum to come up with a resolution to condemn Israel on its brutal aggression against Palestine.

If the body failed to do so, Foreign Minister Datuk Seri Dr Rais Yatim said Malaysia would then move “full steam ahead” to initiate a special session of the UN General Assembly to discuss Israel’s invasion of the Gaza Strip which has sparked off a new crisis in the Middle East.

Dr Rais said Malaysia’s call for the special session had been gaining support among the world community.

He said members of Asean had responded positively to the idea and hoped more countries would support the move so there would be an assertive effort to stop Israel’s aggression in Gaza.Dr Rais said this in two separate press conferences here yesterday.

He said the ultimatum was necessary because one had to exhaust all avenues first before petitioning for a special General Assembly sitting.

Dr Rais acknowledged that such a petition would not be “a breeze” because superpowers like the United States would use its influence to stop it.

On Monday, Datuk Seri Abdullah Ahmad Badawi has pushed for the special UN general assembly session. The Prime Minister had also critised the United States for not doing enough to halt the invasion and to veto the UN Security Council's move to condemn Israel.

Strategic Front

Economic Front

- **VP: Indonesia to cut oil prices**

Indonesian Vice President Jusuf Kalla said here Friday that the government would reduce domestic prices of subsidized fuel following the slumping of the global oil prices.

But the vice president declined to elaborate on the amount of the reduction.

Meanwhile, Indonesian acting Minister for Economy Sri Mulyani said that the government would announce about the prices change on Jan. 12.

The Southeast Asia largest economy is struggling to boost spending power as an effort to spur sagging economy which is forecast to face deepening fallout of the global recession at the first half of this year.

Thank to the stimulus package, good outlook of inflation performance and high spending on the legislative and presidential poll in April and July this year, which are predicted to be able to cushion the impact of the recession, the government is still optimistic that the economy may expand to 5.5 percent, according to Minister Mulyani.

The government cut twice of the subsidized oil price in December following the fall of global oil price to over 40 U.S. dollar a barrel from a record of about 147 U.S. dollars a barrel on July 11, 2008.

- **Indonesian authorities cut subsidized oil prices**

Ezam Mohd Noor will tell the people what the BN has done and has to do more in the fight against corruption.

THE ghost of Sept 16 is haunting opposition leader Datuk Seri Anwar Ibrahim, this time in Kuala Terengganu where a by-election is due next Saturday.

And it is none other than his former protege Ezam Mohd Noor who will be piling on the pressure, demanding answers as to why the big chief or ketua umum of Parti Keadilan Rakyat, is still not prime minister. Anwar had set Sept 16 last year for Pakatan Rakyat to topple the Barisan Nasional through defections of MPs to the opposition coalition but it did not materialise.Yet, he still insists that the agenda is still on track, only that no new target date has been set.

Ezam is well aware that his former boss who he now calls a traitor to the Malays because of the latter's alleged willingness to do away with the New Economic Policy, is playing dumb on the botched Sept 16 attempt. Nevertheless, he feels it is his duty to explain Anwar's political ploy to the people. Ezam quit PKR some time ago, claiming that Anwar was a weak leader and a dictator.

He was speculated to be Umno's point man against Anwar but his performance in Permatang Pauh, during which he vowed to stop Anwar from returning to active politics had not made that much impact on the voters. Ezam had failed to convince Umno members unhappy with, and suspicious of his return to the party, that some senior party leaders openly showed they were less than thrilled by his presence, fearing him as a Trojan horse for Anwar's comeback into Umno. In Kuala Terengganu, where his friend Datuk Wan Ahmad Farid Wan Salleh is facing off Mohd Abdul Wahid Endut of Pas, lies another chance for him to do so. In Kuala Terengganu also, the Angkatan Muda Keadilan is waiting for him to disclose the boxes of documents on corruption said to be in Ezam's custody.

Social Front

- **Series of quakes hit eastern Indonesia, killing 2**

A series of powerful earthquakes killed a 10-year-old girl and seriously injured dozens in remote eastern Indonesia, briefly triggering fears of another tsunami in a country still recovering from 2004's deadly waves.

One of the quakes — of magnitude 7.3 — was felt as far away as Australia and sent small tsunamis into Japan's southeastern coast. Residents near the epicenter in Papua province rushed from their homes in search of higher ground shortly after the first 7.6-magnitude quake struck Sunday at 4:43 a.m. local time (1943 GMT), afraid that huge waves might wash over the island.

The epicenter was about 85 miles (135 kilometers) from Papua's main city of Manokwari and occurred at a depth of 22 miles (35 kilometers), the U.S. Geological Survey said. It was followed by dozens of aftershocks.

Nearly fifty people were admitted to hospitals with broken bones and head wounds, while more than 300 were treated for minor cuts, scrapes and bruises, local health official Henri Sembiring said Monday.

About 135 homes and other buildings were badly damaged or toppled in the province, the National Disaster Coordination Agency said.

Officials initially reported four deaths, but later discovered three people had died from illnesses.

- **The government initially issued a tsunami warning but lifted it within an hour** after it was confirmed that the epicenter was on land, not water

Quakes centered onshore pose little tsunami threat to Indonesia itself, but those close to the coast can churn up large waves that sometimes reach the coastlines of other countries such as Japan.

Japan reported tsunamis between 4 inches (10 centimeters) and 16 inches (40 centimeters) high hitting its shores following the temblors.

A huge quake off western Indonesia caused the 2004 Indian Ocean tsunami that killed about 230,000 people. Four years on, the multibillion dollar rebuilding process is almost complete.

Residents in Papua's Manokwari — a jumble of low-lying brick and cement structures home to 167,000 people — remained wary of aftershocks.

Local officials drove through the streets warning people not to return to structures that might be vulnerable if an aftershock hit.

The Indonesian Health Ministry was sending an aid team to Manokwari as well as four tons of medical supplies and baby food, spokeswoman Lily Sulistyowati said.

Relief agency World Vision Indonesia was flying in 2,000 emergency provision kits, including canned food, blankets and basic medical supplies, said spokeswoman Katarina Hardono. She said its team will try to reach Manokwari by plane, but if needed will make a 36-hour trip by boat.

Papua — located about 1,830 miles (2,955 kilometers) east of the capital Jakarta — is among the nation's least developed areas, and a low-level insurgency has simmered in the resource-rich region for years. It is off limits to foreign reporters.

The quake was felt 800 miles (1,300 kilometers) southwest of Papua in Australia's northern city of Darwin but no damage was reported there.

- **Indonesia Inflation Slows(eco,social)**

Indonesia reported slowing inflation for December and a surge in the November trade surplus, which will likely prompt the central bank to continue to cut rates gradually.

The Central Statistics Agency said the year-to-year inflation rate eased to 11.06% in December from 11.68% in November, after the government cut the retail prices of gasoline and diesel in December.

The agency also reported that Indonesia's trade surplus jumped to $890 million in November from $200 million in October due to a decline in imports. The consumer price index fell 0.04% month-to-month, versus a 0.12% rise .Jakarta confident of reducing poverty, unemployment despite slowdown

The Indonesian government is optimistic it will be able to reduce poverty and unemployment in the country, despite the looming economic slowdown.

Jakarta said part of a US$4.6 million economic stimulus plan will be used to fund programmes to create more than 20 million jobs this year. Two million Indonesians were

lifted out of poverty and about a million unemployed managed to get jobs last year, compared to 2007.

Hundreds of thousands of Indonesians - especially from the manufacturing sector - are set to lose their jobs as demand for exports shrink.

These economic challenges are taking place even as Indonesia prepares for two major elections this year.

Jakarta said it is set to roll out a number of programmes that will directly reduce the incidence of poverty and unemployment. This will bring the numbers down to about 31 million and 7 million people respectively.

Direct funding for community projects and micro-credit financing are two of main the programmes lined up. These programmes are projected to create more than 20 million jobs this year.

- **A violation of human rights**

The police and Federal Reserve Unit (FRU) used excessive force on a mechanic and his friend during the Bandar Mahkota Cheras fracas, said Human Rights Commission of Malaysia (Suhakam).

This is the finding of the public inquiry into allegations of excessive use of force by law enforcement personnel during the incident at Persiaran Bandar Mahkota Cheras 1 on May 27 last year.

Residents of housing estates in the vicinity had gathered to pressure the Cheras-Kajang Highway operator to remove barricades.However, she said due to contradicting and unclear evidence, the panel was unable to identify who among the law enforcement personnel were responsible for such violation.The panel also observed that neither Chang nor Chan could identify who used excessive force because none of the personnel had identification on their body armour.

Zaitoon said the panel noted that the police did not attend to the injuries on Chang and Chan immediately and took time in making arrangements to send them to hospital.

She said the panel strongly recommended that the police conduct their own investigation to ascertain which personnel used excessive force on Chang and Chan with a view to taking disciplinary action and, where necessary, to recommend to the public prosecutor for further action.She said the panel recommended that the police and FRU urgently implement international standards on the use of force as guidelines for their personnel.

Meanwhile, Bar Council human rights committee chairman Edmund Bond said enforcement agencies were not doing enough to take proactive steps.

He proposed that a joint lobby group be formed between Suhakam and the Bar Council to lobby the Government and individual MPs to debate the report in Parliament.

• Malaysia

Political Front

- **DPM: 'Hudud dispute shows Pakatan is weak'**

Umno does not need to be educated by Pas on hudud, Umno deputy president Datuk Seri Najib Razak said. Najib, who is deputy prime minister, also shot down suggestions by the Islamist party to meet and discuss the issue.

Run-up to K. Terengganu by-election: Only BN rep can provide aid, says Najib Datuk Seri Najib Razak (left) chats with residents after Friday prayers at the Kampung Gong Tok Nasek mosque in Kuala Terengganu yesterday. He was there to muster support for the BN candidate in the Kuala Terengganu by-election.

Being vocal and courageous in the Dewan Rakyat are not the only things that make a good elected representative, said Deputy Prime Minister Datuk Seri Najib Razak.

He urged voters here to realise this and pick someone who had the ability and capacity to solve their problems and help them get aid from the government.Najib was responding to claims by Pakatan Rakyat that its candidate in the by-election would be a better choice than his Barisan Nasional rival, as he would not be subservient to the government and afraid to raise prickly issues in Parliament.

Najib also refuted Pakatan's allegations that BN-ruled Terengganu had squandered its oil royalty money on expensive projects such as the Crystal Mosque and the Monsoon Cup which did not benefit the common folk.

"Those programmes are part of the state government's plan to put Terengganu on the world map and to increase tourism revenue.""Pas has always manipulated the issue for its own ends," he said yesterday. Earlier, Pas president Datuk Seri Abdul Hadi Awang told the New Straits Times that it was Umno, and not its partner in Pakatan Rakyat, DAP, that needed to be schooled on hudud. Hadi said it was more important that Umno, being a mainly Malay-Muslim party, understood why it was imperative for hudud and qisas to be implemented.

Despite DAP chairman Karpal Singh's clear and unwavering stand on not accepting the implementation of hudud, Hadi said DAP "has a clear understanding of what exactly Pas has in mind. He said hudud and qisas would only apply to Muslims.

However, non-Muslims would be given the freedom to be tried under hudud or civil laws, Hadi said. Responding to this yesterday, Najib said he was sure that, contrary to Hadi's claims, non-Muslims were uneasy with its plans to implement hudud.The hudud issue is a serious dispute between Pas and DAP, as they take opposing stands on its implementation. Their coalition partner, Parti Keadilan Rakyat, is in the uneasy position of trying to appease both.

PKR de facto leader Datuk Seri Anwar Ibrahim's comment that the party would not reject outright Pas' plan to implement the hudud, as it was solely for Muslims, did not go down well with Karpal.He derided Anwar's statement as being based on a fallacy. Najib said this dispute between Anwar and Karpal reflected the fragility of the Pakatanalliance as they did not even have a common stand on issues.

- **Run-up to K. Terengganu by-election: PM's presence boosts Wan Farid**

Tan Sri Muhammad Muhammad Taib, Datuk Seri Abdullah Ahmad Badawi, Datuk Wan Ahmad Farid Wan Salleh, Datuk Ahmad Said and Tan Sri Muhyiddin Yassin joining

hands in Dewan Tunku Abdul Rahman, Kuala Terengganu on Thursday. Datuk Seri Abdullah Ahmad Badawi's presence here on Thursday was brief but it might have been enough to tip the scales in Barisan Nasional's favour to retain the Kuala Terengganu parliamentary seat.

He might not have been able to meet the voters himself, but the prime minister's visit has injected an extra dose of confidence in the BN to continue wooing the 80,000-plus electorate. Soon after he left the Waterfront Heritage City last night, the coalition's election workers were seen around the constituency putting up party flags and posters, which did not amount to as many, before Abdullah's arrival. This change in attitude might have everything to do with the closed-door meeting he had with party officials after his arrival.

Abdullah also took the opportunity to remind party workers that it was their responsibility to explain to the people why the BN candidate Datuk Wan Ahmad Farid Wan Salleh should be elected, instead of criticising his personality.

There is, however, hope yet for this first-timer as his opponent from Pas, Mohd Abdul Wahid Endut, has also been described as "looking unfriendly".

- **Middle East crisis: Malaysia issues ultimatum to UN Security Council**

Malaysia has given the United Nations Security Council an ultimatum to come up with a resolution to condemn Israel on its brutal aggression against Palestine.

If the body failed to do so, Foreign Minister Datuk Seri Dr Rais Yatim said Malaysia would then move “full steam ahead” to initiate a special session of the UN General Assembly to discuss Israel’s invasion of the Gaza Strip which has sparked off a new crisis in the Middle East.

Dr Rais said Malaysia’s call for the special session had been gaining support among the world community.

He said members of Asean had responded positively to the idea and hoped more countries would support the move so there would be an assertive effort to stop Israel’s aggression in Gaza.Dr Rais said this in two separate press conferences here yesterday.

He said the ultimatum was necessary because one had to exhaust all avenues first before petitioning for a special General Assembly sitting.

Dr Rais acknowledged that such a petition would not be “a breeze” because superpowers like the United States would use its influence to stop it.

On Monday, Datuk Seri Abdullah Ahmad Badawi has pushed for the special UN general assembly session. The Prime Minister had also critised the United States for not doing enough to halt the invasion and to veto the UN Security Council’s move to condemn Israel.

- **Programmes to uplift Indians delayed**

Datuk Dr Denison Jayasooria says there is lack of urgency in implementing programmes

THE government has been urged to hasten the implementation of programmes initiated by Datuk Seri Najib Razak after the March 8 general election to improve the lot of Malaysian Indians.

Human Rights Commission member Datuk Dr Denison Jayasooria said yesterday that while the cabinet committee headed by the deputy prime minister had initiated specific programmes for the community, there were delays in their implementation.

He said the Malaysian Indian community had yet to feel the full impact of the programmes, with some disillusioned by the lack of urgency.

The principal research fellow at the Institute of Ethnic Studies, Universiti Kebangsaan Malaysia, said that while the Indian community needed official help, there was also a need for self-help through educational and economic empowerment.

He said the government needed to address the interests of the Indian community using a national approach instead of adopting a communal approach.

Denison said Malaysian Indians needed to work with the Malays and Chinese to improve the country and not do so in isolation. He proposed that the Indian Overseas Indian Affairs Ministry and the Confederation of Indian Industry undertake a fact-finding mission to Malaysia.

He also urged Indian-owned businesses in Malaysia and Singapore to offer jobs to Malaysian Indians, besides engaging in joint ventures with them.

- **Mubarak is lawful Sungai Ujong chief, says MB**

The state government has called on those questioning the appointment of Datuk Mubarak Doha as the 10th Datuk Klana Petra and Undang Luak Sungai Ujong to back down.

Menteri Besar Datuk Seri Mohamad Hasan said the appointment was made according to the undang succession and in line with the state's adat perpatih (custom).

Certain quarters had questioned Mubarak's appointment as head of Luak Sungai Ujong.The Undang Luak Sungai Ujong position was vacant in 1983 for 10 years until Mubarak was proclaimed the undang in 1993 and was later reaffirmed in 2002.The Dewan Keadilan dan Undang, the highest power in the affairs of the state, is chaired by the Yang di-Pertuan Besar Negri Sembilan, the four undang, Tunku Besar Tampin and Tunku Besar Sri Menanti.

Strategic Front/security

- **M’sia to get its first submarine in July**

Malaysia’s first submarine KD Tunku Abdul Rahman is expected to arrive at the Sepanggar navals base in July this year.

Royal Malaysian Navys Region II Commander Laksamana Pertama Syed Zahiruddin Putra Syed Osman said the delivery of the second submarine KD Tun Abdul Razak was scheduled to arrive by year end.

"We are now undertaking specific preparation to accommodate the submarine at our base here; he said when marking the navy’s quality day celebrations. He said among other preparations was for the building of quarters for the submarines crew and their families

Economic Front

Social Front

- **Perak Umno: Pakatan stopping Umno-run preschools(political,social)**

The Perak Pakatan Rakyat government is accused of stopping Umno-run Kemas preschools in community halls while in Selangor all 17 Umno-run Tabikas have been taken over by the state government.

Perak Umno committee member Datuk Dr Zambry Abd Kadir claimed that about 200 Kemas or community hall committees throughout Perak were receiving letters concerning the use of the halls.

In Lenggong, Hulu Perak, and Kampung Seri Ampang here, two Kemas preschools had been asked by their village security committees to vacate the premises, said Dr Zambry.He stressed that these instructions apparently originated from a letter dated Sept 23 by State Secretary Datuk Dr Abdul Rahman Hashim asking district officers to take back the keys of all community halls. The keys, said Dr Zambry, were to be kept by the local committees or the penghulu.He lashed out at the state government for denying responsibility and accusing Barisan Nasional of playing up the issue to win votes for the Kuala Terengganu by-election. "This has nothing to do with Kuala Terengganu. This is about the children who go to these preschools," Dr Zambry told reporters at the Perak Umno building here yesterday.

At a press conference later, Perak Mentri Besar Datuk Seri Mohammad Nizar Jamaluddin said the letters directing Kemas to vacate and remove their school equipment from the halls were incorrect.

In Shah Alam, the Selangor Government has instructed local council to take over the running of the 17 Umno-run Tabika (Tabika Taman Bimbingan Kanak-kanak) or nurseries.Mentri Besar Tan Sri Khalid Ibrahim said he did not want to see any Tabika premises, which belonged to the state government, to be monopolized by only one political party.Khalid said the premises belonged to the state government and local councils were entrusted to look after them.

Meanwhile, state education, higher education and human development committee chairman Dr Halimah Ali said: “We do not want to see the Tabikas being used by certain groups. We want it to be open to all and not just Umno.”

- **Feedback on disability act**

The Persons with Disabilities Act, effective since last July, does not prescribe penalties against those who violate the rights of this group.

As such, the Bar Council is holding a forum on Jan 17 to get feedback to fine-tune the legislation. Its Law Reform and Special Areas Committee chairman, Datuk M. Ramachelvam, said the government could overcome any shortcomings as the law suggested that modifications could be made within two years after it came into force.

• Philippine

Political Front

- **Arroyo to push for agrarian reforms law**

President Gloria Macapagal Arroyo would strongly push for a “reformed” Comprehensive Agrarian Reform Program (CARP) law in Congress despite criticisms that she has not decisively acted on it to help farmers. Lawmakers passed what is described as a watered-down resolution that extended CARP for another six months.

Press Secretary Jesus Dureza issued the statement as some lawmakers differed in their interpretations on the move by Arroyo not to sign the joint resolution approved by the Senate and the House of Representatives last month, extending the CARP, and let it lapse into law.

Albay Representative Edcel Lagman, author of a bill lengthening the CARP, said Arroyo’s decision not to sign the resolution was tantamount to a veto because an expired programme cannot be extended.

Last week, Palace declared that Arroyo would let the congressional resolution lapse into law but gave assurances that the move should not alarm farmers as the administration wants to use the extension to push for a better law.

Presidential Adviser for Political Affairs Gabriel Claudio said the Office of the President received the official copy of the resolution last December 23 and would allow it to lapse into law on January 23. An approved bill left unsigned lapses into law after 30 days. Executive Secretary Eduardo Ermita pointed out the joint resolution approved by the Senate and the House was not the version Arroyo certified as urgent.

On December 17, Congress adopted the joint resolution extending the coverage of the CARP for six months or until June 30 for lands offered under the Voluntary Offer to Sell and the Voluntary Land Transfer, but excluded the compulsory land acquisition scheme.

Agrarian Reform Secretary Nasser Pangandaman earlier recommended to the president not to sign the resolution, which farmers and other groups branded as watered-down because it excluded the compulsory land acquisition provision. “This (signing) may not sit well with some bishops, farmers, and non-government organizations (NGOs) advocating the extension of CARP in its present status, i.e., including compulsory land acquisition,” Pangandaman said. Lagman, however, said since the programme itself was not extended at the end of 2008, the joint resolution was useless. He explained that the joint resolution could only lapse into law if it would take place before the programme’s deadline. Meanwhile, a ranking official of the Catholic Bishops’ Conference of the Philippines (CBCP) called on the faithful to help remove the “evils of lies, selfishness and greed” in the society for the sake of the country’s future.

- **Saudi Arabia calls for peace for Mindanao development**

SAUDI Arabia yesterday called for peace and unity in Muslim countries, particularly in Mindanao, so they could easily achieve much needed development.

Development in Philippine Muslim provinces can easily be achieved but only if there is Christian-Muslim unity and peace, said Saudi Arabia Ambassador Mohammed Ameen Wali during the 3rd International Conference of Muslim Leaders held at the Dusit Thani Manila in Makati City. The envoy was referring to the ongoing conflict in Mindanao between the Philippine government and the Moro Islamic Liberation Front (MILF).

Despite the ongoing hostilities in Mindanao, Ambassador Wali said the Kingdom of Saudi Arabia would continue its support for the attainment of peace.

"Economically, majority of the 1.8 billion Muslims are living below the poverty line, thus despite our numbers, we are a weak consumer market," he said citing the failure of the Muslim people to adopt Islamic economics as the basis of their business transactions as one of the reasons for this weakness.

"Politically, the Muslims are too divided that they seldom have one voice and action in defense of Islam and Muslims all over the world," the envoy said.

He cited the situation in Mindanao where the MILF, the Moro National Liberation Front and even smaller groups are "all claiming to fight for the rights of their people and in defense of the Muslim homeland and their Islamic heritage."

The three-day conference that runs till today was convened by the Center for Moderate Muslims of the Philippines with a theme of "Redirecting Islamic Da'wah: Addressing the Contemporary Concerns of the Muslims [CMM]."

The conference was organized by Commissioner Taha Basman, of the United Nations Educational, Scientific and Cultural Organization, and who is concurrently the president of the CMM of the Philippines.

Strategic Front

Economic Front

- **Raises $1.5 billion from bond offering :Govt completes foreign borrowing**

The government has completed its external funding requirement for this year after launching its global bond offering on Wednesday.

In a statement, Finance Secretary Margarito Teves announced on Thursday that the government has raised $1.5 billion through a global bond offering.

The 10-year dollar-denominated bonds were priced at 99.158 percent to yield 8.5 percent due in June 2019. This marks the first global bond offering for the Philippine government since the $500-million re-opening of the 2032 global bonds in January last year and the first international offering by an Asian borrower in 2009.

National Treasurer Roberto Tan said about 41 percent of the bonds were sold in Asia, 22 percent in Europe and 37 percent in the US. Credit Suisse, Deutsche Bank and HSBC acted as joint lead managers and joint bookrunners for the transaction. The proceeds of this fund raising exercise will help the government's spending plans, especially infrastructure, for this year. The government plans to spend P1.467 billion while expects a budget gap of P102 billion, or 1.2 percent of gross domestic product (GDP).

The government increased its overseas borrowing cap to $1.5 billion this year from $500 million last year. It dropped its plan to borrow $750 million late last year due to market volatility caused by the financial crisis, which was heightened by the collapse of Lehman Brothers in September.

- **More Filipinos brave pirate-ruled high seas**

THE alarming rise of piracy in the high seas does not deter Filipinos from working as sailors in dangerous oceans.

"It has no effect whatsoever. In fact, most victims, after the attacks, immediately went back to work in the high seas again," Nestor Ramirez, president of the United Filipino Seafarers association, told The Manila Times. "If there is an effect, especially with regards to security, Pinoy seafarers were not affected. But more the other nationalities were," he continued. "But with regards to Pinoys wanting to be back to their jobs again after being held hostage, there was nothing that indicated a slowdown." Filipinos are the most in-demand workers in the high seas, Ramirez said. International shipping companies prefer them to others because they speak English and are highly trained, industrious and adaptable to a multicultural setting.

After one pirate attack in September, a Filipino seafarer was asked by his Malaysian employer to have a vacation with his family in the Philippines and come back to the seas again this January. All on company time and expense. 2008 saw a huge rise in piracy attacks, particularly in the Gulf of Aden. That is terrible news to a country that is the world's biggest source of seafarers, deploying an average of about 270,000 Filipinos annually. "We supply 27 percent of the total seafarers around the world," Ramirez said.

- **Thousands displaced by floods in southern Philippines**

About 5,000 families in the southern Philippines have been displaced by flash floods and large waves spawned by heavy rains, officials said Saturday.

Over a hundred houses have been destroyed and many people are fleeing their homes in the face of rising waters in the northern part of the southern island of Mindanao, civil defense officials said.

Evacuations were also under way in nearby Gingoog City and other areas where flash floods have been reported, said provincial officials. Local officials said two children, aged 1 and 2, were narrowly rescued from the floods but no casualties had been reported yet.

- **Muslim civil society group scores Israeli attacks on Palestinian people.**

Protest rallies held in front of Israeli Embassy in Makati CityA Muslim civil society group just right after the Friday congregational prayer in Marawi City showed its solidarity with their Muslim brothers by condemning the Israeli attacks on the Palestinian people and urged the Arab world through their different embassies and consulates in Manila to unite against the reported Israeli aggression.

In a statement issued Friday, the ABPA said: “We strongly condemn the Israeli barbaric attacks on the Gaza Strip. We also urge the Muslim world particularly Arab countries belonging to the 57 member-nations of the Organization of the Islamic Conference to unite and have a unified act against the Israel government; and for the latter to end once and for all their occupation of the Palestinian lands.”

Disimban also said that through the UN representatives based in Manila, his group is also asking the world organization to sanction the Israeli government for not heeding the call of the UN for an immediate ceasefire.

In view of this, The Manila Times also sought the comment of a Muslim leader based in Manila who is a member of a UN body regarding the Israeli campaign against the Palestinians.

However, Sultan Fuad Kiram 1st, the 35th de jure reigning ruler of the Sultanate of Sulu and North Borneo, said that he was deeply saddened by what is happening now to the

Palestinian people. Kiram said just like the Bangsamoro people, peace has been very elusive to the Palestinians.

As this developed, ABPA national president said that although they have launched already mass action in some provinces, he told the authorities especially in Manila not to be alarmed since their planned mass actions will be a peaceful one not unless they are provoked.

He said simultaneous indignation rallies were already held yesterday after the Friday prayer in Marawi City and also at the Blue Mosque in Maharlika Village, Taguig City.

Disimban warned that a much bigger rally would be staged at the Embassy of Israel in Makati City by next week to protest the Israeli aggression against Palestinians, which according to wire reports have killed at least 360 Palestinians and wounded more than 1,690 persons.

The latest casualty according to the Al Jazeera newscast was Nizar Rayan, a Palestinian leader member of the Hamas' highest echelon who was killed after an Israeli warplane dropped a 2,000-pound bomb on his home on Thursday, instantly killing him and 18 others.

Social Front

- **17 Filipinos evacuated from Gaza Filipinos stage a protest against Israeli attacks on Gaza outside the Israeli Embassy in Makati's financial district in Manila yesterday.**

The first batch of 17 Filipinos have been evacuated from war-torn Gaza and will travel to Jordan before flying back to the Philippines, the Department of Foreign Affairs said yesterday.

The Filipinos were among a group of 233 foreigners who were brought out of the besieged area in a convoy led by the International Committee of the Red Cross, the department said, citing a report from the Philippine embassy in Israel.

The Filipinos were met at the Gaza-Israel border by Philippine ambassador Petronila Garcia and will then proceed to the Allenby crossing at the Israel-Jordan border, where another bus will take them to the Jordanian capital of Amman.

From there, they will board a flight to Manila, the department said, adding that the Jordanian government allowed the entry of the Filipinos on the condition that they leave for home immediately.

Previous attempts to transport the Filipinos out of Gaza were aborted due to the intense fighting between the forces of Israel and Hamas. There were 108 Filipinos listed as staying in Gaza including Filipina wives of Palestinians.

About 300 protesters gathered outside the US fast food outlet in Palu, Central Sulawesi, waving Palestinian flags, burning US and Israeli emblems and carrying banners condemning Israel as a “terrorist and criminal” state. A handful of demonstrators then stormed the restaurant, overturning tables and chairsThe restaurant, which was closed following the protest, was set to reopen today, management said.

Indonesia, the world’s most populous Muslim nation, is a strong supporter of the Palestinian cause and does not recognise Israel.

The Israeli offensive against Palestinian Islamist group Hamas in the Gaza Strip, which began on December 27, has so far killed 702 Palestinians and wounded 3,100, Gaza medics say.

- **Thousands of barefoot faithful parade in Manila**

A sea of Filipino Roman Catholic devotees gather around the ‘Black Nazarene’ seen at the centre, as it is wheeled towards Quiapo church in central Manila yesterday for an annual procession through the streets of Manila. Many among the predominantly Catholic Filipinos believe the icon has miraculous powers and that it can help them get their wishes to come true.

Hundreds of thousands of devotees thronged the streets of Manila yesterday as a centuries old black statue of Jesus Christ, believed to have healing powers, was taken out in an annual procession. The wooden Black Nazarene, carved in Mexico and brought to

the Philippines in the early 17th century, is taken out of the Quipao Church on January 9 each year for the parade.

Injuries, and sometimes deaths, are common during the procession because of the crush of people in the narrow streets of Manila's old city. However, there were no such reports on Friday. Many of the devotees were barefoot.

Another devotee, Danny Saulo, 67, said he has not missed a single Black Nazarene procession in almost 40 years despite an illness that has impaired his ability to walk.

The police estimated more than 150,000 people walked barefoot in the 5 km (3 mile) procession from Manila's historic public Luneta Park to the Black Nazarene church, passing through the narrow streets in the oldest part of the city.

The religious festival has been held for more than 200 years, attracting close to a million people every year. Dozens of people collapsed due to heat, said police who were guarding the religious parade to prevent a stampede. Hundreds of thousands more devotees heard Mass and lined the streets to see the icon, dressed in maroon robes and paraded in a wooden carriage. Onlookers threw white towels and handkerchiefs to devotees on the carriage to wipe the statue in the hope of carrying away some of its healing powers.

- **Muslim moderates meet on peaceful co-existence(social,political)**

A group of ulamas (Islamic scholars) from the Autonomous Region in Muslim Mindanao (ARMM) as well as from this city arrive in Manila to join other moderate Muslim advocates from the Association of Southeast Nations (Asean) as participants in the 3rd International Conference of Muslim Leaders opening today at Dusit Thani Manila hotel in Makati City. The conference will be held until Monday.

Commissioner Taha Basman, of the United Nations Educational, Scientific and Cultural Organization (Unesco), and who is concurrently the president of the Center for Moderate Muslims (CMM) of the Philippines, in an earlier interview with The Manila Times said discussions would focus on moderation in Islam as against extremism. Participants

include known Islamic scholars from ARMM with their counterparts from Malaysia and Indonesia and other Asean nations.

Saudi Arabia chief of mission to Manila Ambassador Mohammad Ameen Wali will deliver his keynote address on “Islamic Da’wah and the International Community.”

Malaysia’s head of parliament, Speaker Tan Sri Pandikar Amin Haji Mulia will deliver his inspirational message. Speaker Amin is one of the recipients of the recent Gusi Peace Prize. Another Gusi Peace Prize Laureate who is also from Malaysia, Dato Ismail Bin Mohamad, will discuss “Good Business and Spiritual Activities for the Muslims.”

A high official from the Presidential Palace in Jakarta, Sanusi Ismail, will on Muslim-Christian relations in Indonesia and the Philippines, and its advantages.

Other resource persons are former Gov. Antonio Omar Al-Thani Leviste of Batangas and his daughter Equestrian World Champion Toni Khalida Leviste, among others.

- **Quake shakes north Philippines**

A 5.1-MAGNITUDE earthquake struck the northern Philippines on Friday, the US Geological Survey and Philippine volcanologists said, but there were no reports of casualties or damage.

The shallow undersea quake struck at 3.28 pm around 80 kilometres northwest of the coastal town of Lingayen, the Philippine Institute of Volcanology and Seismology said.

The quake had a depth of nine kilometres, the institute said. It was felt in Manila and its surrounding suburbs but there were no reports of panic. A 5.3-magnitude earthquake struck the southern Philippines on Dec 30. The nation, made up of more than 7,000 islands, sits on the Pacific 'Ring of Fire' where continental plates collide, causing frequent seismic and volcanic activity.

- **Philippines: Rebels bomb electricity tower, official says**

Rebels from the Moro Islamic Liberation Front, an Islamic militant groupElectricity tower supplies power to several towns in south of countrySeparatist rebels bombed an

electricity transmission tower in the southern Philippines on Saturday, according to military spokesperson Lt. Stefani Cacho.

The tower supplies electricity to several towns in the region.Rebels from the Moro Islamic Liberation Front, an Islamic militant group based in the Philippines, used four explosive devices but only 3 detonated, Lt. Cacho wrote in a text message to CNN.The government of the Philippines has been involved in stormy peace negotiations with MILF since 2003.

Last month, armed men attacked a U.N. truck carrying food to the southern Philippines, killing the driver's assistant, according to the U.N. World Food Program.

• Thailand

Political Front

- **Thailand deemed ready to host ASEAN**

Thailand is ready to play host to next month's Association of Southeast Asian Nations summit despite its recent political turmoil, officials for the group say.

ASEAN Secretary-General Surin Pitsuwan said Saturday that after holding talks with Thai Foreign Minister Kasit Piromya, he's confident the conference, set forSurin, a former Thai prime minister, said hosting the summit will boost the international community's confidence in Thailand in the face of recent mass protests that shut down the nation's tourism industry. He told TNA Thailand is capable of holding the meeting and that he is awaiting word from China on whether it will attend as a dialogue partner.Participants said major issues to be discussed by ASEAN include transnational labor concerns, human trafficking and the ASEAN peacekeeping force, the news agency said.

- **Five years on, no end seen to Thai insurgency**

Thailand's new premier has vowed to tackle a separatist insurgency raging in the south, but the Muslim region on Sunday marked five years of bloodshed with little end in sight

to the daily violence. Thai political turmoil has left the army with free rein in the south, prompting widespread human rights violations, activists say, while militants are turning to increasingly sophisticated technology to terrorise communities.

The number of deaths has dropped as the military conducts its massive campaign, but rebels have scaled up their onslaughts using car and roadside bombs, while beheadings and the mutilation of corpses continue. "Although the number of incidents decreased in 2008, the attacks are greater in terms of destruction," said Mohammad Yub Pathan, a researcher with independent monitoring group Intellectual Deep South Watch. "Also, the militants have acted much more systematically and with clear control and organization.

In early November, a car bomb and a motorcycle bomb ripped through a market and a tea shop in Narathiwat province, injuring 70 people, in the biggest single assault on civilians since the rebellion began. These are issues awaiting Thailand's fourth prime minister in the space of a year, Abhisit Vejjajiva, who vowed soon after he was elected by parliament on December 15 to ease the southern tensions.

His Democrat Party counts the south as one of its strongholds, and this will be the party's first chance in government since the rebellion broke out. But Sunai Phasuk, Thai consultant for Human Rights Watch, said that successive governments have failed to make good on their promises to quell the southern bloodshed because their words were not followed up by action. "One of the first issues for him is to show that there can be justice for Muslims in the south," Sunai told AFP.

The insurgency dates back to 1902, when Buddhist Thailand - then known as Siam - annexed the mainly Muslim and ethnic Malay far south. Tensions bubbled under the surface, occasionally flaring up over the decades, and erupted into the current rebellion on January 4, 2004, when militants raided a southern army base, killing four soldiers. The pace of deadly violence has picked up steadily, with 2007 seeing a record 1,015 deaths in the provinces of Narathiwat, Yala, Pattani and parts of Songkhla province, police figures show.

About 3,500 people have lost their lives during the four years of insurgency, including at least 600 people killed in 2008. Although the rebels' aims are broadly understood to

include self-rule, the conflict's murky nature is also hampering efforts to curb the violence. "You can't identify any clear set of demands coming out of this movement," said Duncan McCargo, an academic and author of a book on southern Thailand. "Their grievances are essentially against what they see as abuses of power by the Thai state and the historical sense that the southern border provinces are not really part of Thailand and should not be administered in the same way as the rest of Thailand.

Also frustrating efforts to subdue the rebellion are the protracted protests and political turmoil in Thailand.

Amnesty International will release a report this month documenting cases of torture by security forces in the south. But McCargo said that the southern unrest remained largely a political issue, and until serious discussions began on some elements of self-rule in the region, the bloodshed would continue.

With Abhisit heading a delicate coalition and relying on the support of the powerful army, that looks increasingly unlikely. "Abhisit... will be very vulnerable to attack (politically) if they support any sort of government for the south or seem to be selling out in any way on the security line on the south," McCargo told AFP.

Strategic Front

Economic Front

- **Thai airports occupation cost over six billion euros**

The Thai central bank reports that last year's occupation of the country's main airports by opposition supporters caused more than six billion euros worth of economic damage. The occupations, which lasted more than a week, left hundreds of thousands of foreign tourists stranded.

Social Front

- **Two more nightclub victims die**

Two more Thais who were severely injured in a New Year's fire at a Bangkok night club have died in hospital, taking the death toll in the tragedy to 61, medical officials said.

The pair, 30-year-old and 26-year-old women, died on Friday night as a result of severe burns sustained in the blaze, which also injured more than 200 others celebrating the start of 2009, one official at Bangkok Hospital said.

The Santika nightclub in a trendy Bangkok neighborhood was popular with both foreigners and high-society Thais. Among the dead was a Singaporean man, identified as Teo Sze Siong. At least 20 foreigners from Japan, Australia, France and the United States had to be treated in hospital, according to emergency services.

The cause of the fire was still not clear, Deputy National Police Chief Chongrak Chutanont said on Friday. Witnesses said it was caused by fireworks and media reported it was due to an electrical fault.

- **278 killed in road accidents in Thailand during New Year holidays**

The death toll of road accidents throughout Thailand during the first four days of the seven New Year holidays rose to 278, the Disaster Prevention and Mitigation Department announced Saturday.

The Department's director-general Anucha Mokkhawes said 2,793 road accidents occurred from Tuesday to Friday, killing 278 people and injuring 2,996 others. On Friday alone, 464 accidents occurred, killing 52 people and injuring 492 others.

- **Bangkok nightclub inferno toll rises to 61**

Thai policemen and rescuers stand by the bodies of victims of a fire that ripped through a nightclub in Bangkok

Bangkok nightclub inferno toll continues to rise The death toll from a fire at a Bangkok nightclub New Year party has risen to 61 after two more people died in hospital overnight, a senior health official said Saturday. The toll from the blaze at the Santika nightclub could rise further as many of the injured remain in critical condition, said Chatree Charoencheewakul, secretary of the National Institute of Emergency Medical Systems. Police are still investigating the cause of the blaze at the packed club in the city's popular Ekkamai district, which broke out just after midnight on Thursday after revellers counted down the New Year. Early reports by police suggested it might have

been caused by a pyrotechnics display on stage but officials said they were also investigating the wiring in the club and sparklers handed out to guests.

• Singapore

Political Front

Strategic Front

Economic Front

- **Singapore, China markets offer opportunities for investors**

Some investors who are getting concerned about the Indian market have been turning to opportunities in Singapore and China, along with the commodities market.

Investment experts told Channel NewsAsia that they have seen some movement of funds in recent days. They said Satyam Computer Services' problems should not dissuade investors from picking up solid companies at current attractive values.

The scandal surrounding India's Satyam is still sending shockwaves through the markets. The company's cover up of a billion dollar fraud has made some investors nervous about putting money in Indian companies for now. Many experts remain bullish on the outlook for soft commodities as demand is expected to grow. Corporate frauds such as Satyam's, combined with a gloomy economic outlook and financial turmoil, have brought down the price of many market giants. Experts see the dip as an opportunity for investors to buy into the market, as some said 2009 will continue on a gradual uptrend in comparison to 2008.

Beyond financials, some analysts said government bonds may provide a safe haven, although prices have already risen quite a bit. But corporate bonds, hit by lower market confidence, may be more attractively priced. Analysts said corporate bonds now offer yields of around 10 per cent.

- **Slowing global demand, excess capacity hit dry bulk shipping firms**

Slowing global demand and overcapacity are sinking dry bulk shipping firms, with several seeking bankruptcy protection in the past three months.

Experts expect this trend to continue into 2009 as major economies like China slow consumption and financing becomes harder to secure in the industry.

The key Baltic Dry Bulk shipping index has dropped 92 per cent in the past year alone.

Falling demand for trade and difficulty in obtaining financing have led to an increase in the number of dry bulk ship operators and owners seeking bankruptcy protection.

Hiring rates have also plunged, with vessels which could have been hired out for US$200,000 a day in the past now going for between US$2,000 and US$9,000 a day.

And flagging demand is not the only stumbling block the industry is facing. An oversupply of ships in the dry bulk sector have kept rates down, and this could worsen next year.

Divay Goel, director, Drewry Maritime Services, said: "We would expect that even if demand were to pick up to historical levels which we saw in 2006 and 2007, we have a huge order book overhang in 2009 and 2010."

Market watchers said the current correction is expected to bring dry bulk rates back to levels seen in 2004 before the boom seen in the past three years.

At that time, Cape-sized vessels were going for between US$60,000 and US$70,000 per day.

- **Tax waiver extended to enhance Singapore port's attractiveness**

The government is extending a waiver on tax for the purchase of Singapore-flagged vessels. The waiver of withholding tax on overseas interest payments to finance the vessel purchase will be extended for another five years.

Previously, the waiver applied only if two ships were purchased. But now, a single vessel of 40,000 net tons or more will qualify for the waiver. The waiver extension is aimed at increasing Singapore's attractiveness as a base for ship owners. This and other measures

were announced by Transport Minister Raymond Lim at a cocktail reception organised by the Singapore Maritime Foundation on Thursday.

Industry players welcomed the tax waiver extension, saying it will make Singapore a popular choice for ship owners once the global economy recovers.

Singapore, one of the busiest ports in the region, has also reported an 11.1 per cent improvement in shipping tonnage to a record 1.6 billion gross tons in 2008. The transport minister said this reflects the long-term strength of the fundamentals in the maritime industry. And it looks like it is still full steam ahead for Singapore's maritime industry, with a slew of activities like the Singapore Maritime Week lined up for the year ahead

Social Front

- **Survey shows Singaporeans stepping back from personal luxuries**

A survey by OCBC Bank has shown that Singaporeans are starting to step back from personal luxuries and ambitions. Instead, they are now more concerned about the basics of home, relationship and family.

The survey of 400 Singaporeans aged between 18 and 64 was conducted in the fourth quarter of last year. It found that travel has dropped from Singaporeans' top priority last year to sixth position now. Four in 10 respondents said they would cut down on spending. According to the survey, there are clear indications that luxuries and non-appreciating assets have now taken a back seat.

- **Singapore to develop new ways to get elderly citizens to work longer**

Singapore will need to develop new arrangements to help the elderly work as long as they can. Prime Minister Lee Hsien Loong said one such feature in place is getting companies to rehire workers aged 62 years for another three years till 65. But that could mean taking up a different job at a lower pay.

Housekeeping is not the most sought-after job, but someone has to do it. 66-year-old Lee Lai Eng has been working as a housekeeper for over 20 years. The grandmother of four chose to continue working six days a week, eight hours each day, even after retirement.

Even though she gets the same pay as her younger colleagues, the former nurse feels empowered by her added responsibilities as a housekeeping trainer. She is also glad that being employed means her medical needs are taken care of by the company.

Madam Lee said: "My children have asked me to stop work, but it is hard." She said she prefers to be independent financially. "I prefer to be free."

That is something Prime Minister Lee will be glad to hear. Speaking at Singapore's first Retirement Conference on Thursday, he said social attitudes must change. "The job of hotel attendant may be a humble one, but it is an honourable employment. We should not discourage anyone from taking on such jobs. To do so would limit his options to be active, engaged and to earn an income," Mr Lee said.

Besides attitudes, Mr Lee said wage structures - where workers get paid according to the number of years on the job - must also change with the times, so that companies will hire more older workers instead of younger and cheaper ones. The labour movement is working with companies to make older workers' wage structure more competitive so that it is easier for them to stay employed..

The unions are also working with companies to help older workers find and keep jobs during this downturn.

Union leaders say they are working with companies to encourage them to send not just the younger workers for retraining but the older ones as well, as part of the government's S$600m skills upgrading scheme.

- **Experts say children are a vulnerable group affected by economic crisis**

As the world economies grapple with the financial turmoil, a group of humanitarian experts said children will be a vulnerable group affected by the crisis.

If their needs are not addressed, it could lead to health and developmental problems.

The rise in oil prices, the bankruptcy of financial giants and the volatile stock markets, all have had its domino effect on the world.

Adding to the crisis is higher inflation. The International Monetary Fund (IMF) estimates that a 10 per cent rise in food prices will push another 105 million people into poverty.

Based on data collected during the 1997 Asian financial crisis, experts have also found a 10 per cent increase in underweight babies. Infant mortality was up between three and 10 per cent. Anaemia among pregnant women also rose by 10 per cent.

To reverse this trend, about 150 policy makers, academics and government officials from East Asia and Pacific countries have gathered in Singapore to explore the issues confronting the children of the world. Experts at this conference believe there are three key issues developing nations need to address in helping children. First, is making sure money is available. Second, allocating the funds and third, the effective delivery of money where it is needed most.

Community Development, Youth and Sports Minister, Vivian Balakrishnan, said: "We need to be committed to ensuring that all our policies are child-centric. The value or the impact of a policy ultimately is not how intellectually robust or how elegantly it's been presented, but its impact on real people and in our case, real children." While Singapore is not shielded from the global turmoil, its young population may be the luckiest lot.

• Vietnam

Political Front

- **2008 – a remarkable year for US-Vietnamese relations**

Aimee Kligman, an American foreign policy researcher, has praised the development of relations between the United States and Vietnam , especially in 2008.

In her article entitled "2008 - a remarkable year for US-Vietnamese relations"

Kligman stressed that in the past, most Americans associated Vietnam with war, with a swampy land drowned in humid heat, and "it couldn't be the truth. One needs to only see the city of Saigon and Hanoi to understand."

She thought it was also remarkable that for the first time, last year, Vietnam 's Prime Minister Nguyen Tan Dung came to the US . Bilateral cooperation has been established in trade, (with Vietnam exporting clothing, furnishings - home decor items made of bamboo is a big specialty) science, education, technology and security.

Kilgman affirmed: "It is undeniable that in the region of Southeast Asia, Vietnam is the safest country to visit in terms of terrorism: there isn't any." According to the US researcher, because of the recent economic downturn, it is not expected that trade volume will increase but vigorous cooperation is expected on all fronts. She held that the "1.5 million Viet Kieu (the term for Vietnamese nationals living abroad) residing in the US is an important source of income to the country and contribute to its technological advancement .

- **Ambassador: Vietnam, US ties bright in 2008**

Vietnamese Ambassador to the US Le Cong Phung described 2008 as a bright year of the Vietnam-US relations, showing political determination of the two countries' leaderships and desire of both nations.

The US visit by Prime Minister Nguyen Tan Dung in June 2008 marked a milestone, making Vietnam-US cooperation more intensive with higher quality, the Ambassador told the Vietnam News Agency correspondent in an interview.

In terms of politics, last year Vietnam-US cooperation was prominent in performing the missions at the United Nations Security Council, the diplomat said.

The US delegation often exchanged its opinions on international peace and security with Vietnam before announcing their points of view, he added.

For its part, as a responsible member of the international community, Vietnam well fulfilled its role as the chair of the UNSC, having expressed its concern over regional and international issues as well as issues related to bilateral ties, said ambassador Phung.

In his opinion, a strategic dialogue mechanism on politics and security, formulated during PM Dung's visit, marked a drastic change in the relationship between the two countries, which were rivals during the war. .

Bilateral cooperation in such fields as science and technology, education, economic and trade, has also seen important progresses, the diplomat affirmed.

In this year 2009, he said, there won't be so many high-ranking delegation exchanges as in 2008. However, 2009 will be a busy year of implementation of the reached agreements and commitments, the ambassador said. He said the two countries will boost cooperation in education, science and technology and boost investment and trade ties. They will also discuss measures to accelerate their political, economic and educational relations, according to the ambassador. He predicted that bilateral trade turnover in 2009 would not be so high as in 2008, but still grow and more US businesses and investors would come to Vietnam .There are about 1.5 million overseas Vietnamese in the US , representing almost 50 percent of the overseas Vietnamese community.

- **Vietnam condemns Israel's military attacks at Gaza**

Vietnam requests that Israel cease all military acts and withdraw from the Gaza Strip, said Representative of Vietnam to the UN Security Council, Ambassador Le Luong Minh in New York on Jan. 3.

He also asked all parties concerned to facilitate emergency humanitarian relief for the Palestinians in the Gaza Strip, affirming Vietnam's support for the international community's efforts to soon resume the truce agreement between Israel and the Islamic Resistance Movement (Hamas) which is controlling the Strip.

Regarding Israel 's ground incursion into the Gaza Strip on the dawn of Jan. 4, Vietnamese Foreign Ministry spokesman Le Dung also requested that Israel stop the excessive use of force and immediately withdraw its troops from the Gaza Strip.

- **Vietnam, Malaysia enjoy developing ties, says PM**

Vietnam and Malaysia have seen positive developments in their multi-faceted cooperation, especially in the areas of politics, diplomacy and trade, said Prime Minister Nguyen Tan Dung.

Malaysian businesses' projects in Vietnam will yield good results, he said.Uninterrupted flows of investment into Vietnam have proven the country's dynamic and successful

development, said Abdul Hamid Pawanteh. Foreign investors in Vietnam always believe in Vietnam ’s bright future, he said. Two-way trade between Malaysia and Vietnam exceeded 4 billion USD in 2008, a year-on-year increase of 22 percent.Malaysia now ranks second among 60 countries and territories investing in Vietnam , with more than 300 projects capitalised at around 18 billion USD .

Strategic Front

- **Vietnam, China complete historic border demarcation**

Vietnam and China on Wednesday marked a historically significant milestone in their bilateral relations completing demarcation of their land border as well as the planting of markers.

This was announced in a joint statement issued by the chief negotiators of Vietnam and China after four days of talks in Hanoi.

It said the negotiations took place in a friendly and frank atmosphere, taking into account mutual concerns and trying to mitigate negative impacts on the lives and work-output of residents living along the common border. Based on the Vietnam-China land border delineation treaty signed in 1999 as well as the basic interests of the people of both countries, the two sides reached mutually agreeable solutions on all remaining issues, thus completing the border demarcation and marker planting along the entire land border line between the two countries, as agreed by senior leaders.

The joint statement attributed the achievement to the attention and close guidance of senior leaders of Vietnam and China, as well as unceasing efforts by the two delegations, experts and representatives from relevant agencies and border provinces of the two countries.

Vietnam and China have for the first time defined a clear land boundary with a system of markers, opening up new opportunities for the development in each country, especially creating favorable conditions for their border localities to expand cooperation, economic development and friendship exchanges.

The successful settlement of the boundary issue is expected to form a firm foundation for Vietnam and China to build their shared border into an area of long-lasting peace, friendship and stability, as evidence of the Vietnam-China comprehensive strategic partnership, the statement said.

The two sides have pledged to complete and sign early a protocol on border delineation and marker planting, an agreement on land border management regulations and other related documents. They have also agreed to continue close coordination and cooperation to maintain peace, stability and mutual development in their border areas.

Economic Front

- **Vietnam to build three hydropower plants in Laos**

EVN International Joint Stock Company and the Bac Ha Joint-stock Investment Company on Wednesday signed an agreement with their Lao partners to invest in three hydropower projects on the Namet River in Huaphan Province.

The three projects called Namen 1, Namen 2 and Namen 3 will have a total capacity of 420MW.EVN officials said it will take the Vietnamese investors some time to obtain sufficient technical data to submit to the Lao government for official approval for implementing the projects.PetroVietnam has earlier invested in a 1,400MW hydropower project in Laos's Luang Prabang Province.

- **Vietnam expects lower FDI attraction this year**

Vietnam has set a target of luring just 20 billion USD in foreign investment this year, nearly one-third of 2008's figure, due to the global economic downturn.

Despite this modest target, foreign investors still appreciate Vietnam 's investment environment and its mid- and long-term prospects, according to Phan Huu Thang, Head of the Ministry of Planning and Investment's Foreign Investment Department.

Thus, Vietnam will still attract plenty of foreign investment after 2010, he added. Addressing a seminar on the impacts of the WTO's accession upon foreign investment activities in Vietnam on Jan. 9, Thang cited Vietnam's political stability, abundant labour

force, favourable investment environment and improved infrastructure as its advantages, compared to other countries in the region.

Until 2010, projects in oil refining, mining, and real estate will still be investors' priorities, Thang said. Contrary to the low-registered FDI, the department set a goal of 11-12 billion USD in FDI disbursement, the same as in 2008.

This unchanged objective is attributable to investors' high levels of commitment, effective implementation of foreign-funded projects (relative to the global financial crisis) and the Government's determination to maintain economic growth. The efforts of the Government, related agencies and local authorities in administrative reforms and improvements in the investment environment infrastructure and regulations related to foreign investment, have helped Vietnam to achieve remarkable FDI attraction in the last two years, according to Thang

The disbursed FDI capital in 2008 hit a record of 11.5 billion USD, a year-on-year increase of 43 percent, and 2.8 times more than 2006. Last year, over 4,000 FDI enterprises made a contribution of 16.5 percent to the GDP, and 28.9 percent to the total investment capital, compared to 15.9 percent and 16.2 percent, respectively, in 2006. The foreign-invested sector generated nearly 1.47 million jobs. To maintain this growth rate, Nguyen Thanh Bien, Deputy Minister of Industry and Trade said trade promotion and the investment environment should be further improved.

Social Front

- **Floods kill five in central Vietnam**

Unseasonable floods brought by rains this week have killed at least five people in central Vietnam while 10 others remained missing, the government and state-run media said Saturday.

Waters were now receding in main rivers in the region but three including a woman drowned in Quang Nam province and another 44-year-old man died in floods in the neighboring province of Quang Ngai, the government said in a disaster report.

A 22-year-old man died in Binh Dinh province while nine fishermen were among the missing after their boats sank, Saturday's Thanh Nien newspaper quoted provincial disaster reports as saying.

Floods and storms often strike central Vietnam between August and November but heavy rains since Monday caused by a cold spell hit the region widely exposed to the sea and raised river waters.

The government said more than 5,000 homes were submerged and floods also inundated a combined 74,400 hectares of rice in five provinces. The affected area is not the key growing region for rice and coffee, Vietnam's main agro-products for exports.

- **Ex-refugee now 1st Vietnamese-American congressman**

On Tuesday, more than 30 years after that refugee child escaped aboard a U.S. military transport plane with his uncle, brother and sister, leaving their parents behind, Cao was sworn in as the first Vietnamese-American to serve in Congress.

Until a few weeks ago, Cao, who looks younger than his 41 years, was virtually unknown outside the tightly knit Vietnamese-American community in eastern New Orleans. Then came his narrow victory against Rep. William Jefferson, an icon in the mostly black, mostly Democratic district.

With a boost from Jefferson's legal troubles and a hurricane's fickle path, Cao passed the latest test in his tumultuous life.

Mortar damage once shut down his elementary school in South Vietnam. He remembers scrambling under his bed at night while fragments from explosions rained down on his home. After escaping the country in 1975, he faced adapting to the American culture without his parents. His mother stayed behind to be with his father, a South Vietnamese military officer who would later spend years imprisoned in a "re-education camp." It would be 16 years before Cao would see his parents again. Thirty years after fleeing Saigon, Cao escaped again _ this time from Hurricane Katrina, with his wife and two daughters. In its aftermath, Cao emerged as a leader in his hard-hit community, particularly as part of a successful effort to shut down a landfill.The Rev. Vien The

Nguyen, from Mary Queen of Vietnam Catholic Church, said Cao has long advocated for Vietnamese refugees. He characterized him as a tenacious if soft-spoken leader, not a dogmatic politician.

Cao earned a physics degree from Baylor University in the 1980s then entered the Society of Jesus to train as a Roman Catholic priest. He got a master's in philosophy from Fordham University and worked with the poor in Mexico _ service that ultimately led to a change in plans.Cao left priesthood training in 1996 and opted to study law with an eye toward effecting change through politics. He got his law degree, taught at Loyola University Law School in New Orleans and settled in the city's thriving Vietnamese community, which became more politically active as a group after the storm.

A staunch opponent of abortion, Cao was elected to local Republican Party posts and went to the 2008 Republican National Convention. And he decided to run against Jefferson, who was so popular he was expected to win re-election despite a federal indictment alleging that agents found $90,000 in bribes in his freezer.Cao figured at least he could use his campaign to draw attention to storm recovery issues. Then Hurricane Gustav hit New Orleans, delaying local elections by a month.

• Laos

Political Front

Strategic Front

Economic Front

- **Oudomsay province: economic development promoted**

The northern province of Oudomsay organized recently a meeting to promote the economic development. It was attended by business units in the province and discussed about the establishing of business group and commerce chamber in the province. According to the meeting, the establishment of the business group in the province will provide more facility for business operation and improve the quality of business service. The business units of Oudomsay province by following the party and state policy to

develop the economic sector as the core sector for social economic development of the country will joint their hands on business operation in order to ensure the better service and business management in the province.

- **Trade deficit vs 28 million US dollars**

(Last year the country had trade deficit standing at 28.13 million US dollars with which the export was 973 million US dollars and the import was one billion US dollars. The export was increased by 5.43 per cent year on year but lower than the annual plan while the import gained stronger increased, 9.78 per cent from last year and 3.92 per cent over the annual plan. And the most significantly was the import of vehicles and spare-parts increased by 130 per cent. However, Minister of Industry and Commerce Dr. Nam Viyaket admitted this week that it was difficult to forecast how significant the export growth in this year would be as the world financial crisis began affecting the country. Minister of Industry and Commerce Nam Viyaket pointed out that the country continuously faced trade deficit because of the increasing import of oil, which accounted for almost 24 per cent of the entire import of the country but saying the country could gain trade surplus in the first time after decades of trade deficit if the export was more increased in years to come.The export of key goods remained constantly increasing, as minerals was exported increasingly by 4.49 per cent, electricity by 6.5 per cent but the export of industrial products were increased significantly by 62.94 per cent and garment by 36.27 per cent.

Dr. Nam said that the significant increases belonged to agriculture sector as the export of maize was increased by 37 per cent. That of cassava was increased by 42 per cent. Timber and wood processed products were exported decreasingly by 35 per cent

On this occasion, Mr. Bounpone Vannachit, Deputy Governor of Oudomsay province also presented certificate of merit to a number of businessmen who made contribution for industry and commerce development in the past one year.

Social Front

- **National education reform discussed**

The Ministry of Education and the National Committee for Education Reform held a meeting on the National Education Reform last Wednesday in Vientiane. The meeting was under the chairmanship of Standing Deputy Prime Minister and President of the National Committee for Education Reform Mr. Somsavat Lengsavad. Provincial Governors, ministers of relevant ministries and the National Committee for Education Reform attended the meeting. The planning and management of the development frameworks in education sector is fundamental for achieving relevant targets of the national education reform, said Mr. Somsavat. Mr. Somsavat urged the participants to pay more attention to the implementation of strategies approved by the National Committee for Education Reform, which is now in its first phase (2006-2010) and the preparation for realizing their objectives in phase II (2010-2015) of the reform. Mr Somkot Mangnormek, Minister of Education, said that the national education reform strategy approved by the government in 2007 mainly focused on improving legal instruments and the structure of education sector.

- **Underprivileged children receive help**

Talat Sao Mall presented 19 million kip to the Association for Helping Underprivileged Children and the Sengsourigna Children Music Culture Center (SCMCC) last Wednesday.

The money, which is the donation from people, will be used by the association and the centre to help the people with disability, orphans, the elderly people and the victims of disasters. Mr. Koo Lewis, Administration Director of the Talat Sao Shopping Mall, Mrs. Khamphone Phimmaseng, the President of the Association for Helping Underprivileged People and Ms. Sengsourigna Phonekaseumsouk, the president of SCMCC performed the handover of the donation package. President of Foundation for Helping the Poor of Laos Mrs. Sisaliow Thammatheva and Vientiane residents witnessed the handover.

- **Luang Prabang people urged to continue to contribute for social-economic development**

All people in Luangprabang province, especially those who are working for government offices have been asked to continue to contribute all their great efforts for the social-economic development in the province. The statement was made by Mr. Bounheuang Douangprachanh, Governor of Luangprabang province during the party organized on 31 December to welcome the new year 2009.During the occasion, Mr. Bounheaug Douangprachan also briefed the party about the achievements and challenges faced by the province in the past one year. He also wished all people in the province meet a good luck and success in their life.

- **Lao Embassy Officials Help Korean Farmers(political,social)**

Chaleune Warinthrasak, Lao ambassador to the DPRK, and staff members of his embassy visited the DPRK-Laos Friendship Taewon Cooperative Farm in Sadong District, Pyongyang, where they gave helping hands to its members in harvesting. According to KCNA, they helped farmers in carrying rice sheaves. During break, they sang songs and talked with farmers. The ambassador said that the friendship between the two countries provided by President Kim Il Sung and President Kaysone Phomvihane.would last forever. He expressed belief that the Korean people would achieve greater successes in the struggle to build a great prosperous powerful socialist nation and reunify the country, true to the Songun leadership of Kim Jong Il. The guests handed aid materials to the farm,

- **WHO delegation monitors aid relief project in Luang Prabang**

The delegation of World Health Organization (WHO) to Laos monitored the progress of rice supply projects for flood victims and hungers in Luang Prabang province on 6 January.

WHO delegation was received by Mr Bounheung Duangphachanh, Luang Prabang Governor who briefed the current assistance of the WHO's food for work project which comprise three main works. The food for work project in Luang Prabang province has so far been supported with a 200-tonne of rice for flood victims and 600 tonnes rice for assisting local people suffering from famine in ten districts.

The WHO delegation visited its project in Phavieng and Phadeng villages, Luang Prabang district affected by flood so far. They also visited Huuayman village, Phonsay district where six houses hit by landslide and went Namsoung village, Viengkham district.

• Cambodia

Political Front

Strategic Front

Economic Front

- **Petrol prices drop after PM demands results**

Sokimex leads the way with a 50-riel cut since Tuesday, but analysts say drops in international crude prices don't immediately translate to lower pump costs.

A roadside petroleum vendor fills up the latest batch of Pepsi bottles in Phnom Penh. SOKIMEX led a drop in gasoline prices on Wednesday after repeated demands by Prime Minister Hun Sen that petroleum companies cut the cost of fuel at the pump.

The reductions were aimed at bringing pump costs in line with falling crude prices and to mark the January 7 Victory Day celebration. Crude prices have fallen from about US$145 in June 2008 to below $50 currently. Prices rose slightly over the week following the Israeli bombing of Gaza that has killed more than 630 Palestinians and threatens regional stability. By Wednesday, Sokimex's petrol price was 2,850 riels (US$0.69) per litre for regular and 2,950 riels for premium. That represents a 50-riel drop compared with Tuesday's price of 2,900 riels and 3,000 riels, respectively.

The cuts came a day after Hun Sen called on petroleum companies in Cambodia, particularly Sokimex, to again lower price

There is not a one-to-one relationship between oil prices and the price of petrol.

He estimated that 95 percent of crude price increases are reflected at the pump within four weeks, while about 80 percent of crude price drops translate into lower petrol within six weeks.

Armstrong added that stubborn petrol prices are in part caused by refineries slowing or stopping production. "Refiners have been quick to turn off the taps on recession fears," he said.

A December report on Asian petrol production expected higher prices in the beginning of 2009."Asia's benzene producers could keep operating rates below capacity in the first quarter of 2009 in anticipation of weak downstream demand," said the petrochemical chemical newswire Icis.

- **Further price cuts needed**

But a local labour leader said his union members, who are often paid very little, are tired of expensive petrol.

Since Hun Sen's call for lower prices in December, Caltex and Total have kept pump prices steady, with regular at 2,950 riels per litre and premium at 3,050 riels, he said.

Sokimex and Tela dropped their prices from 2,950 riels to 2,900 riels by Tuesday.On Wednesday, only Sokimex dropped its price to 2,850 riels per litre.Kang Chandararot, director of the Cambodia Institute of Development Study, said that over time, he expected further price cuts in line with international crude.

He added that the government should publicise petroleum companies' profit margins.

Social Front

- **National judges indignant over corruption lawsuit**

The day after 50,000 Cambodians turned out to celebrate the fall of the Khmer Rouge -- and tribunal officials stated they believe the trial of "Comrade Duch" will begin in March -- defense lawyers lodged a complaint with Phnom Penh's Municipal Court, demanding investigation into corruption at the ECCC.

In their complaint, lawyers for Nuon Chea targeted tribunal administrative head Sean Visoth and former chief of personnel Keo Thyvuth.

In a response to the suit, national judges vehemently denied allegations of corruption: "There is no reason for judges to cut their salaries to pay kickbacks to government officials, as alleged. We absolutely reject such an accusation."And they decried the media's involvement in the dispute."The above-mentioned action was leaked to the public media, causing confusion and seriously affecting the honour and dignity of all individual judges and this institution as a whole," they wrote.

But many court watchers would argue that the lack of disclosure itself at the ECCC is more damaging to the tribunal's reputation. Since the UN handed its review of corruption over to the Cambodian government, organizations monitoring the tribunal have demanded that it be made public -- to no avail.

Unfortunately, Cambodian officials seem to be underestimating the power of transparency. As numerous politicians have shown, if you own up to your mistakes, people may be surprisingly forgiving. But if you act like you have something to hide, people will assume you do.

- **Govt initiative encourages farmers to make smaller farms go further**

A new agricultural initiative targeting fish farms is helping farmers diversify their crops and farm more sustainable breeds of fish in order to broaden their income baseFish farmer Hong Hen with her daughter in front of her new catfish pond.

SCORES of hungry young catfish churn up the surface of Hong Hen's small pond as they fight for the tastiest bits of fish feed that their owner rains down on them through a sieve.

Hong Hen, from Trapang Srange village in Kampong Chhnang, clearly has high hopes for her catfish. Having invested just US$26 in the construction of the pond and two kilos of baby fish, she is confident that within three months she will have around 100 kilograms of adult fish. At current market prices, this is about $150 worth of fish - a considerable amount of money for her.

Hong Hen is among a growing number of rural Cambodians who are participating in a government initiative to diversify into growing organic crops and enable farmers to augment their income. Raising sturdy and quick-growing catfish is a central component of this program, explained Ith Sarin, chief of the Kop Srau Agricultural Center in Phnom Penh.

Fish is the main source of protein for Cambodians, who on average eat 52 kilograms of fish each year, he said.

But with the country's rapid population growth and fish stocks of the Tonle Sap and the Gulf of Thailand being fished close to capacity, many get far less than that, he added.

Ith Sarin brought back lessons from fish farms in Vietnam and Thailand, and set about teaching farmers how to construct micro fish ponds that only measure about 3.5 by 2.5 metres and allow for easy maintenance and harvesting.

Digging a hole half a meter deep, laying it out with a plastic sheet and stabilising the whole construct with bamboo poles and string is all it takes to make one pond, Ith Sarin said. The fish are fed rice bran, white ants and morning glory, which most local farmers can procure free of charge.

While another popular farmed fish, Tilapia, takes six months to grow, Ith Sarin said the Vietnamese catfish reaches its full weight in half the time and is more resistant to disease.

In July, he began instructing 25 farmers in Kandal province on how to raise catfish. He used photos as illustrations, let his students construct a fish pond by themselves, and showed them how to feed the fish and replace the water. He also supplied the farmers with free materials and baby fish to get them started.

He estimates that micro fish ponds are now being used by over 100 farmers across Kandal, Takeo and Kampong Chhnang provinces.

Spreading the necessary know-how among farmers without the need for workshops is exactly what needs to happen because funding is in short supply, said a man working for the development NGO World Vision who declined to be identified.Ith Sarin said he plans

to teach fish breeding in the future to decrease farmers' dependence on suppliers in Vietnam and achieve true sustainability.

But despite keen interest from the minister of agriculture, he says a lack of funds is the main obstacle in the way of expanding the program.

Business and Politics in Muslim World

India

Sadia Khanum

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(Outline)

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Allies stick to Cong despite differences

It was a tough year for the Indian political class especially the UPA allies like the Samajwadi Party, RJD, LJP and NCP. The Indian electorate gave a clear mandate that it should not be taken for granted. Moving ahead of the fallout of the terror strike in Mumbai or hyped polarisation over Amarnath Shrine land dispute, Indian voters showed that gimmicks cannot work and that the issue of governance is of foremost importance for them in the Assembly

elections outcome towards the end of 2008. It was a lesson for the Mulayam Singh-led Samajwadi Party also as use of lung power on the Jamia Nagar encounter in Delhi could not yield any dividend to its candidates in the Delhi elections or even at Okhla. As a tumultuous year rolled by, the UPA allies stuck to the Congress and things are unlikely to be different in the new year. The SP emerged at the centre stage when its 39-member strength became the life saving drug for the UPA government. The party's coming close to those who matter in New Delhi's throne was marred by the cash-for-vote scam although a Lok Sabha panel later gave its mercurial general secretary, Mr Amar Singh, a clean chit. Prior to that till the middle of the year, SP's sole aim seems to be to put together an anti-Congress and anti-BJP Third Front named the United National Progressive Alliance (UNPA). But once SP moved out leaving the probable third front in the lurch, the UNPA died a natural death with TDP going with the Left and AGP and INLD moving to the NDA fold. The SP's new found bonhomie with Congress was, however, marked with skirmishes on Jamia Nagar encounter, creation of special economic zones and the spectrum scam. As the year drew to a close, SP's aggressive postures against BSP chief Miss Mayawati on the UP PWD engineer's death again were snubbed by Congress, with Mr Rahul Gandhi urging against politicising the engineer's death. Among other UPA allies, RJD under Mr Lalu Prasad found itself engrossed in a war of political gestures with arch rival JD-U either over flood relief operations in Bihar or over taking a stand against the MNS anti-North Indian crusade in Mumbai. The Ram Vilas Paswan-led LJP, another important UPA partner, was also upset over JD-U Lok Sabha MPs mass resignation on the issue. On his part, Mr Prasad set a deadline for en masse resignation of MPs, MLAs and MLCs of all political parties from Bihar to launch a nation-wide campaign against the MNS. But he later backed out saying Bihar chief minister Mr Nitish Kumar should also quit. Mr Paswan had another battle to fight as time and again he came up against the Mayawati government. The engineer death's in December was a test case when the LJP demanded a CBI probe into the murder and immediate dismissal of the Mayawati government. This year, Mr Paswan also had a close shave as he narrowly missed a landmine blast in West Bengal. Another important UPA constituent, the NCP under Mr Sharad Pawar like other allies stuck to the ruling Congress through all crises. Mr Pawar created a mild tremor when he said he would not contest next Lok Sabha elections. However, later, the Maratha strongman indicated that he could shift to a new constituency leaving his pocket borough Baramati for his daughter Supriya. The NCP faced a minor political challenge when under public pressure it had to remove the then Maharashtra home minister Mr RR Patil for his comments on the Mumbai terror strikes. A committed and heavyweight among farmers that he is, his supporters said Mr Pawar is showing his stewardship by presiding over country's next green revolution as the agriculture minister. "There's no need to worry about food security. The farming sector has got a new lease of life," he said.

Regional imbalances need to be plugged: PM

Prime Minister Dr Manmohan Singh said that there is a need to plug regional imbalances in the Northeast region."During the last four-and-a-half years, the UPA government has tried to accelerate economic development in the region. But there is a lot more to do. There are regional imbalances in the region that have to be plugged," Dr Singh told reporters here on the sidelines of the 96th session of the Indian Science Congress. With an eye on the forthcoming general elections, Dr Singh claimed that the Northeast has registered 'record development' in the last four-and-a-half years. "...We have special interest in the affairs of the region. We have expanded the social services and there has been a record improvement in the region. Yet the region needs special attention for developing infrastructure, roads and electricity generation," the Prime Minister said. On the vexed uranium mining issue in Meghalaya, the Prime Minister said the Centre would ensure that there were no adverse effects before it went ahead with the project.

RSS slams government proposal on madrasas

Terming madrasas "islands of superstition, fundamentalism and divisive activities", the RSS today took strong exception to the Union human resource development ministry's move to bring them on par with the CBSE (Central Board of Secondary Education). Accusing the UPA government of indulging in minority vote bank politics through its proposed move, the latest edition of the RSS mouthpiece, Organiser, in an editorial said it appeared that the government was determined to destroy higher education in the country. The Sangh paper pointed out that the country's half a million madrasas "on the record" had been stoutly opposed to any kind of modern curriculum. As such, it said, the government move was not only discriminatory but also came as a setback to the majority Hindu students who burnt the midnight oil to earn a CBSE certificate. The RSS publication sought to make light of the government's argument that bringing madrasas on par with the CBSE would help marginalised Muslim students enter the country's mainstream educational scenario. If mainstreaming was a concern, the Centre should have asked the madrasas to close down or limit themselves to religious teachings making their certificates invalid, the RSS said. The three universities of Jamia Hamdard, Jamia Milia and Aligarh recognise madrasa qualification for admission to post graduate studies, the editorial pointed out adding that the HRD ministry was insisting that other universities too followed suit.

Vote for change, Mamata urges Nandigram

Trinamul Congress chief Miss Mamata Banerjee urged the people of Nandigram to "take advantage of the changes that have taken place in the area." She was addressing a rally organised by the party two days prior to the by-election. Criticising the CPI-M for unleashing

terror on the people of Nandigram for over one year, she said: “If the last panchayat poll verdict in Nandigram and other parts of the state indicate the beginning of an end of the Marxist rule, the verdict of the by-poll here will invariably go against the CPI-M”. The people of Nandigram can no longer tolerate Marxist misrule and its brutal use of muscle-power, terror tactics, rape by its armed goons and unbridled corruption. The panchayat election has amply demonstrated that you can repose your trust in the Trinamul and its allies for ushering in that change. So, this time, trust us,” she said.

Uneasy truce ahead of bypoll

A day before the by-election to the Nandigram Assembly seat, an uneasy calm prevails in the constituency, with bitter rivals CPI-M and Trinamul Congress apparently observing a truce. Left hardliners still speak hopefully of a win for their candidate, Mr Paramananda Bharati of the CPI, but from appearances, his prospects do not appear to be bright. During the panchayat elections, many sections here had been worried about the possibility of armed CPI-M goons casting a shadow over the polls in cahoots with the police, but this time around, the situation has totally changed, with most villages now dominated by the Trinamul Congress and many places out of bounds for CPI-M cadres. Mr Ashok Guria, CPI-M district secretariat member said, “If people can exercise their rights freely at each booth, we will win. Many of our supporters are still staying outside their villages after being driven out by the Opposition cadres. Despite our complaints, most of our evicted cadres are yet to return to their homes.” A visit to the constituency reveals that most CPI-M cadres here have not dared to come out to speak in favour of their party. “I have been repeatedly warned by Trinamul workers against campaigning for our party,” alleges Mr Harun-al-Rashid, former upa-pradhan of Jalpai village. The Opposition, on the other hand is confident of a win. Supporters of the Trinamul candidate, Mrs Firoza Bibi said, “The CPI-M has no organization base left, since people have rejected them. We will win.”
More than 3000 security personnel, including 11 companies of Central paramilitary forces have been deployed for the by-election.

Centre must tell Lanka to resolve conflict through talks: CPI

Agitated over India’s attitude towards the Sri Lankan war, the CPI today said the government must tell President Mahindra Rajapakse to end hostilities and resolve the ethnic conflict through negotiations. The CPI national secretary, Mr D Raja (photo right), said the Congress-led UPA must not “betray” the Sri Lankan Tamils’ cause. He said: “It is high time that the Central government headed by Congress recast its policy towards Sri Lanka and send external affairs minister Mr Pranab Mukherjee as promised to a multi-party delegation from Tamil Nadu.”

"If the UPA does not fulfil the assurances it has given on the Sri Lankan issue it would amount to betrayal of the Tamil cause. The government has already betrayed Tamils by providing arms to Sri Lanka," he said. Mr Raja wondered whether the government had any policy towards Sri Lanka and said it appeared the UPA wanted the war to end before it took any initiative. He said India should tell the Rajapakse government to immediately stop the war and to come forward to ending the three-decade-old ethnic conflict through dialogue. "The Rajapakse government should not think that continuing the war is the only solution. It is not the solution... dialogue is the only means to end the conflict in the island," Mr Raja said. "India should help Tamils live peacefully in their country and also make sure that their legitimate aspirations are met," he said. The DMK, which is part of the UPA government, also shared responsibility for all the steps taken by the government on the issue, he said and added that the Dravidian party could not "absolve" itself of its responsibility in the issue. "The DMK cannot hoodwink the people of Tamil Nadu by its rhetoric on the issue. It is also responsible for the government's actions," he said. Mr Raja said that India should not indulge in providing "clandestine military aid to the Sri Lankan government." If the Government continued that, the Congress would be condemned for betraying the cause of Tamils, the CPI leader said. Mr Raja said the government must clarify reports that Indian Air Force personnel visited Sri Lanka to provide assistance to the island's Air Force.

85 per cent turnout in Nandigram

The Nandigram Assembly by-election, held amidst unprecedented security arrangements, passed off peacefully barring a few stray incidents of clashes between rival parties, snatching of electoral photo identity cards (EPICs) from voters and intimidation. About 85 per cent votes were polled till 5 p.m. with a considerable number of women voting at almost every booth in the strife-torn villages. "At a few booths, polling was on even after 5 p.m. owing to the long queues of voters. I have received five complaints from the CPI-M alleging either that their men were illegally prevented from exercising their franchise or that their EPICs were snatched. Four electronic voting machines were found to be defective soon after the commencement of polls and these were replaced within an hour," said Mrs Choten D Lama, the district election officer and district magistrate. Deputy inspector general (western range) Mr Praveen Kumar said: "Since last night, we have arrested eight persons in different areas, two of them today in two different booths for creating nuisance." Earlier in the day, polling began at a slow pace but allegations and counter-allegations began flying thick and fast after 11 a.m. Trouble broke out at booth no. 75 of Reyapara in Nandigram after a group of miscreants, allegedly backed by the CPI-M, beat up a family owing allegiance to the Trinamul Congress, leaving three women and an eight-year-old boy injured. They were admited to Reyapara Hospital. Trinamul leader Mr Subhendu Adhikari alleged that CPI-M cadres had beaten up their supporters at Ranichawk and threatened their supporters in booths no. 111 and 113 with dire consequences if they turned up

to vote.

"We did not dare field our agents at three booths of Jalpai and Mirzapur areas owing to the death threats issued by the Trinamul," alleged CPI-M district secretariat member Mr Ashok Guria. "Since last night, the Trinamul has unleashed terror on our supporters residing at Sonachura, Kalicharanpur and Kendemari anchals. Our supporters under booths no. 168 to 176 were either beaten up or forced to stay in their houses during the polls today." Blame game CPI-M state secretary Mr Biman Bose alleged that the Trinamul Congress resorted to terror and intimidation to prevent many voters from voting today in the Nandigram bypoll, tactics that he described as "a rehearsal of the attempts to revive the days of semi-Fascist terror in the state in the 1970s". Mr Bose said his party couldn't field polling agents in many booths, while in some places Trinamul activists snatched photo-identity cards of the voters. The CPI-M has lodged complaints of electoral malpractices with the Election Commission. Trinamul chief Miss Mamata Banerjee, on the other hand, said voters turned out in large numbers despite the CPI-M's attempts to rig the elections.

Govt wants puppet Governor

In the backdrop of bitter hostility between the top CPI-M leadership and Governor Gopalkrishna Gandhi, the Buddhadeb Bhattacharjee-government has proposed that it should have a hand in the appointment of the Governor in future. The state government's proposal is to send a panel of three names from which the Centre would select the Governor and the President would give his seal of approval to it. The matter has been broached before the Inter-state Council.

Although Mr Bhattacharjee himself favoured the appointment of Mr Gandhi, relations between Raj Bhavan and Writers' Buildings have been rather soured since Mr Gandhi's public denouncement of the police firing at Nandigram on 14 March. His words that the incident sent a shiver down his spine endeared the Governor to one and all. The voluntary power cuts at the Governor's official residence at Mr Gandhi's express wish didn't go down well either with Writers' Buildings and Alimuddin Street. While the CPI-M leaders have openly attacked the Governor, the chief minister has all along maintained a studied silence. But it seems Mr Bhattacharjee wants to ensure that the state government has a firm say in the appointment of future Governors of the state. At present, the Union government informally consults the chief minister of a state before the appointment of the Governor. To make the Governor a puppet in the hands of the state government, the Left Front-government has also proposed curbs on the powers of the Governor to ensure that he takes the advice of the Cabinet for every move he makes.

Seat sharing in UP: Pressure mounting on SP

Ahead of the crucial meeting between Samajwadi Party and Congress over seat-sharing talks, pressure seems to be mounting on Mr Mulayam Singh Yadav's party to give at least 25 seats to the bigger partner. Amid reports that the Congress has made it clear that it must get 25 of the 80 Lok Sabha seats in UP, SP sources admitted there's "definitely pressure". However, they said "these pressures are natural to come in the running of any alliance". Mr Mulayam Singh Yadav has authorised the SP general secretary, Mr Amar Singh, to hold the next round of talks with the Congress, most probably on 10 January. Both leaders are now on a visit to Nepal. The SP has so far taken the stand that it would not be able to spare more than 10 seats while it has already approved SP candidates for 65 seats. Armed with recent victories in the assembly polls, a resurgent Congress has sought to put pressure on the SP to keep the seat-sharing talks hanging and said the party is open to rope in the Ajit Singh-led RLD. The idea of "friendly fights" had been mooted by AICC general secretary Mr Digvijay Singh, something not taken too well by the SP leadership. Mr Yadav has since indicated that the party is not willing to talk to Mr Digvijay Singh and would instead prefer to have the parleys with Mr Rahul Gandhi, Mr Pranab Mukherjee and Mr Ahmed Patel, besides Congress chief Mrs Sonia Gandhi herself. Congress sources admitted last week that there were "problems" relating to seat sharing with SP in at least 7-8 seats in UP. The Congress leadership has also made it clear that the alliance will try to prevent division of the secular votes to fight 'communal force' BJP and the 'inefficient and corrupt' BSP in the upcoming Lok Sabha elections. SP leaders, however, do not want to be seen as "surrendering before mighty Congress". The 10 seats have been offered keeping all viable options and "making realistic assessment of Congress strengths", said the SP leader. In Uttar Pradesh, SP is "more active and vibrant" and if the two parties fail to reach an agreement and fail to campaign together the result would be in the interest of BJP and BSP. "The Congress has to be realistic before being over jubilant over their recent success," an SP MP said. The disputes especially pertain to certain seats where SP has sitting MPs like Jaya Prada in Rampur or in seats like Farukkabad where it has committed the seat to former BJP MP Brij Bhushan, who defected to SP during the 22 July trust motion.

'Rahul will be PM soon'

The day is not far when Mr Rahul Gandhi will become the Prime Minister, external affairs minister Mr Pranab Mukherjee said. Replying to a question from a delegate participating in the Pravasi Bharatiya Diwas here that why the country did not have young leadership, he said Mr Rahul Gandhi would follow the footsteps of his father Rajiv Gandhi, who became the Prime Minister at a young age.

Mumbai Carnage and Aftermath:

Antony, Sibal talk tough on Pak 'inaction'

The defence minister, Mr AK Antony, said “Pakistan has to show by action its intentions” while the science and technology minister, Mr Kapil Sibal, said Islamabad had been given enough evidence to prove the involvement of Pakistan-based terrorists in the Mumbai attacks. Talking to reporters on the sidelines of a book release function, Mr Antony said more than 30 terrorist outfits “are still operating in Pakistan,” and asked the armed forces “to be on alert with no lessening of guard”. He added, “We have to be alert always. We have to be fully prepared to meet all threats.” On the Pakistan leadership repeatedly asking India to de-escalate India’s armed forces along the border, Mr Antony said, “We are not escalating. It is the usual troop movement from our side and it is the annual exercise. Besides, nobody need tell us after November 26 as we have to be prepared to meet all eventualities. We have to be prepared for any threat or any challenge from any quarter.” Talking to reporters after a meeting of the Union cabinet, Mr Sibal said the evidence available with India and international agencies about involvement of Pakistan-based elements in Mumbai attacks has been shared with Islamabad. “Terrorists came from Pakistan and attacked common people in Mumbai. It should stop,” he said. Pointing out that India is in touch with various countries, Mr Sibal said, “We have evidence. International agencies also have evidence. Pakistan has been given this evidence. No country can say the conclusions of India are not correct.” At the international level, “our friends should help” in pressurising Pakistan, he said. “But more importantly, we have to be strong ourselves. That is why we are setting up the new investigation agency and taking other measures,” Mr Sibal said.

PM tells Pakistan: Hand over 26/11 accused to India

Prime Minister Dr Manmohan Singh said Islamabad should listen to the demand of “civilised” nations for bringing to justice the perpetrators of the “horrible acts” in Mumbai. While he made it clear that “war is no solution” to the problems between India and Pakistan, Dr Singh reiterated the demand that terrorists responsible for the Mumbai terror attacks should be handed over to India for trial.

Qureshi rejects Indian demand

The Union home minister, Mr P Chidambaram, charged that those behind the Mumbai terror attacks were "state actors or state-assisted", even as Islamabad once again rejected the Prime Minister Dr Manmohan Singh's demand to hand over the terror suspects linked to the strikes. Speaking in an interview with a television channel, Mr P Chidambaram said the enormity and planning of the operation clearly indicated that they were "state actors or state-assisted". Mr Chidambaram also said it was up to Pakistan to ensure that such terror acts were never repeated by its citizens against India. "The price they will pay if this is repeated will be enormous," he warned. Mr Chidambaram said: "Somebody who is familiar with intelligence and who is familiar with commando operations has directed this operation. And that cannot be a non-state actor." "In fact, I presume they are state actors or state-assisted actors unless the contrary is proved. It was too enormous a crime and required elaborate planning, communication networks, financial backing," he said. Pakistan foreign minister, Shah Mahmood Qureshi (photograph left) meanwhile rejected once again the demand for handing over of terror suspects to India, stating there can be no comparison between Pakistan's extradition of terror suspects to the USA and India's demand. “We have a treaty with the US, we do not have (one) with India,” Mr Qureshi said in Multan. Pakistan will frame a response on matters related to the Mumbai attacks only when it receives “something officially from India”, he said, adding that no information had so far been shared by New Delhi with Islamabad. His comments came a day after Dr Manmohan Singh asked Pakistan to hand over terror suspects linked to the Mumbai attacks. Mr Qureshi claimed the

tensions sparked by the Mumbai attacks had been defused due to the intervention of "friends and important nations in the region and beyond." "Good relations with India will remain our policy," he said.

Centre, CMs to discuss terror

After learning a bitter lesson from the mishandling of the 26/11 terror attack, the Centre has called all the chief ministers to discuss a prompt response mechanism and intelligence gathering and sharing system with the state governments so as no Mumbai mistake is repeated again. The meeting, chaired by the Prime Minister, Mr Manmohan Singh, on Tuesday will have a brain storming session with the chief ministers on the spread of terrorism in the country especially during the past two years. The Union home minister, Mr P Chidambaram, who is likely to visit the USA to elicit support from the Western world, would present a detailed roadmap on the steps required to beef up the security machinery to check terrorism in the wake of the Mumbai incident. The meeting would focus on strengthening Intelligence network and toning up of coastal security, particularly in view of the fact that the terrorists involved in Mumbai attacks used the sea route to sneak into the metropolis. Besides, security of key infrastructure installations would also figure in the meeting. The Centre would also meet the chief ministers of Naxal-affected states mainly Jharkhand, Chhattisgarh and Orissa, on Wednesday and review the two-pronged strategy started two years ago – one to expedite infrastructure and other developments in the Naxal affected areas and second to weed out Naxalites with the help of security forces. Other than reviewing the security preparedness of the Maoist-infested states, the home ministry is likely to take note of the progress of development projects initiated in 33 districts across nine states. The Centre would see the progress in the filling up of police vacancies and setting up of the Police Network (POLNET) connecting all police stations through a computer-based system for sharing of information and videos of crime scenes for taking swift action. Police reforms will be the other issue which the chief ministers will deliberate in the Tuesday's meeting. The issue of strengthening intelligence collection and sharing mechanism (Subsidiaries of Multi Agency Centre), modernisation of police forces, setting up of commando units in all states/Union territories police forces and discussion on the modalities of the working of the newly-formed National Investigation Agency are also on the agenda. In a letter sent recently, Chidambaram had suggested all chief ministers to set up round the clock control rooms to receive and disseminate Intelligence/information pertaining to terrorism and other forms of organised crime, setting up an analysis group within the state intelligence wing, forwarding intelligence inputs to Intelligence Bureau and taking urgent steps to get rid of mafia, extortion gangs and land sharks among others. The home minister advised the states to immediately identify major establishments, installations and symbolic or iconic structures and conduct a thorough review of the security arrangements there.

Kasab doesn't regret attack

Crime Branch officers interrogating the arrested fidayee Ajmal Amir Kasab have to put up with his arrogant behaviour as he repeatedly maintained he and his accomplice Abu Ismail Dera Ismail Khan have no regrets for killing innocents at the CST station or three top cops they were unaware of their victims' status at Cama Hospital on 26 November. Abu Ismail , the leader of the ten-member gang of terrorists, according to Kasab wanted to gun down as many people as possible. What averted a mass-slaughter was their ignorance about the CST station's topography which they found huge and sprawling. CB said he refuses to extend due respect to his interrogators who are mostly high ranked officers. "He refuses to stand up or show any

respect," said an officer. Kasab, however, has not yet been told that Pakistan has disowned him refusing to acknowledge his Urdu-written letter. Apparently he is looking ahead for help from his trainers in Lashkar-e-Tayyaba or the Pakistan government. He has been asking his questioners about the fate of his letter. Nor do CB officers intend to brief him about the status of his request for legal help from Pakistan.

Indo-Pak war of words hots up

India pointed a finger for the first time at the Pakistan government, saying the Mumbai attack had the support of Pakistani "official agencies", even as Islamabad persisted in denial and accused New Delhi of pushing the region to the brink of war. A defiant Islamabad also rejected the dossier handed over by New Delhi yesterday that sought to link Pakistan-based elements to the 26 November Mumbai terror strike saying that the details provided can't be treated as evidence, and threatened to go to the United Nations over "war-mongering" by New Delhi. Unleashing a blistering attack. Prime Minister Manmohan Singh today accused Pakistan of utilizing terrorism as an instrument of state policy and said the world community must be convinced to isolate and compel it to abandon such tactics. While blaming the terror strike in Mumbai on the Pakistan-based Lashkar-e-Tayyaba, Dr Singh told a meeting of state chief ministers on the issue of internal security: "There is enough evidence to show that, given the sophistication and military precision of the attack it must have had the support of some official agencies in Pakistan." The Prime Minister, who referred to multi-dimensional challenges of different kinds of threats to internal security, said terrorism is largely sponsored from outside the country, "mainly Pakistan, which has utilised terrorism as an instrument of State policy". This is the first time that Dr Singh has explicitly singled out Pakistan's role in the 26-29 November attacks and detailed how it continued to harbour terror groups that were antagonistic to India. His remarks came close on the heels of home minister Mr P Chidambaram categorically rejecting the Pakistani theory that the people behind the Mumbai attacks were non-state actors. Predictably, Islamabad reacted sharply, with national security adviser Mahmud Ali Durrani describing Dr Singh's comments as "unfortunate" while foreign secretary Mr Salman Bashir said India's "propaganda offensive" will "ratchet up tensions". Mr Bashir also picked holes in the evidence dossier handed over by India yesterday, saying several details in the dossier were "not credible". "The details provided by India are mere information and cannot be treated as evidence," he told the National Assembly's Standing Committee on Foreign Affairs. He said Pakistan will not remove its forces from the border until "India relocates its troops to peacetime locations", and might go to the UN on India's "war threats" and accusations of Pakistan's involvement in the Mumbai attacks. His outright denial contrasted the remarks of the Pakistani High Commissioner in New Delhi. "There is no question of rejection of material that the Indian government has given us. We are in the process of examining the evidence and we will get in touch with authorities," Mr Malik said. India meanwhile continued with its diplomatic offensive by briefing world envoys on the Pakistani links to the Mumbai attacks. Foreign secretary Mr Shiv Shankar Menon today gave a briefing to envoys of the permanent members of the UNSC and of seven neighbouring countries.

The secretary (west) Mr Nalin Surie and secretary (east) Mr N Ravi also met envoys from around the world and shared with them the 26/11 evidence

Pak confirms Kasab nationality

After weeks of denials, the Pakistan government has finally admitted that Ajmal Amir Kasab, the lone surviving Mumbai gunman, is a Pakistani national, as India has been insisting all along. It has been confirmed that Ajmal Kasab is a Pakistani national following preliminary investigations by national security agencies, said Pakistani foreign office spokesman Mohammad Sadiq. Mr Sadiq, who made the admission some hours after Pakistani television channels reported that investigations by the authorities have revealed that Kasab is a Pakistani, said no legal aid will be provided to Kasab, because of the heinous nature of his crimes. Pakistan information minister Ms Sherry Rehman also confirmed Kasab was a Pakistani, but did not give details. Dawn News television channel reported that the identity of the other militants killed in the Mumbai carnage is yet to be established, but senior officials were quoted as saying that preliminary investigations "have established that these militants were operating on their own and had absolutely no link with any section of the country's security apparatus." Meanwhile, reversing its tune from yesterday, the Pakistan leadership has said it was prepared to take forward the “information” provided by India on the Mumbai terror attacks to uncover the “full facts”. “Our own investigations into Mumbai have progressed. We have received some information of an interim nature (from India). We are prepared to take this process forward with a view to uncovering full facts, thus ensuring that the perpetrators of this heinous crime whosoever they may be are brought to justice,” Prime Minister Yousuf Raza Gilani said. Also coming out with placatory remarks was the ISI chief, Lt-Gen Ahmad Shuja Pasha who, in an interview with Der Spiegel magazine, ruled out a war with India and said terrorism, not that country, was the prime enemy.New Delhi, on the other hand, reacted sharply to Islamabad’s "rejection" of the evidence provided to it on the terror attacks, saying the rejection was not credible and “political” in nature. “Have you studied it? Have you examined it?” external affairs minister Mr Pranab Mukherjee asked Pakistan in New Delhi, adding: “They constantly from day one have been in a denial mode.” Pakistan's National Security Adviser Maj-Gen (Retd) Mahmud Ali Durrani was sacked for having indicated that Ajmal Kasab may have been a Pakistani. A statement issued by the Prime Minister's House said he had been sacked “for his irresponsible behaviour (of) not taking the Prime Minister and other stakeholders into confidence and lack of coordination on matters of national security”.

‘No consular access for Kasab’

Pakistan may not seek consular access to Ajmal Amir Kasab, the lone Mumbai gunman captured, despite acknowledging that he is its national as he has damaged the country's image “like no other,” a media report said today. “We are not yet sure when to ask for consular access. We may not ask for it. He is involved in a heinous crime,” a senior official told Dawn daily.

Domestic Situation:

14 years of waiting, still no electricity

The electrification of villages inhabited by the displaced people of the Indravati project is yet to be undertaken even after 14 years of the sanctioning of funds.According to official reports in

1994-95 the Indravati Project authorities sanctioned Rs 56 lakhs for the electrification of 13 villages in Kalahandi district and Rs 50 lakhs for electrification of 36 villages of Nawarangpur and Koraput districts to Wesco. The utilisation certificate stating completion of the work has reportedly been submitted by Wesco, however, not a single village has been electrified till date, sources said.In response to the allegations of the affected villagers, the state government appointed a high level committee comprising the collectors of Kalahandi and Nawarangpur, general manager of the Orissa Hydropower Corporation and the section engineer of Wesco, to conduct an on the spot enquiry to test the veracity of the allegations. Accordingly the verification was completed last week, sources said.According to report out of the 13 villages in Kalahandi, electric poles were erected in only four villages and not a village was found to be electrified by the committee. “As far as the Kalahandi areas are concerned the allegations have been found to be true by the investigating team. Further enquiry is being conducted in this matter,” said the Kalahandi collector who was part of the enquiry committee.

Cold claims 50 lives in UP

Dense fog and biting cold continued to throw life out of gear across north India, with over 50 people dead over the week.This morning the minimum temperature in Chandigarh was 6.8 degrees Celsius, 0.6 degrees more than yesterday. Amritsar once again was the coldest region in the north Indian plains with the morning minimum temperature at 1.8 degrees Celsius lower than Shimla in Himachal Pradesh that recorded 5.7 degrees Celsius. “The cold spell will continue for at least another week even though the temperature could rise a little over the next 24 hours," said state meteorological department director Mr JP Gupta. Motorists had a tough time driving to work due to dense fog, which claimed two lives yesterday. The state home department has now issued orders for bonfires to be lit along roads for pavement dwellers. It has also advised the local administrations of various districts to order the closure of educational institutions due to the extreme cold.

Hooch kills 14 in Kolkata

At least 14 people died after consuming spurious liquor at various places in the Khidderpore dock area since last night. Six people have been detained by police in connection with the incident. All the victims were dock labourers and residents of Sanai Road, Rungta, BB Hall, Jain Kunja and Hooghly Jute Mill areas. Police said the victims had bought the spurious liquor from local joints at Sanai Road and Hooghly Jute Mill areas last night. After they consumed the liquor, they complained of vomiting and breathlessness. They were admitted to various hospitals including SSKM, SN Pandit Hospital and ESI hospital, where they succumbed. Two persons who are admitted in SSKM hospital are in a critical condition.

A visionary step towards religious harmony

A group of visually impaired people and social activists set a unique example of communal harmony and cross-border friendship on the chilly slopes of Mount Abu in Rajasthan today by distributing the Holy Quran and the Bhagvad Gita in Braille format today to mark the occasion of the second birth centenary of Louise Braille. According to the organisers due to the non-

availability of the Braille version of the Holy Quran, copies had to be arranged from Karachi in Pakistan. The Phiroze and Noshir Merwanji Rehabilitation Centre for the blind based at Mount Abu in Sirohi had decided to get copies of the Quran in Braille when a number of visually challenged students at their vocational training centre expressed their desire to read their religious text. Initially the authorities tried to find a Braille version of the Quran within India, but later they decided to give it up due to lack of availability and the cost factors involved. It was at this point that Sight Savers, a similar organisation for the visually impaired based in Karachi stepped forward and donated the holy text in Braille along with audio CDs of Quran recitals. The entire Holy Quran when transcribed into the Braille format will stretch across 10 volumes. The only copy of Braille Quran is at the Aligarh Muslim University in Uttar Pradesh. "We went hunting for Braille versions of the Quran all over the country and were on the verge of giving up on it until we got in touch with Dr Avam Haroon and Murthaza Geelani of Sight Savers who helped us. Getting Braille format of Urdu and Arabic manuscripts is very difficult in India," said Dr AK Sharma, General Secretary, P&N Merwanji Rehabilitation Centre for the Blind. The National Association for the Blind also arranged for 30 copies of Bhagvad Gita in Braille and Audio CDs of the text which were distributed along with the copies of the Quran.

Alcoholics no longer anonymous in Bihar

Next time you encounter an alcoholic in Bihar who has drank more than his limit saying "sorry" after bumping into you, don't be surprised! Conscious about shaping a positive image of the state, the Bihar government is preparing a list of alcoholics with the help of police. The purpose is to train them how to consume liquor and behave like "gentlemen" in public. The move follows a request letter by a social organisation Sampoorn Kranti Senani Sangathan headed by My CP Sharma, which urged the state government to help train alcoholics how to drink and behave in public. "We are of the opinion that the habitual drinkers must be adequately trained how to drink and behave in public since they have robbed the peace of society," Mr Sharma wrote to the director general of police, Bihar. It was after his request that the Criminal Investigation Department issued a formal directive to all the superintendents of police across the state to prepare a list of such alcoholics and initiate "suitable steps" to train them how to behave in public. "We have directed all the district police chiefs across the state to prepare a list of such alcoholics and train them how to behave in public places," a senior CID official, Mr Arvind Kumar, who has issued this directive, told. Mr Kumar, who also heads the anti-dacoity cell in the CID, said his department was merely acting on the request of a social activist, Mr Sharma, who has urged the Bihar police to train alcoholics "how to behave in public after consuming alcohol". Officials admit that nuisance in public places and rash driving by habitual drinkers resulting road mishaps are common in Bihar. "I can't say for sure how much it will be able to contain crime but this is indeed a good start," Mr Kumar said. Gandhians, social activists and Muslim clergies in Bihar have strongly protested against the state government's new liquor policy aimed at generating revenue worth Rs. 7 billion annually. The policy allows the opening of licensed liquor shops every eight kilometres throughout the state and a reduction in the fee for opening beer bars and factories. It also permits the sale of liquor at dhabas or roadside eateries along national highways.

Administration helpless in the Hills'

A barbarous incident which took place on 2 January in front of the Additional Chief Judicial Magistrate's Court in Kurseong has proved to be a major setback for the administration to maintain the law and order situation in Darjeeling hills. Several organisations and political parties of Darjeeling hills have strongly condemned the attack on the accused persons in the Subodh Pradhan murder case and said the administration in helpless and disorganised in the area. Regarding the role of the Gorkha Jan Mukti Morcha, it is considered unfortunate and a major drawback for their claim of a Gandhian-style agitation. The All India Gorkha League chief, Mr Madan Tamang said that by taking the law into their own hands, the GJMM's actions were undemocratic and shameful. The incident has drawn attention to the real situation in the Hills, where the intelligence and police administration have failed miserably. The police in charge have been suspended as the five accused were in police custody and even their culpability had not been proved, he added. The CPRM secretariat member, Mr Govind Chettri, said that the separate statehood demand is going smoothly and they have already reached a point to achieve the demand. So, in these circumstances, such incidents would prove unfortunate for the ongoing agitation. Mr Chettri also added that the administration is a total failure in the Hills. However, the Darjeeling MP Mr Dawa Narbula did not comment on the issue since he is in Delhi, presently. The GJMM leadership has denied that members of their party were behind the 2 January incident; instead they said it was a spontaneous act by the angry public who lost an active and honest leader, Subodh Pradhan. They alleged that the 2 January incident and Subodh Pradhan's murder is a conspiracy set up by the state government to derail the Gorkhaland movement.

Persecution of minorities not allowed: SC

Supreme Court asked both the Union government and the Orissa government to ensure the safety of minorities while making it clear that it will not allow persecution of minorities in any part of the country. A three-judge Bench of Chief Justice Mr KG Balakrishnan and Justices Mr Markandey Katju and Mr P Sathasivam, while hearing a petition seeking a CBI inquiry into the Kandhamal violence and an early rehabilitation of violence victims and restoration of their properties, said it wanted the state government to reconstruct the churches damaged in violence-hit Kandhamal district. Mr Justice Katju, responding to senior counsel Mr KK Venugopal's contention that Christians' security in the district should not be the sole responsibility of the state, said what he had meant was both "Centre and the state" and asked the counsel for the two governments to work out between them the exact requirement of forces needed for maintenance of peace. Earlier, counsel for the petitioner submitted before the court that the Orissa government was not giving compensation to the victims of Kandhamal violence and places of worship demolished and damaged during communal riots against tribal Christians were not being rebuilt. Mr Venugopal, however, denied the allegation and contended that the state had done and was still doing everything possible to rehabilitate the victims of Kandhamal violence apart from reconstructing the places of worship. The SC adjourned the hearing of the petition by Cuttack Archbishop Raphael Cheenath, seeking Christians' safety in Kandhamal district that was ravaged by anti-Christian violence following the killing of Swami Laxmanananda Saraswati and four of his associates on 23 August 2008.

This Pakistan's against war

Strange as it may sound, especially at a time when tensions have risen again between the two South Asian neighbours, there exists a village called Pakistan in India's heartland. The village, located in Purnia district of Bihar had another name before 1947, but when Partition came, its native Muslim population migrated to the then East Pakistan, and in memory of these brethren the villagers re-christened their village as Pakistan. Currently, the village is home to only tribal and dalit people, and no Muslim families live there. "Pakistan" has survived for 62 years ~ it is listed in government records with the name and at no point of time have the villagers thought of changing the name. Even now, when tensions between India and Pakistan are at their highest in years in the wake of the Mumbai terrorist strikes, the villagers have no hesitation in denouncing all talk of war and calling for better relations with Pakistan. "We both have lost countless kin in the wars we fought and another war means loss of many lives again. We must find amicable solutions to our problems", Mr Sufal Marandi, a resident, told a local daily. Bajjal Murmu, another villager, said they had heard about how the two countries are blaming each other for the terrorist attack. He wanted India and Pakistan to maintain restraint and follow the path of Gandhi's non-violence. Speaking to The Statesman, the local BDO, Mr Vinod Kumar Pankaj said, "They are peace-loving people, innocent and hard working, and do not want war although they consider themselves victims of Partition".

Avian Flu in Hills

Despite the on-going impasse in the Darjeeling hills because of the Gorkhaland movement, the state animal resources development department has decided to step up surveillance on poultry birds in the hill areas after presence of bird flu virus was confirmed on 6 January. The state ARD officials had ordered culling of poultry birds in Takdah located in the hills of Darjeeling as soon as presence of H5N1 virus was clinically confirmed. Now, with the law and order situation deteriorating in the hills, the decision to cull the poultry birds with the clinical confirmation appears to have been a wise one. As laboratory confirmation of bird flu virus took a few days, it could have been spread in a vast area if culling had not been ordered based on the clinical confirmation. The state had earlier urged the Centre to help carrying out surveillance on poultry birds in the Darjeeling hills saying state officials were facing serious problems owing to the agitation launched by Gorkha Jan Mukti Morcha. Senior ARD officials said while they are yet to receive any response from the Centre in this regard they have decided to strengthen the vigilance in the area. "That does not mean we were not carrying out surveillance earlier in the area. But as presence of bird flu has been confirmed in the hills, we have to be more alert so that the spread of the virus could be stopped," said an official. A few senior officials also informed that they would get in touch with the Centre once again so that they can secure help from Central experts while carrying out surveillance of poultry birds in the hills.

Tribal communities clash in Midnapore

Trouble broke out in Midnapore town when members of two tribal communities clashed this morning. As the situation was heading from bad to worse prohibitory orders under Section 144 of CRPC was promulgated. RAF and combat forces were also patrolling in the town. Tension ensued when some goons set a religious site on fire at Sepoybazar this morning. Some shops were ransacked and others torched. An attempt was made to damage a fire tender. Many houses were also set on fire. The BSNL office and a post office in Raja Bazar area was also damaged by the criminals. The violence gradually spread to Bartala, Nimtala, Keranitala and other areas where two-wheelers and several private buses were damaged. With the situation

going out of control a large force of police, RAF and combat forces were pressed into action. Police had to fire several rounds of tear gas shells. All together ten people including four policemen were injured in the violence. The town wore a deserted look with people keeping indoors and shop owners downing their shutters. Locals said the situation would not have taken such a serious turn if police were prompt enough to take action. The district magistrate and the district's superintendent of police discussed the overall situation at an emergency meeting in the afternoon.
Later, a peace procession was organised in the town by leaders of all political parties.

Economic Front:

Industry, not exporters, hail stimulus package

Industry today welcomed fresh stimulus measures, specially cut in policy lending rates by the Reserve Bank and focus on infrastructure funding by the government, but exporters reeling under the global meltdown found the package "disappointing". Apex chambers ~ Ficci and CII ~ hailed the second stimulus package as also the cuts in the policy interest rates of the RBI. However, Assocham said it expected more from the government. Exporters, who had high expectations from the government in the run-up to the announcement, said that they were disappointed with the package having no concrete steps for the sector. "This package is timely and will help the next quarter demand considerably. The repo and reverse repo cuts, along with reduction in CRR, will ease liquidity for banks and have a positive effect on the cost of credit," CII director general Mr Chandrajit Banerjee said. Ficci secretary general Mr Amit Mitra said the government and RBI had addressed a wide range of concerns. "The steps should hopefully give big boost to the slowing economy," Mr Mitra said expecting that "business confidence would be restored".
Ficci said the ball was now in the court of banks to "come out and lend to corporates rather than invest money in government securities they had been doing earlier". Assocham said the package was "in the right direction but falls short of expectations". Assocham secretary general Mr DS Rawat said the chamber expected a relief of Rs 1 lakh crore. On the other hand, the Federation of Indian Export Organisations (FIEO) said exporters were not happy with the steps.

Sharp fall in exports likely: Moody's

The next six months of the year are likely to see "sharper slowdown" in the country's export, which has already entered into the negative zone in the backdrop of slump in demand in the developed economies, according to a global credit rating agency. "A sharper slowdown in exports is expected in the first half of 2009, putting more downward pressure on the trade balance," Moody's said. The country's exports, which has posted a robust 30.9 per cent growth

in the initial six months of 2008-09, contracted by 12.1 per cent in October, for the first time in last five years.

The trend continued in November also, when exports fell to $11.5 billion, from $12.7 billion a year ago, leaving a trade deficit of $10.1 billion, slightly lower than $10.5 billion a month ago. The agency further said that imports would also fall during the first six months of 2009 on account of higher spending on infrastructure. “Both imports and exports are expected to moderate further in the first half of 2009, but inbound shipments may slow down at a milder pace because of continued infrastructure development, especially in the lead up to the 2010 Commonwealth Games,” the agency said. Imports in October 2008 had grown by 10.6 per cent but slipped to 6.1 per cent in the following month. During April-November period India's exports stood at $119.3 billion. Meanwhile, Moody's also said India's economy, which moderated from 7.9 per cent in the June quarter to 7.6 per cent in the September would see a further downward movement.

“The economy is likely to decelerate more notably in the final quarter of the current financial year,” it said in a statement. Prime Minister's Advisory Council has projected country's GDP growth at 7.7 per cent for this financial year. Citing reasons for the slowdown in shipments, Moody's said: “Trade finance squeeze has curbed shipments, but the largest drag on exports is the sharp consumption slowdown in major markets such as the USA and Europe.” “China and Hong Kong, which had also provided important support to Indian exporters in recent years, are losing momentum. Hence, the short-term outlook for India's exports is grim,” the global rating agency said. The sharp rupee depreciation in 2008 would be unable to boost exports, it said, adding outbound shipments were slowing down primarily due to weak demand from the western countries. “An improvement in price competitiveness will do little to stimulate sales in the current juncture,” it added. In the last calendar year the domestic currency depreciated by over 25 per cent. For the April-November period, the country's cumulative exports grew by 19.4 per cent to $119.30 billion, while imports in the same period rose by 33 per cent to $203.64 billion. The trade deficit for the period mounted to $84.34 billion from $53.19 billion.

Next fiscal may be more difficult: PM

Expressing concern over the 'effects' of global slowdown on the Indian economy, the Prime Minister, Dr Manmohan Singh today cautioned that the next fiscal could be 'more difficult'. “We are facing a new challenge due to the global meltdown. The next fiscal could be more difficult,” Dr Singh said a day after the announcement of the second stimulus package by the government. However, the Prime Minister claimed that despite the global economic slowdown, India would achieve a growth rate of close to seven per cent this fiscal. Dr Singh said: “Global economic slowdown is a challenge before the country. The world is affected by economic slowdown. We are also affected by the slowdown as the world economy is interlinked.” Stating that the exports of the country were also being affected by the slowdown, Dr Singh said: “We need to minimise the impact. New packages have been announced, which will help us in stemming the adverse effects of the slowdown.”

India to emerge stronger from global crisis

India along with China, Russia and South Korea would emerge stronger out of the current crisis as they enjoy strong economic foundations based on foreign exchange reserves, higher GDP growth rates per capita and sound monetary policy measures, according to the Associated Chambers of Commerce and Industry of India (Assocham). The Assocham study titled "India & G20: Economic fundamentals amid global recession" considered seven economic indicators relating to size of economy, spending power, tax structure, interest rate policy, budget balances, debt burden and foreign exchange reserves. Ranking on these indicators (based on scores on a scale of 10) suggests India ranks fourth amongst the group of advanced and emerging economies (G-20) in terms of the seven key economic indicators determining the scope of policy intervention (both fiscal and monetary) and the impact of the global economic slowdown. Of the seven key economic indicators, in terms of the economy size (share of world GDP at PPP exchange rates) India ranks fourth among the group countries; proceeded by Japan at third, China at second and the USA at the topmost spot. Europe's largest economy, Germany, lies at fifth position. The size of the economy presents them a relative advantage over the peer countries to take robust action against the spreading downturn in the economic activity. Defining the consumer spending power, the change in GDP per capita as the second economic indicator reveals the respective strengths of the G-20 nations to boost their rapidly slackening domestic demand. As a major part of the announced fiscal stimulus packages globally, a push to lift up the consumer demand is viewed as one of the priority area for the policymakers as it makes heavy contribution to their national output. According to the change in GDP (PPP) per capita for 2009 over 2008, India ranks at third position behind Russia (second) and China (first). Among the advanced economies for 2008, Japan is likely to witness the maximum contraction in total domestic demand with Italy following at second place.

Stimulus not sufficient, say economists

It's not just industrialists, but even leading economists feel that the twin packages announced by the government and RBI to boost sagging economy is 'insufficient', as the farm sector's concerns have not been addressed in the package. "This (stimulus package) is in the right direction, but not sufficient," economic think-tank ICRIER's director Mr Rajiv Kumar said when asked whether the steps announced by the government and RBI on Friday would be able to revive industry and exports. "There is no talk about agriculture. It has been completely left out," he further said. Although the government had raised the public expenditure during 2008-09 by Rs 1.47 lakh crore, over and above the allocations made in the Budget for the financial year, questions are being raised about the ability of the government to spend additional funds during the remaining three months of this financial year. Echoing similar view, RIS director general Mr Nagesh Kumar said: "The economy needs a much bigger stimulus and I expect more measures... An employment guarantee scheme is needed. The size of the package should be increased." Expressing dissatisfaction at the second stimulus package, president of Federation of Indian Export Organisations (FIEO), Mr A Sakthivel said: "We find no serious consideration (of exporters' demands) except extension of the DEPB scheme." In order to reverse the economic slowdown, the government on Friday came up with a second stimulus package seeking to raise public spending and making available easier credit for sectors like exports, housing and small industries.

Simultaneously, RBI also slashed key policy rates and ratios to pump in an additional Rs 20,000

crore into the banking system, in addition to indicating a soft interest rate regime. In addition to expediting infrastructure projects, Mr Nagesh said that the government should address the problems concerning job losses in certain vulnerable sectors like handicraft and exports. This, he added, was also imperative to make the growth more inclusive at a time when the country was bearing the painful impact of the global slowdown. Chairman of the Prime Minister's Economic Advisory Council (PMEAC), Mr Suresh Tendulkar also said that implementation of the infrastructure sector projects would remain an issue. “I am not denying it and the government is trying its best to address it,” he added. The government had already given Rs 20,000 crore of additional funds for the infrastructure sector as part of the first stimulus package, unveiled on 7 December.

Delta suspends investment plan in India

Thailand's biggest electronics parts maker Delta Electronics has suspended its plan to invest about $50 million to build a plant in Chennai in the midst of the global slowdown, says a media report.

“Delta Electronics (Thailand) Plc, listed on the Stock Exchange of Thailand (SET), will suspend its investment of $50 million to build a new factory in India and also downsize its Thai manufacturing base amid the global economic recession,” Bangkok Post said. Bangkok Post quoted Delta Electronics executive director Mr Anusorn Muttaraid as saying: “We think that the project is not viable to invest in for the time being given the current market conditions.” But it does not mean we are cancelling it. The project, which would produce telecoms and computer parts, might be feasible to resume later, Mr Muttaraid added. However, Anusorn said Delta would proceed with a plan to spend 300 million baht ($8.56 million) to acquire land and build a final assembly facility for low-end electronic components in India, the report published online said. Meanwhile, the company is aiming to downsize the local manufacturing base in Thailand, currently employing 10,000 people, on expectations of weaker sales performance next year. As many as 400 staff was expected to leave their jobs on a voluntary basis early this year and Delta had no plans to replace them, Anusorn added. Electronic major has developed production plants of power systems, uninterrupted power supply, telecom power supplies and electronics components in India.

Rs 800 cr released for exporters

The government released Rs 800 crore to be paid to exporters as duty drawback and refund of central sales tax giving them a major relief in the face of credit crunch due to the global

meltdown. Simultaneously, the Directorate General of Foreign Trade (DGFT) also started putting the stimulus package into operation for exporters by hiking the duty refund rates and restoring them to the level before 5 November 2008, when the reimbursement was cut. A sum of Rs 600 crore was dispatched to the regional authorities of the DGFT for clearing payment of the terminal excise duty and duty drawback under the deemed export scheme, official sources said. Another Rs 200 crore was sent to the development commissioners of the special economic zones for the payment towards the central sales tax in respect of supplies made to 100 per cent export oriented units. As promised in the second stimulus package unveiled on 2 January 2009, the DGFT notified extension of the popular duty entitlement pass book scheme for refund of taxes to exporters, till December 2009. The government had cut the tax refund rates for exporters in November after rupee appreciated fast to give higher realisations. However, with the worsening of the global markets, mainly the USA and Europe, exports have started contracting putting lakhs of jobs at risk. Concerned over the plight of exporters and the employment stakes in the sector, the government in the second stimulus package announced restoration of the DEPB benefits taken away in November last year.

Exporters warn of 10m job cuts

Exporters warned 10 million people will be out of job by March but the reduced export decline in December raised hopes of stability returning to overseas trade, battered by the global economic crisis. Exports fell for the third straight month but the decline of 1.6 per cent in December to $11.2 billion was much smaller than the 9.9 per cent decline in November and 12.1 per cent in October, an official said. The Federation of Indian Export Organisations (FIEO) president, Mr A Sakthivel, said exporters, mostly in textile, gems and jewellery and leather products, would be forced to lay off 10 million people by March. Export units, which account for about 20 per cent of India's gross domestic product, are highly labour-intensive, employing 150 million people.
The country's exports, which posted a robust 30.9 per cent growth rate in the first half of the fiscal, started shrinking from October. As a result, the April-December expansion was reduced to half. “The negative trends will continue in the next couple of months. I hope we will end the fiscal with exports of about $175-180 billion,” Mr Sakthivel said. However, the commerce ministry hopes that exports would stabilise. Disappointed with the stimulus packages, FIEO said there was no “serious consideration” for exporters in the measures announced by the government last week. The target for the current fiscal is $200 billion while exports totalled about $160 billion in 2007-08.

Geo-strategic developments:

India to step up defence collaboration with USA

India is stepping up defence collaboration with the USA having already inked its biggest-ever military deal for eight long-range maritime reconnaissance aircraft for the Indian Navy for $2.1 billion. It is also planning to go in for three key military pacts with Washington, including one which would enable their militaries to refuel ships and aircraft in cash-less transactions that are balanced at the end of the year. "The deal for the eight P8I reconnaissance aircraft has been signed directly with the Boeing company. The terms and the end-user agreement governing the use of sensitive technology is yet to be sorted out with the US government," highly placed sources said. According to these sources, the actual signing was done on 1 January with the defence ministry's joint secretary, Preeti Sudan, and Boeing integrated defence systems vice-president and country head Vivek Lall. India will get the first of the P-81 by end-2012 or early 2013 with the remaining seven expected to be delivered in a phased manner by 2015-16. The contract also enables India to order four to eight more such aircraft. Apart from the Logistics Support Agreement (LSA), the other pacts pending are the Communication Interoperability and Security Memorandum of Agreement (CISMOA) that will enable the two militaries to communicate on a common platform, and an end-user agreement governing the sale of US military hardware to India. The USA has agreements similar to the LSA in place with some 65 countries. With the Indian and US militaries increasing their engagement in war games on land, in the air and at sea, CISMOA has become a necessity to ensure there are no communication glitches. "With the increasing number of military exercises between the countries, the pact is set to be given the green signal soon," sources said.

Avionics upgrade of MiG-27s completed

Using entirely indigenous expertise, Defence Avionics Research Establishment (DARE) of the Defence Research and Development Organisation (DRDO) has successfully completed the avionics upgrade of MiG-27 aircraft. The project was initiated in 2002 through a tripartite MoU between DARE, HAL (Nasik) and Indian Air Force. The initial operational clearance was accorded in June 2006 which led to the subsequent formation of operational squadrons. The avionics system is built around a modular mission computer termed core avionics computer (CAC), developed by DARE. The CAC built on open system principles, houses functional modules using contemporary processors and devices. These functional modules power the mission computers on Jaguar and Su-30 MKI aircraft as well. The upgraded MiG-27 aircraft is equipped with inertial navigation and global positioning system (INGPS) providing accurate navigation. Advanced avionics on the aircraft has been interfaced on MIL-STD-1553B dual redundant bus. To enable weapon aiming, accurate ranging sensors such as laser designator pod (LDP) and laser ranger and marked target seeker (LRMTS) are integrated. A digital map generator has been integrated to improve situational awareness. The digital video recording system provides mission analysis and debriefs support. The upgraded aircraft has a pilot friendly cockpit with state-of-the-art multi function display (MFD) and head up display (HUD). The integrated flight and weapon control system of the upgraded aircraft enables hands free (auto pilot) route flying and auto-weapon delivery. HAL, Nasik was instrumental in the design and modification of prototype aircraft for installation of new cockpit and avionics equipment as well as related looming changes. The avionics upgrade has transformed the legacy aircraft into a potent weapon delivery platform with a user friendly cockpit.

Asia's biggest naval academy to be commissioned on 8 Jan

The Indian Navy's Ezhimala naval academy, regarded as the biggest officers' training institution in Asia, would be dedicated to the nation by Prime Minister Dr Manmohan Singh on 8 January. The over Rs 720 crore world class project in Kerala's north Malabar coastline is unique in many ways, surrounded as it is by a picturesque seven kilometres stretch of beach and by seven hills. The institution is now all set to commence various basic training programmes, including four-year B.Tech in Electronics and Communications, and Mechanical Engineering in June for all newly inducted trainee officers. The courses, recognised by the All India Council for Technical Education (AICTE) have been structured with the help of Delhi's Jawaharlal Nehru University. Many friendly foreign naval powers including Japan and Korea have evinced interest to join the training programmes at Ezhimala. The Chief of Naval Staff Admiral Sureesh Mehta had recently said that the Navy would accommodate foreign cadets within four years when things get stabilise in the new Academy. The academic curriculum is tailored to keep pace with the technological advancement. The academy will also condition the young aspirants with mental and physical attributes enabling them to exercise self-discipline, perform efficiently under stress, think and react quickly and develop leadership qualities. “The opening of this world-class academy would be a major landmark in India's naval history as well as the people of Kerala,” Southern Naval Command Vice Admiral Sunil K Damle, who oversees the project implementation, said. “Such a centre of academic excellence is sure to become the envy of Asia and source of immense pride for the State providing tremendous employment opportunities for the local population,” Vice Admiral Damle said.Set up at the foot of seven hills of which 260 metre high Mount Dilli is the tallest, the sprawling academy is spread over an area of 2,452 acres with perimeter of 22 km of which seven km stretch is beach.The serene Kavvayi backwaters forms part of the academy which also has large forest area with a variety of flora and fauna. Ezhimala, the place where the academy is located, derived its name from the Malayalam word Ezhu Mala which means seven hills. The Union government approved the Navy's proposal to locate the academy at Ezhimala in 1982 following which Kerala came forward to provide the proposed 2,500 acres land and basic infrastructure for area development free of cost.

Kashmir:

No rotation of CM post, says Omar Abdullah

With National Conference-Congress coalition government all set to be sworn in on 5 January, J&K chief minister-designate Mr Omar Abdullah said there would be no rotation of the post and that his deputy would be from Congress. Mr Omar also thanked Congress president Mrs Sonia Gandhi who he said “was kind enough” to understand the fall-outs of a rotational arrangement for the CM's post and asserted that there were no pre-conditions to this coalition. Mr Omar, who was here to work out the details of the new coalition government with Congress leaders said: “The deputy chief minister will be from Congress.” On who could be chosen for the post, the NC chief said: “It is purely an internal matter of the Congress... and I hope that person takes oath along with me.” On the strength of his cabinet, Mr Omar said. “About two leaders from my party and if Congress finds its appropriate their two ministers and deputy chief ministers will also take oath with us”. The 38-year-old Omar, who would soon become J&K's youngest chief minister, said the break-up of portfolios is yet to be decided. Meanwhile, Congress sources said that NC will soon join the UPA.

Omar for talks with separatists

Jammu and Kashmir chief minister-designate Mr Omar Abdullah said he was "desirous" of talking to separatist leaders from the state. Mr Omar Abdullah vowed to work for the equal development of three regions ~ Jammu, Kashmir and Ladakh of the state, saying he had many challenges ahead as the new chief minister of the state. The violence-hit state which went to elections recently, witnessed a new alliance between Congress and National Conference which won 17 and 28 seats respectively. Immediately after the announcement of NC-Congress alliance, both Mufti Sayeed, former J&K chief minister who is also the patron of the party and his daughter Ms Mehbooba Mufti who is the PDP president, expressed their discontentment over the fact that Congress even did not formally communicate to them about its tie-up with National Conference in forming the new government in Jammu and Kashmir. After weighing its options, the PDP formally withdrew from the UPA government.

60-hour long gun battle rages in Poonch

A fierce gunbattle between security forces and separatist militants continues to rage today in the dense mountainous forest in frontier Poonch district of Jammu and Kashmir after over 60 hours in which seven people ~ four militants and three security personnel ~ have been killed. The Army laid siege to the Pati Tar mountainous forest near Mendhar in Poonch Thursday following a tip off about the presence of a group of hardcore militants in hideouts there. Some top commanders of Pakistan based Jaish-e-Mohammad (JEM) and Lashkar-e-Tayyaba (LeT) terror outfits are reported to be present in the hideouts. The Army lost two soldiers when they came under heavy fire while laying cordon.Col. D.K. Kachari, spokesman of the army Northern Command at Udhampur, said the troops had killed four militants but their bodies were not recovered. He said: "Soldiers on the ground have sighted the bodies."In the continuing gun battle, one Special Police Officer (SPO) ~ temporary recruits in police to assist anti-militancy operations Naresh Kumar, was killed yesterday. Senior Army and police officers are camping in the area to monitor the situation. An official said: "We do not have any idea about the number of militants present there as they are firing from different positions, which means that either they are changing their locations or have split themselves in groups." He said the militants were equipped with heavy weaponry and has a large quantity of arms and ammunition with them. "They are frequently firing from Pica guns." "We also cannot say as to how long this operation will last," he added. Police said they had arrested Muzaffar Shah, a retired assistant sub inspector of police, from nearby Bhati Dhar area for "allegedly providing shelter and logistic support to the militants". He has been sent to the Joint Interrogation Centre in Jammu for further questioning.

Omar takes oath as J&K chief minister

The National Conference president Mr Omar Abdullah was sworn in as the chief minister of Jammu & Kashmir, which now makes him the youngest chief minister of the state. Ten other ministers of the National Conference-Congress-led coalition government were also sworn in.

Governor Narendera Nath Vohra administered the oath to Mr Abdullah and his council of ministers at a packed General Zorawar Singh auditorium at the University of Jammu here today. Congress president Mrs Sonia Gandhi, former chief minister Mr Gulam Nabi Azad, Dr Farooq Abdullah, Mrs Payal Abdullah, wife of Mr Omar Abdullah and their two kids Zahir Abdullah and Zamir Abdullah, 9 and 7 respectively were also present at the swearing-in ceremony. Senior Congress leader Mr Tara Chand Sharma was sworn in as the deputy chief minister. The newly constituted Council of Ministers includes five ministers each from NC and Congress. Also inducted in the ministry were three-time MLA and former JKPCC chief Peerzada Mohmmad Sayeed, Taj Mohideen, Nawang Rigzin Jora, Shyam Lal Sharma ~ all from the Congress, along with NC's six-time MLA Abdul Rahim Rather, Ali Mohammad Sagar, Mian Altaf and Surjeet Salathia. However, the Opposition in Jammu and Kashmir is already geared up to corner the newly appointed chief minister over the issue of providing corruption-free and good government in the state.Besides, as Mr Abdullah was also reportedly pressing for the induction of ministers who were not tainted, the induction of a sex scandal accused Congress leader from Kokernag constituency of South Kashmir, has raised many eyebrows. Peerzada Mohammed Sayeed along with other Congress leaders including Mr Ghulam Ahmed Mir were allegedly involved in the sex scandal. In fact, the later was arrested over the issue and was kept in Chandigarh in CBI custody for months. Surprisingly, the Congress gave tickets to both of them and both of them won their respective elections. The swearing-in, however, is a momentous event in the history and politics of the state as Mr Omar brings in some fresh air and a considerable amount of expectations and promise. His ascendancy to the top job in the state is being viewed as the beginning of a new dawn of hope and optimism in J&K. Scion of the Abdullah family and president of National Conference, Mr. Omar Abdullah is the son of Dr. Farooq Abdullah and the grandson of the legendary Sheikh Muhammad Abdullah both of whom steered Jammu & Kashmir through several crucial years as heads of the state government. After a brief stint with the private sector, in the first decade of his political career that has put him at the helm of affairs of J&K politics, Mr Abdullah has shown exceptional adaptability and political acumen to emerge from the shadows of his illustrious father and grandfather. He was first elected to the Lok Sabha in 1998 and again for a second term in 1999. He has also had two stints as Union minister of state in the NDA government. He was re-elected as MP for a third time when he won the Srinagar Parliamentary constituency in the 2004 Lok Sabha polls. He has also distinguished himself as a tech-savvy politician who has favoured e-governance for the development of the state.

Amarnath Shrine Board reconstituted

The Jammu and Kashmir Governor Narender Nath Vohra, re-constituted the Shri Amarnathji Shrine Board (SASB) by appointing six new members. The new SASB members are spiritual guru Sri Sri Ravi Shankar, Dr Kapila Vatsyayan, Ms Sunita Narain, Justice (Retd) G D Sharma, Pandit Bhajan Sopori and Dr Ved Kumari Ghai who have been appointed as members of SASB for a period of three years, with immediate effect. Prior to the re-constitution of the new Board, Mr Vohra, in his capacity as chairman Shri Amarnathji Shrine Board, has also accepted

the resignations of the erstwhile members of SASB: Mr Justice (Retd) G D Sharma, Mr Raghu Modi, Mr Sunil Sachdev, Mr Manoj Gaur, Dr Arun Kumar, Dr (Mrs) Vimla Dhar, Prof Neerja Mattoo and Prof Vishwa Murti Shastri.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

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January 21, 2009

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INTERNATIONAL ISLAMIC UNIVERSITY
ISLAMABAD

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH EAST ASIA

Tatheer Zahra Sherazi

Monitoring Report

From 9 January to 16 January

Presentation, January 21, 2009

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- Gaza offensive fueling anti-Israeli anger in Indonesia, Malaysia and PakistanLeave others out, says Syed Hamid

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Summary

This week in south East Asia same things are going on with a little bit changes at different fronts.

Attacks on Gaza are condemned by the whole world including the region. This Gaza offensive fueling anti-Israeli anger especially in Indonesia, Malaysia .Pakistan .One of Indonesia's best-known radical clerics on Sunday urged Muslims from the world's fourth most populous Muslim country to fight in the Gaza Strip following Israeli attacks which have killed more than 1,200 Palestinians. Abu Bakar Bashir. In Malaysia, Malaysia's ruling coalition lost a key parliament by-election while in Philippine chief justice said that not the subject of any impeachment move at the House of Representatives, House leaders said. Speaker. In Thailand, Thailand's authorities stepped up security on Jan. 10 for its largest ever by-elections slated for Jan. 11.Authorities banned alcohol and

deployed extra police in 22 provinces where voting will take place to elect lawmakers for 29 seats vacated by the dissolution of the People's Power Party (PPP) and the Chart Thai party following a December court ruling,

In a reaction against the attacks on Gaza Coca-Cola spoke out Friday against a boycott of its drinks and other US goods called by Malaysian Muslim groups over the Gaza offensive, saying it would only hurt the local economy and citizens.

Vietnam has made high targets about its new year and has set a target of luring just 20 billion USD in foreign investment this year, nearly one-third of 2008's figure, due to the global economic downturn.

Summary of news items is as below:

- # Indonesia

Political Front

- **Indonesia, France disappointed by rebuff of UN resolution in Gaza Israel warns of further escalation in third week of Gaza war (pol,social)**

Israel warns of further escalation in third week of Gaza war Indonesia and France called Saturday for a new UN resolution to end the bloody conflict between Hamas and Israel in Gaza.

- **Gaza offensive fueling anti-Israeli anger in Indonesia, Malaysia and Pakistan**

Islamic hard-liners enraged by Israel's assault on the Gaza Strip marched to the synagogue's gates chanting: "Go to hell Israel!"The only Jewish religious site in the world's most populous Muslim state — which has no rabbi and only a few followers — then closed its doors.

- **Leave others out, says Syed Hamid**

: It is wrong and unnecessary for Hindraf to ask India to intervene in Malaysia's domestic affairs, said Home Minister Datuk Seri Syed Hamid Albar.

- **Indonesian hardline cleric calls for jihad in Gaza**

One of Indonesia's best-known radical clerics on Sunday urged Muslims from the world's fourth most populous Muslim country to fight in the Gaza Strip following Israeli attacks which have killed more than 1,200 Palestinians.Abu Bakar Bashir, who was alleged to have once headed the Southeast Asian militant network, Jemaah Islamiah (JI), preached to about 500 people at a mosque in Bekasi, east of Jakarta, urging them to join a jihad in the Gaza Strip.

Strategic Front

Economic Front

- **Indonesia sets new daily trading limits**

Indonesia Stock Exchange said on Friday it will introduce new daily trading limits of between 20 percent and 35 percent with effect from Jan 19, as the stock market has become less volatile. MS Sembiring, a director of the exchange, told Reuters that the permitted daily trading limit would depend on the value of the stock. "The market has been normal, in the sense that it is still fluctuating but not panicky," he said. The stock exchange introduced daily limits of 10 percent in October when investors pulled out of emerging markets and Indonesian stocks fell heavily. It later revised the upside limit to 20 percent, but kept the downside limit at 10 percent.

Environmental

Social Front

- **Jakarta confident of reducing poverty, unemployment despite slowdown**

The Indonesian government is optimistic it will be able to reduce poverty and unemployment in the country, despite the looming economic slowdown.

- **INDONESIA: Displaced returning home after West Papua earthquakes**

Thousands of people displaced by powerful earthquakes that killed four people and devastated Indonesia's West Papua province on 4 January have begun returning home.

He said aid supplies had not reached some of the survivors, especially those in more remote areas**.** Leon-Garcia said the West Papuan government had approved 2.2 billion rupiah (US$199,000) while the central government had earmarked 1.2 billion rupiah ($108,000) for the relief and reconstruction efforts.

- **230 missing in Indonesian ferry tragedy**

Huge waves and driving rain hindered rescuers as they searched for more than 230 people missing and feared dead after a ferry packed with passengers and cargo capsised in a cyclone off Indonesia's Sulawesi island.

- **Jakarta admits sea safety reform delay**

Indonesia's government admitted on Monday it had undertaken fewer than half of the reforms planned in the past four years for its crucial maritime sector, which suffered another fatal accident at the weekend when a ferry sank.

- **Jemaah Islamiyah terror trial begins**

A Singaporean has gone on trial in Indonesia with nine other suspected Islamic militants, believed to belong to Southeast Asian terrorist network Jemaah Islamiyah. The lead defendant, Singaporean Mohammad Hasan bin Saynudin, had been on the run for years under multiple false names. The men, arrested last July, face sentences of up to life in prison if convicted on charges of illegal possession of explosives, murder, plotting a terrorist attack and harbouring fugitives.

- **Floods spread threatening rice fields in Kudu**

Floods have hit three districts and submerged hundreds of hectares of rice fields in Kudus, Central Java, following hard rains over the past week, Tempointeraktif.com reported Wednesday.

- **Obama look-alike shoots to fame in Indonesia**

- **Captain faces jail over Indonesian ferry disaster**

THE captain of a ferry that sank off Sulawesi island last week leaving up to 335 people dead is facing five years in jail for negligence, Indonesian police said today.

Only 35 people survived when the 700-tonne Teratai Prima sank on January 12 in heavy seas whipped up by a tropical storm in the Makassar Strait with up to 370 passengers and crew on board. He said Sabir, employed by ferry operator PT Bunga Teratai, was in police custody and would be charged with negligence causing the death of another person.

- **The Right to food in Timor-Leste**

Right to food in Timor-Leste Date: 15 Jan 2009 - In the poorest country of Asia , Timor-Leste, hunger is a daily reality for many people. Half of the country's children are chronically malnourished. While rising food prices threaten to deteriorate the situation,

the Office of the High Commissioner for Human Rights (OHCHR) works in monitoring and advocating their right to adequate food.

• Malaysia

Political Front

- **Malaysia coalition loses election**

Malaysia's ruling coalition lost a key parliament by-election on Saturday, underscoring the dangers faced by incumbent governments in Southeast Asia as their export-dependent economies begin to absorb the full impact of the global slowdown. Supporters of Malaysia's opposition party celebrate their victory late Saturday.

- **Parti Islam Se-Malaysia, or PAS**

part of the country's strengthening opposition alliance -- took 51% of the votes cast, as ethnic Malay and ethnic Chinese voters switched support from the National Front to the Muslim party to signal their frustration with the government.PAS politician Mohammed Abdul Wahid Endut won by 2,631 votes in a battle which saw a turnout of almost 80%.

- **China eyes closer cooperation with Malaysia**

The Communist Party of China (CPC) hoped for closer cooperation with the Malaysian Chinese Association (MCA), a senior official of the CPC said here Monday.

- **By-election result a wake-up call for M'sia's largest party**

A day after Malaysia's largest political party, United Malays National Organisation (Umno), lost a crucial by-election in the Malay heartland of Terengganu, several of its leaders warned that the party will become irrelevant if it ignored this warning from the ground.

- **GAZA UNDER SIEGE: Malaysia's efforts bear fruit as UN calls for session**

The United Nations has finally agreed to convene a special emergency session today to discuss Israeli atrocities and attacks in Gaza at Malaysia's urging.

- **'Pas doctored poverty figures'**

Pas has distorted the poverty figures in Terengganu to conceal its weaknesses when it was in power from 1999 to 2004, said former menteri besar Datuk Seri Idris Jusoh.

- **Govt will continue to help the needy**

THE Government will continue to extend its social safety net and welfare work for the sake of the poor and needy, even during the current economic uncertainty, reported *Tamil Nesan*.

Second Finance Minister Tan Sri Nor Mohamed Yakcop said this was the Government's initiative to ensure the people continued to enjoy a good life in line with the nation's development.

- **Buy Malaysian goods, urges PM**

Malaysians should buy locally-made products especially when facing a global economic slowdown, says Datuk Seri Abdullah Ahmad Badawi.

The Prime Minister said Malay-sians should cast aside their prejudice against local products which had in fact gained recognition for their quality and were well-received abroad.

- **Abdullah wants RM7bil stimulus package to benefit all races**

Ensure all projects and opportunities identified under the RM7bil stimulus package are distributed fairly among the races, says the Prime Minister.He said the stimulus package was meant for everyone and not just to enrich a certain group of people.

- **'Buy Malaysian' campaign to spur growth**

The economic focus this year will be on domestic growth and the national economy, said Domestic Trade and Consumer Affairs Minister Datuk Shahrir Abdul Samad.

"Last year, we faced a food crisis. The prices of rice, flour and other goods were high and we needed to shell out a lot on subsidies to keep inflation in check
His ministry will be spearheading the efforts, including a nationwide campaign to buy local goods to be launched in the middle of the month.

Strategic Front

Economic Front

- **Coca-Cola says Malaysia boycott will hurt economy**

Coca-Cola spoke out Friday against a boycott of its drinks and other US goods called by Malaysian Muslim groups over the Gaza offensive, saying it would only hurt the local economy and citizens.

- **Malaysia's Exports Dissipated by Commodities Fall:**

Malaysia, among the world's three biggest producers of both palm oil and rubber, will see exports and economic growth decelerate this year because of the "drastic plunge in commodities prices," DBS Group Holdings Ltd. said.

Environmental

Social Front

- **Palace wants stronger anti-drug unit**

A man paddling a boat carrying containers filled with fresh water on a polluted river in Paranaque, south of Manila, yesterday.

• Philippine

Political Front

- **No impeachment move against chief justice**

Chief Justice Reynato Puno is not the subject of any impeachment move at the House of Representatives, House leaders said. Speaker Prospero Nograles said he is not aware of any effort in the House to impeach Puno. Representative Matias Defensor, House justice committee chairman, is also unaware of any impeachment move against Puno. "In fact, this is the first time I'm hearing about this supposed effort to oust the chief justice," he said.

Strategic Front

Economic Front

Environmental

Social Front

- **Filipinos back from Gaza vow to go back**

Manila: Three Filipinas married to Palestinians from Gaza arrived with their children at the Ninoy Aquino International Airport (NAIA) Terminal I last night bearing with them stories of how they survived the daily bombings and fighting in the war-torn strip.

- **Rebel blasts cut power**

ELECTRICITY was cut to wide areas of the southern Philippines yesterday after suspected Muslim rebels blew up the main power transmission line with crude bombs,

officials said.Three or four improvised explosive devices made from mortar rounds toppled the transmission line tower in Lanao del Norte province on Mindanao island before dawn, army spokeswoman Steffani Cacho said.

- **19 Filipinos freed by Somali pirates – DFA**

Less than two weeks into the New Year, Somali pirates released a Saudi Supertanker with 19 Filipino crew on board, the Department of Foreign Affairs reported yesterday.

- **Philippines Looking at World as Potential Halal Food Industry**

The Philippines has been focusing its efforts to get a significant share in the global halal food industry which is growing stupendously, says RNCOS report.With Muslim population of 18-20 Million, the domestic market for halal food products is largely untapped in the Philippines, according to our new research "Philippines Food and Drinks Market: Emerging Opportunities". Besides the domestic consumption, the country is aggressively eying other regions with sizable Muslim population to benefit from the rapidly growing halal food industry all across the world.

- **900 people killed in Philippines by 'mysterious death squads'**

Peasant leaders, environmental campaigners and student activists in the Philippines are being murdered by mysterious death squads who appear to have close links to the army.

Since President Gloria Arroyo came to power in 2001, campaigners say over 900 people have been extra-judicially executed and 200 more have "disappeared".

- **In the following weeks two more activists were shot.**

Finally, two days before Christmas Fernando Sarmiento, a 39-year-old environmentalist who argued that a local gold mine was damaging the interests of local people, was killed by assassins fitting the same description. Mr Sarmiento's friends said he was arrested by the army in July and accused of being a communist guerrilla.

- **Maoist guerrillas attack road project**

About 80 communist New People's Army (NPA) rebels attacked a major government-funded road project in the southern Philippines, destroying more than P20mn ($425,000) worth of heavy equipment, police said yesterday.

- **Death toll rises to 17 in Philippines floods, landslides: rescuers**

Rescuers in the Philippines have recovered eight more bodies from widespread floods and landslides caused by heavy rains, raising the nationwide death toll to 17, rescuers said Friday.

- **Blood Samples From Philippines Sent To US To Check For Ebola**

Blood samples from swine and farmhands in the Philippines have been sent to the Centers for Disease Control in the U.S. to test for the Ebola- Reston virus, Health Secretary Francisco Duque said Friday.

• Thailand

Political Front

- **Thailand intensifies security for key by-elections**

Thailand's authorities stepped up security on Jan. 10 for its largest ever by-elections slated for Jan. 11.Authorities banned alcohol and deployed extra police in 22 provinces where voting will take place to elect lawmakers for 29 seats vacated by the dissolution of the People's Power Party (PPP) and the Chart Thai party following a December court ruling, AFP reported.

- **Bangkok election isn't about traffic, pollution**

Voters may end up basing their choices more on national politics than on candidates' vision Once again, the Bangkok gubernatorial election is being determined by national politics, and the outcome will have great repercussions not only on the lives of Bangkokians but also on how the future battle for state power transpires. Sadly, this is a situation that cannot be avoided.

- **Thailand to support East Timor's membership of Asean**

Thailand to support Timor's membership of Asean By Supalak Ganjanakhundee The Nation - Thailand will support Timor-Leste's application for membership of the regional grouping Asean by 2012, Prime Minister Abhisit Vejjajiva said Monday.

- **PM defends appointing PAD leader as adviser**

to appoint as adviser to the government a member of a protest group that was behind a siege of Bangkok's airports last year.

- **Thai PM: Violence is normal in the South**

Thai Prime Minister Abhisit Vejjajiva said on Friday down play concern for his personal safety on his visit to the deep South after morning has gunfight between insurgents and security forces in Pattani.

Strategic Front

Economic Front

- **Thailand takes measures to boost rice sales and export**

- A special squad will be set up in Thailand to guide domestic sales and exports of rice as well as stock management, a local daily reported on Jan. 10.New national rice management measures would also be finalized next month to improve efficency and better reflect market prices, Commerce Minister Pornthiva Nakasai was quoted by the Bangkok

- **Abhisit says country is 'getting back to business'**

The government is striving for political stability and the restoration of international confidence in Thailand, says Prime Minister Abhisit Vejjajiva.

Environmental

Social Front

- **Thai court charges owner in New Year's nightclub fire that killed 66**

A Thai court has issued arrest warrants for the owner and manager of a trendy Bangkok nightclub where 66 revelers perished in a New Year's Eve fire and stampede. A Canadian was among those killed.

- **Thai anti-gov't protesters plan rallies in Bangkok to demand removal of foreign minister**

Thailand's anti-government group Democratic Alliance Against Dictatorship (DAAD) plans to gather in front of the parliament and Foreign Ministry in Bangkok on Jan. 21to oppose the appointment of Foreign Affairs Minister Kasit Piromya, a DAAD leader said on Monday.

- **Thai military accused of 'killing' refugees**

The Thai military has been accused of seizing hundreds of refugees, towing them out to sea and “leaving them to die” without engines and barely any food or water.

• Singapore

Political Front

Strategic Front

- **Singapore opens border facility to reduce threat of chemical, biological attacks**

Singapore has opened the world's first border facility to weed out the threat of chemical and biological attacks.

Economic Front

- **S'pore inflation up 6.5% in 2008; expected to ease 0% to 1% in 2009**

The Consumer Price Index (CPI) in Singapore increased 6.5 per cent on-year in 2008 due mainly to higher costs of food, housing, transport and communications. Housing costs rose 12.7 per cent, reflecting higher accommodation prices and electricity tariff, while food prices advanced 7.8 per cent.

- **Singapore revises down 2009 growth forecast, inflation rate**

The ministry also revised down its forecast for the Consumer Price Index (CPI) in 2009, estimating inflation to remain unchanged or to decline at 1.0 per cent.

- **Market analysts suggest defensive investment approach**

The smart money would be in defensive plays amid the current bleak global economic outlook, according to some analysts. They expect to see more risk-taking to emerge only in the second half of this year.

Environmental

Social Front

• Vietnam

Political Front

Strategic Front

Economic Front

- **Vietnam's agricultural insurance market ripe for development**

The local governments in many provinces across Vietnam, as well as farmers in those areas have not paid due attention to agricultural insurance services, an US expert said at a seminar on Vietnam's agricultural insurance market, which took place on Jan. 9.

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- **Vietnam expects lower FDI attraction this year**

Vietnam has set a target of luring just 20 billion USD in foreign investment this year, nearly one-third of 2008's figure, due to the global economic downturn.

- **Software industry growth stalls**

The software industry's growth halved to 20 percent last year, according to the Vietnam Software Association (VINASA). It was also much below the 35 percent projected at the beginning of the year and the 35-40 percent set out in the Vietnam Software Industry Development Programme approved by the Government in 2007.

Environmental

Social Front

• Laos

Political Front

Strategic Front

Economic Front

- **First International Education Exhibition of Laos opened**

The first International Education Exhibition of Laos opened last Friday at the Lao International Trade Exhibition and Convention Centre (Lao ITECC), Vientiane with the aim to promote education in Laos.

- **Japan gives financial aid to development in Laos**

Japan has agreed to further support the development of infrastructure in Laos, and a signing ceremony regarding this was held at the Lao Plaza Hotel on 11 January. This event coincided with the two-day visit (11-12 January) to Laos of the Japanese Foreign Minister, Horofumi Nakasone, at the invitation of his Lao counterpart, Dr

Environmental

Social Front

- **Laos boosts parliamentary co-op with Cambodia**

Leaders of the national assemblies of Laos and Cambodia on Sunday signed a Memorandum of Understanding (MoU) to map out their future cooperation.

- **Four provinces receive assistance from UNCDF**

The Deputy Head of the Supply for Better Service Delivery (SBSD) of the Governance and Public Administration Reform, Mr Khammoun Viphongxay, last Wednesday presented vehicles and office appliances to 12 districts in four provinces of Oudomsay,

• Cambodia

Political Front

- **Border row to be raised at Asean**

CAMBODIA'S border dispute with Thailand will be the focus of talks between Prime Minister Hun Sen and his Thai counterpart on the sidelines of next month's Asean summit, the premier said Tuesday, warning that the protracted military standoff over disputed territory should not be allowed to affect tourism and trade.

- **In Brief: Top MP discusses border with Hanoi**

Cambodian National Assembly President Heng Samrin was reported by Vietnamese state media as saying that demarcation of their shared border would be complete by 2012 following a meeting with his Vietnamese counterpart in Hanoi from January 15 to 19

- **Hun Sen predicts hasty demise of new opposition alliance**

Cambodian Prime Minister Hun Sen has warned that the recent alliance of two main opposition parties will not last, national media reported on Thursday.

Strategic Front

Economic Front

- **American returns to Cambodia to forge a future for orphans**

David Biviano, adviser to the Cambodian Children's House of Peace. WHEN David Biviano, PhD, heard that the Khmer Friendly House orphanage where he was serving as a volunteer was due to close in June 2008, he retuned home to the US.

Environmental

Social Front

Detailed Monitoring Report

• Indonesia

Political Front

- **Indonesia, France disappointed by rebuff of UN resolution in Gaza Israel warns of further escalation in third week of Gaza war (pol,social)**

Israel warns of further escalation in third week of Gaza war Indonesia and France called Saturday for a new UN resolution to end the bloody conflict between Hamas and Israel in Gaza.

President Susilo Bambang Yudhoyono, who spoke on the telephone with France's President Nicolas Sarkozy, said both were "unsatisfied" because the UN appeal for a truce has been dismissed.Both countries agreed there should be a new resolution that could be obeyed by both parties, Yudhoyono said. Yudhoyono said he hoped Sarkozy visits to Arab and Middle East countries would solve the problem.

- **Gaza offensive fueling anti-Israeli anger in Indonesia, Malaysia and Pakistan**

Islamic hard-liners enraged by Israel's assault on the Gaza Strip marched to the synagogue's gates chanting: "Go to hell Israel!"The only Jewish religious site in the

world's most populous Muslim state — which has no rabbi and only a few followers — then closed its doors.

Across Indonesia, Malaysia and Pakistan, sentiments are running high about the conflict, fueled by disturbing TV footage of Palestinian casualties.The incident was not unique: An outlet of the American fried chicken chain KFC was shut on Sulawesi island after protesters upset with Washington's Middle East policies hurled chairs and overturned tables. And thousands have rallied in the capital, Jakarta, waving Palestinian flags and shouting insults outside the U.S. Embassy.Smaller radical groups seeking to create an Indonesian Muslim state staged publicity stunts where they claimed to be signing up martyrs for a jihad, or holy war, to combat Israeli troops

Despite the calls for volunteers and a message from Osama bin Laden urging Muslims to fight in Gaza, there are no known cases of Indonesians leaving to defend the Palestinians.The vast majority of Indonesia's Muslims practice a moderate form of the faith and do not advocate violence against Israelis, but they support the creation of a Palestinian state. Jakarta hosts a Palestinian embassy but has no political links with Israel. Other major Muslim countries in Asia have also seen an outpouring of support for Palestinians since Israel began its Gaza offensive Dec. 27.

Malaysian leaders called for a boycott of iconic American brands like McDonald's and Coca-Cola, and pro-Palestinian charities and newspapers have collected millions of dollars in aid.Lawmakers sharply criticized Israel's use of force in a six-hour-long debate and tens of thousands of people held prayer sessions for Palestinians. The conflict is a topic of heated discussion across Malaysia.

In Pakistan, there are near-daily protests from the southern city of Karachi to towns on the border with Afghanistan.

Protesters have burned U.S. and Israeli flags and effigies of Israeli leaders. Some of the protests have been dominated by women or children. However, most have been limited in size and marshaled mainly by an Islamist political party.

- **Leave others out, says Syed Hamid**

: It is wrong and unnecessary for Hindraf to ask India to intervene in Malaysia’s domestic affairs, said Home Minister Datuk Seri Syed Hamid Albar.

Syed Hamid said he had never heard of the Chinese community asking the Chinese government to intervene when they had any grievances about the country.It was reported on Friday that Hindraf chairman P. Waytha Moorthy’s had called on the Indian government to impose trade sanctions on Malaysia, at the conference of the Indian

Diaspora in Chennai, India, attended by about 1,600 delegations from 46 countries.Waytha Moorthy, who is on a self-imposed exile abroad, had called for the sanctions for what he claimed was the ill-treatment of Indian Malaysians.

- **Indonesian hardline cleric calls for jihad in Gaza**

One of Indonesia's best-known radical clerics on Sunday urged Muslims from the world's fourth most populous Muslim country to fight in the Gaza Strip following Israeli attacks which have killed more than 1,200 Palestinians.Abu Bakar Bashir, who was alleged to have once headed the Southeast Asian militant network, Jemaah Islamiah (JI), preached to about 500 people at a mosque in Bekasi, east of Jakarta, urging them to join a jihad in the Gaza Strip.

Abu Bakar Bashir, who was alleged to have once headed the regional militant network Jemaah Islamiah (JI), preaches to people at a mosque in Bekasi, east of Jakarta January 18, 2009. Bashir urged Muslims from Indonesia to fight in the Gaza Strip following Israeli attacks which killed more than 1,200 Palestinians.

President Susilo Bambang Yudhoyono has urged Israel to put an end to the three weeks of violence, and has sent humanitarian aid for the victims in Palestine.

The government has tried to discourage calls from more militant groups to send civilian fighters, and has offered to dispatch a peacekeeping mission to the Gaza Strip.About 85 percent of the population of 226 million people are Muslim, and most are moderate. The attacks on Gaza have prompted several big rallies protesting against Israel.Bashir was imprisoned for conspiracy over the 2002 bomb attacks in the resort island of Bali, in which more than 200 people died. He was later cleared of wrongdoing.

Since his release from prison in June 2006, the controversial cleric has travelled around the country preaching about the importance of sharia, or Islamic law.

Strategic Front

Economic Front

- **Indonesia sets new daily trading limits**

Indonesia Stock Exchange said on Friday it will introduce new daily trading limits of between 20 percent and 35 percent with effect from Jan 19, as the stock market has become less volatile. MS Sembiring, a director of the exchange, told Reuters that the permitted daily trading limit would depend on the value of the stock. "The market has been normal, in the sense that it is still fluctuating but not panicky," he said. The stock exchange introduced daily limits of 10 percent in October when investors pulled out of

emerging markets and Indonesian stocks fell heavily. It later revised the upside limit to 20 percent, but kept the downside limit at 10 percent.

Environmental

Social Front

- **Jakarta confident of reducing poverty, unemployment despite slowdown**

The Indonesian government is optimistic it will be able to reduce poverty and unemployment in the country, despite the looming economic slowdown.

Jakarta said part of a US$4.6 million economic stimulus plan will be used to fund programmes to create more than 20 million jobs this year.

Two million Indonesians were lifted out of poverty and about a million unemployed managed to get jobs last year, compared to 2007. These latest figures were released by the Yudhoyono administration even as the country braces itself for an economic slowdown, which might threaten to roll back the progress made on poverty alleviation and unemployment.

Hundreds of thousands of Indonesians - especially from the manufacturing sector - are set to lose their jobs as demand for exports shrink. These economic challenges are taking place even as Indonesia prepares for two major elections this year. Jakarta said it is set to roll out a number of programmes that will directly reduce the incidence of poverty and unemployment. This will bring the numbers down to about 31 million and 7 million people respectively.

Observers said the stimulus package, coupled with a strong emphasis on the people's economy, will be the centerpiece of President Susilo Bambang Yudhoyono's bid for a second term in office. And the easing of inflation due to lower fuel prices has certainly helped the incumbent in his quest.

- **INDONESIA: Displaced returning home after West Papua earthquakes**

Thousands of people displaced by powerful earthquakes that killed four people and devastated Indonesia's West Papua province on 4 January have begun returning home. However, fear of disease outbreaks in makeshift camps is increasing and aid has yet to reach some survivors, government officials said.About 10,000 people remain in camps in the coastal districts of Manokwari and Sorong. They fear further aftershocks and a tsunami, following the quakes that measured 7.2 and 7.6 on the Richter scale on 4 January, Ubaldus Rumlus, secretary of the West Papua Disaster Relief Agency, told IRIN from Manokwari on 9 January.Since then, several aftershocks, the largest 5.6, according to Indonesia's Meteorology and Geophysics Agency, have rattled the region, sparking renewed fear among the population. Tremors subsided as of 9 January.

Rumlus said that at least 507 people were injured in the initial quakes, 31 of them seriously. The quakes also damaged or destroyed 6,000 houses, 88 government buildings, 16 hospitals and clinics, 76 places of worship and 67 schools.
Hermus Indou, head of the social affairs department of the provincial Regional Development Planning Agency, said the survivors were at risk of diseases such as malaria and infections due to camp conditions and harsh weather.

He said aid supplies had not reached some of the survivors, especially those in more remote areas**.** Leon-Garcia said the West Papuan government had approved 2.2 billion rupiah (US$199,000) while the central government had earmarked 1.2 billion rupiah ($108,000) for the relief and reconstruction efforts.

- **230 missing in Indonesian ferry tragedy**

Huge waves and driving rain hindered rescuers as they searched for more than 230 people missing and feared dead after a ferry packed with passengers and cargo capsised in a cyclone off Indonesia's Sulawesi island.

At least 33 people have been rescued so far and one body found.Many passengers were sleeping when the 635-metric ton Teratai Prima was struck by tropical cyclone Charlotte before dawn Sunday, officials and witnesses said. It sank about 50 kilometres off the coast of western Sulawesi.The ferry was slammed by 4-metre-high waves, said Gassing, who arrived Monday with other survivors in the port of Parepare - where the ferry journey began. He said he awoke about 10 minutes before it went down. The boat had been travelling to Samarinda on the Indonesian half of Borneo island.

The captain - who also survived - was being investigated for allegedly ignoring warnings from the Indonesian weather agency that conditions on the crossing were too dangerous, Transport Minister Jusman Syafi'i Djamal said.Fishing boats and a cargo ship picked up 33 drifting survivors, including five crew members, said Capt. Mansur, a navy officer in the port of Majene who also uses one name.

The military deployed four warships, several airplanes and a helicopter at daybreak Monday and found the body of a woman drifting in the Makassar Strait, said Col. Jaka Santosa, who was heading the rescue operation.

About 250 passengers and 17 crew were believed aboard the ship originally, Djamal said. However, passengers lists for such ferries in Indonesia are typically inaccurate, as tickets are frequently sold on board without being properly tallied.The accident was most probably caused by extreme weather, rather than technical problems, the National Transportation Safety Committee concluded after initial inquiries, Djamal said.

Boats are a major form of transportation in Indonesia, an archipelago of more than 17,000 islands and a population of 235 million. Poor enforcement of safety regulations and overcrowding causes accidents that claim hundreds of lives each year.

In December 2006, a crowded Indonesian ferry broke apart and sank in the Java Sea during a violent storm, killing more than 400 people.

- **Jakarta admits sea safety reform delay**

Indonesia’s government admitted on Monday it had undertaken fewer than half of the reforms planned in the past four years for its crucial maritime sector, which suffered another fatal accident at the weekend when a ferry sank.

Jusman Djamal, transport minister, said the creation of harbourmaster and port authorities, and reform of services implementation, were examples of measures awaiting action.

Mr Jusman said 245 people were missing after the Teratai Prima, which was last inspected in December, sank on Sunday in a small cyclone while sailing from Sulawesi island to Borneo. There were 22 survivors, including the captain, but no bodies have been recovered.

Ships are the only means of transportation for tens of millions of Indonesians, particularly in the eastern half of the 17,500-island nation. But inadequate regulations and poor enforcement of those that exist mean accidents are so common they are barely newsworthy unless the death toll is in the scores.Experts in the maritime sector believe the minister's figures for action taken are probably an overestimation. "If accidents don't happen it's by luck, not by design," said one port operator.

Indonesia's parliament passed a sea transport law last May that tightened rules and ended the state monopoly on port management. But the accompanying regulations have not been published, meaning much of the legislation cannot be implemented.A port operator, who asked not to be identified, said the new law would have little impact on safety at sea. "The real problem is how the [authorities] organise themselves," he said.

- **Jemaah Islamiyah terror trial begins**

A Singaporean has gone on trial in Indonesia with nine other suspected Islamic militants, believed to belong to Southeast Asian terrorist network Jemaah Islamiyah. The lead defendant, Singaporean Mohammad Hasan bin Saynudin, had been on the run for years under multiple false names. The men, arrested last July, face sentences of up to life in prison if convicted on charges of illegal possession of explosives, murder, plotting a terrorist attack and harbouring fugitives.

- **Floods spread threatening rice fields in Kudu**

Floods have hit three districts and submerged hundreds of hectares of rice fields in Kudus, Central Java, following hard rains over the past week, Tempointeraktif.com reported Wednesday.

Torrential rains have broken the banks of the Piji and Dawe rivers, leading to flooding in Menjobo, Kaliwungu and Jati Districts. Some villages and main roads are inundated by water up to 60 centimeters high. Separately, local Agriculture Agency officials have reported that floods have submerged 537 hectares of rice fields.

The operator of Kudu's main water gate, Wilalung Sluice, Kudus's main water gate, said river flow has been recorded in an alarming level of 800 to 1,000 cubic meters per second.

- **Obama look-alike shoots to fame in Indonesia**

Indonesian photographer Ilham Anas won't be at U.S. President Barack Obama's inauguration on Tuesday. Instead he'll be starring as an Obama look-alike on Indonesian TV.Anas, 34, who from some angles bears a resemblance to the new U.S. president, shot to fame in Jakarta after Obama, 47, won the election in November, and is now earning income as an Obama double.

Many Indonesians have a keen interest in Obama, who lived in Jakarta for four years after his American mother, Ann Dunham, married Muslim Indonesian Lolo Soetoro following the end of her marriage to Obama's Kenyan father.

- **Captain faces jail over Indonesian ferry disaster**

THE captain of a ferry that sank off Sulawesi island last week leaving up to 335 people dead is facing five years in jail for negligence, Indonesian police said today.

Only 35 people survived when the 700-tonne Teratai Prima sank on January 12 in heavy seas whipped up by a tropical storm in the Makassar Strait with up to 370 passengers and crew on board. He said Sabir, employed by ferry operator PT Bunga Teratai, was in police custody and would be charged with negligence causing the death of another person.

Sabir has been accused of ignoring storm warnings when he set sail from Pare-Pare port on the afternoon of January 11 for the overnight journey to Samarinda, Borneo island.

Officials have said the weather was calm when the ferry left port but about 10 hours later it was hit by a severe storm with waves up to four metres high. Survivors said most of the passengers were asleep at the time and the vessel sank so quickly that they had little chance of escape.

- **The Right to food in Timor-Leste**

Right to food in Timor-Leste Date: 15 Jan 2009 - In the poorest country of Asia , Timor-Leste, hunger is a daily reality for many people. Half of the country's children are chronically malnourished. While rising food prices threaten to deteriorate the situation, the Office of the High Commissioner for Human Rights (OHCHR) works in monitoring and advocating their right to adequate food.

Almost 80% of the Timorese rely on the agricultural sector as both a source of food and income. However, nearly half of them have been described as "food insecure" by the World Food Programme.

In 2008, the Office of the High Commissioner for Human Rights (OHCHR) and the United Nations Country Team UNCT in Timor-Leste decided to monitor the right to food in all 13 Districts of the country. They interviewed members of the public, local government officials, teachers and medical workers and kept track of the price of rice and the variety of food on offer in local shops.

They found that the current Government policy to boost production is focused on lowland areas. Subsidized rice and other aid provided by government and civil society hardly reach remote mountainous areas.

Climate change and natural disasters harm the agricultural sector in Timor-Leste. Only 11 per cent of the land is arable and farmers lack the means to efficiently irrigate their soils and to tackle diseases in crops and animals such as avian influenza. Unresolved property rights issues hinder farmers from fully using their land.

The global increase in food prices has further worsened the situation for the Timorese. Food has become even less accessible to the most vulnerable. In some districts, people have switched to other less preferred products including food collected from nearby forests.

While many Timorese are still waiting for a drop in food prices and a better accessibility of food, OHCHR Timor-Leste continues to monitor the situation and encourages the Government to take necessary legislative steps to improve the situation. Currently, a crop and food availability exercise involving Government, UN Agencies and NGO is carried out to estimate the current food security situation in the six most vulnerable districts

• Malaysia

Political Front

- **Malaysia coalition loses election**

Malaysia's ruling coalition lost a key parliament by-election on Saturday, underscoring the dangers faced by incumbent governments in Southeast Asia as their export-dependent economies begin to absorb the full impact of the global slowdown.Supporters of Malaysia's opposition party celebrate their victory late Saturday.

The vote in Kuala Terengganu, a predominately Muslim city on peninsular Malaysia's east coast, dealt a setback to Deputy Prime Minister Najib Abdul Razak, who is expected to take over as the country's leader in March.Mr. Najib had orchestrated a high-profile campaign on behalf the government's candidate, hoping to demonstrate his political clout with a victory.

Instead, the opposition coalition showed it still commands considerable voter support after racking up unexpectedly strong gains in a national parliamentary election last March.

- **Parti Islam Se-Malaysia, or PAS**

part of the country's strengthening opposition alliance -- took 51% of the votes cast, as ethnic Malay and ethnic Chinese voters switched support from the National Front to the Muslim party to signal their frustration with the government.PAS politician Mohammed Abdul Wahid Endut won by 2,631 votes in a battle which saw a turnout of almost 80%.

Incumbent governments elsewhere in the region are under pressure. In Thailand, where a prolonged political crisis last year paralyzed policy-making, Prime Minister Abhisit Vejjajiva's shaky new coalition government, which was formed in December, must now struggle with an economy on the brink of recession as opposition parties loyal to former Prime Minister Thaksin Shinawatra try to destabilize it.

In the Philippines, where elections are due in 2010, prospective presidential candidates are already distancing themselves from President Gloria Macapagal Arroyo. Political analysts there say her deputy, Vice-President Noli De Castro, is likely to run as an independent rather than representing Ms. Arroyo's party.

The Malaysian economy is also in trouble. The government says gross domestic product could grow 3% this year, but many private sector economists are less optimistic. Citigroup Global Markets says GDP is likely to expand just 0.5% in 2009. Demand for Malaysia's biggest manufactured export, electronics components, is slumping and prices have fallen sharply for oil, natural gas and palm oil, the country's biggest commodity exports.

At the same time, race-based politics continue to play a pivotal role in this country of 27 million people. Since independence from Britain in 1957, many of Malaysia's ethnic Chinese and Indians -- who collectively make up more than 30% of the population --

have mostly lent their support to the National Front coalition led by the United Malays National Organization, the dominant party of the country's Muslim ethnic Malays.

But as the economy slows, many non-Malay voters are tiring of a decades-old affirmative action policy designed to help the majority ethnic Malay population catch up economically with the generally wealthier ethnic Chinese community. In last March's national elections, many minority voters as well as a significant number of ethnic Malays switched their support to an opposition alliance led by former deputy prime minister Anwar Ibrahim.

The coalition's main components are Mr. Anwar's People's Justice Party, the Chinese-based Democratic Action Party and PAS, the Islamic party.

As a result, the National Front lost its long-held two-thirds majority in Malaysia's parliament, effectively forcing Prime Minister Abdullah Ahmad Badawi to accelerate a handover of power to his deputy, Mr. Najib.

Mr. Najib, 55 years old, is expected to take over as premier in March after he formally wins election as UMNO party president, a post for which he is running unopposed.

The British-educated son of Malaysia's second prime minister, Mr. Najib campaigned hard in the Kuala Terengganu by-election to fill a parliamentary seat held by a National Front member of parliament who died last year.

After Saturday's defeat, Mr. Najib tried to play down the importance of the election loss for the government. "Of course, this is a setback for us," he told reporters, but added that "We will not be disheartened by the result."

Independent analysts predicted that the National Front's recent decline could continue. Although Mr. Najib doesn't have to call another national election until 2013, his rival, Mr. Anwar, is working on convincing at least 30 government lawmakers

- **China eyes closer cooperation with Malaysia**

The Communist Party of China (CPC) hoped for closer cooperation with the Malaysian Chinese Association (MCA), a senior official of the CPC said here Monday.

Wang Jiarui, head of the International Department of the CPC Central Committee, hailed the ties between the two sides in a meeting with a delegation headed by the president of the MCA, Ong Tee Keat. Ong, also minister of transport of Malaysia, said he hoped the two countries could step up cooperation on fields such as construction of infrastructure facilities and education. Ong also briefed his Chinese host on the impact of the financial crisis on Malaysia.

Wang applauded that the MCA played an indispensable role in Malaysia's national independence and economic development. In October last year, Ong was elected as

president of the MCA, which is the largest Malaysian Chinese political party of the ruling coalition National Front. In the first 10 months of 2008, the bilateral trade volume between Malaysia and China reached 45.7 billion U.S. dollars, with a year-on-year increase of 22.8 percent, according to China's embassy in Kuala Lumpur.

- **By-election result a wake-up call for M'sia's largest party**

A day after Malaysia's largest political party, United Malays National Organisation (Umno), lost a crucial by-election in the Malay heartland of Terengganu, several of its leaders warned that the party will become irrelevant if it ignored this warning from the ground. Veteran Umno leader Tengku Razaleigh Hamzah said the people had rejected Umno in its present form and its leadership. "(The ruling coalition) Barisan Nasional (BN) will lose and will in the end lose everything unless we respond fully and sincerely," he said.Former prime minister Mahathir Mohamad also said that BN could lose the next general election, and went further by blaming Prime Minister Abdullah Badawi. He said the result was a vote of no-confidence in Abdullah.

Dr Mahathir sees defeated Umno candidate Wan Ahmad Farid Wan Salleh as a proxy of Abdullah, as he is said to be close to the Premier's family. Referring to Deputy Prime Minister Najib Razak, he said: "I think Najib is not to be blamed but if he continues to elect or support corrupt leaders, then I think he will lose the next general election."Najib had headed the Umno campaign in the Kuala Terengganu by-election, which was called after Umno MP Razali Ismail died. Umno lost to its arch-rival Parti Islam SeMalaysia (PAS) by 2,631 votes on Saturday. This shifting of blame between Najib and Abdullah comes at a crucial time as the Premier is set to hand over power to his deputy. Najib will assume the Umno presidency, which is uncontested, in March, and should by convention, become the country's prime minister. This is however not a legal requirement. There is nothing to stop Abdullah from remaining as Prime Minister, and there is roiling speculation that he is being pushed to do so.

Umno lost the most ground in the Malay areas, while the Chinese votes remained stable. Analysts and party leaders have attributed the defeat to the choice of candidate, party in-fighting, and Umno's disconnect with the ground.Among the rural villagers, his aloofness put him at a disadvantage against the down-to-earth candidate from PAS, Abdul Wahid Endut. The opposition also capitalised on the persistent anger in Terengganu over government spending on luxury projects such as the Crystal Mosque and the Monsoon Cup yacht race. The state is among the poorest in Malaysia.

In-fighting in the local Umno branches also jeopardised the campaign. This is the second by-election that Umno has lost since last August, when the Permatang Pauh by-election was won by opposition leader Anwar Ibrahim. That loss started a round of soul-searching and blood-letting. As Umno revs up its own election season, this defeat is likely to spark bickering in its ranks as leaders jostle for party posts. All positions are being contested from the deputy presidency downwards.

But not everyone is convinced that the party is fully aware of the extent of the loss of support.

- **GAZA UNDER SIEGE: Malaysia's efforts bear fruit as UN calls for session**

The United Nations has finally agreed to convene a special emergency session today to discuss Israeli atrocities and attacks in Gaza at Malaysia's urging.

Expressing his satisfaction over the decision, Prime Minister Datuk Seri Abdullah Ahmad Badawi said efforts to push for the special meeting since early this month had not gone to waste.
Reading from a prepared statement, he said initially, UN general assembly president Miguel Brockman (of Nicaragua) issued a notice to all UN members, telling them that he wanted a special session to be held on Jan 8.

"He, however, postponed the session when the Security Council convened and approved Resolution No 1860 (2009). But as we all know, the resolution was never adopted or heeded by Israel.

In his letter dated Jan 12, Brockman expressed his concern over the critical situation in Gaza.Brockman also wanted more nations to be like Malaysia in urging the United Nations to be firm in ensuring a ceasefire by both sides in Gaza and the withdrawal of Israeli soldiers from the war zone.Malaysia also wants blockades by Israel on Gaza to be removed.

- **'Pas doctored poverty figures'**

Pas has distorted the poverty figures in Terengganu to conceal its weaknesses when it was in power from 1999 to 2004, said former menteri besar Datuk Seri Idris Jusoh.

He said Pas gave misleading figures by claiming that Terengganu was the second poorest state in the country.

On the contrary, Terengganu became the second poorest state under Pas' rule, he said after the closing of a programme organised by the Umno Youth division here on Tuesday."During Barisan Nasional rule from March 2004 to 2007, the poverty figures dropped from 15.4 per cent to 6.5 per cent with the per capita income increased from RM1,984 to RM2,463.

- **Govt will continue to help the needy**

THE Government will continue to extend its social safety net and welfare work for the sake of the poor and needy, even during the current economic uncertainty, reported *Tamil Nesan*.

Second Finance Minister Tan Sri Nor Mohamed Yakcop said this was the Government's initiative to ensure the people continued to enjoy a good life in line with the nation's development.

He was speaking to reporters after visiting Shamsudin Hassan, 56, and Rodiyah Lazim, 54, at their house in Kampung Tok Gelam in Tasik Gelugor yesterday. The couple's house is undergoing repairs under the house-repair scheme managed by his ministry's subsidiary *Pro Khas*.State workers' union president M. Pandian said the new management had imposed a condition that the entrance gates to the estate be closed at 11pm, causing inconveniences to some of the workers' children who worked outside and returned home late in the night.

He said the previous owners had only closed the gate at midnight and left the motorcycle path open for emergencies.

- **Buy Malaysian goods, urges PM**

Malaysians should buy locally-made products especially when facing a global economic slowdown, says Datuk Seri Abdullah Ahmad Badawi.

The Prime Minister said Malay-sians should cast aside their prejudice against local products which had in fact gained recognition for their quality and were well-received abroad.

He said this at the launch of the year-long Buy Malaysian campaign which was simultaneously launched at the Mydin Mall in Subang Jaya, 1 Borneo Mall in Kota Kinabalu and Boulevard in Kuching via teleconferencing yesterday.Promoting local products: Abdullah taking a look around Mydin Mall in Subang Jaya yesterday after launching the Buy Malaysian campaign. With him are Domestic Trade and Consumer Affairs Minister Datuk Shahrir Abdul Samad and Mydin Hypermarket managing director Datuk Ameer Ali Mydin (right).

- **Abdullah wants RM7bil stimulus package to benefit all races**

Ensure all projects and opportunities identified under the RM7bil stimulus package are distributed fairly among the races, says the Prime Minister.He said the stimulus package was meant for everyone and not just to enrich a certain group of people.

Abdullah also urged the people not to view the Government as being unfair to any community based on statements by individuals who were members of any Barisan

Nasional component party.He said views with extreme or racial undertones expressed did not represent the Government or party leaders.

Abdullah said that as Prime Minister he had never subscribed to extreme opinions expressed by individuals, and that the Government had always maintained a very moderate stand on racial issues.On the RM7bil, he wanted civil government officers to ensure the projects were initiated fast and warned that he would not tolerate shoddy implementation of work.“RM7bil is not a paltry sum. It is a lot of money, so it must be used efficiently and make sure the projects truly benefit the people,” he said.

The Barisan Nasional chairman also dismissed claims by the oppositions that the Government was weak and allegations of Barisan Members of Parliament defecting.

Abdullah said the three parties in Pakatan Rakyat could not even work together, with DAP already threatening to leave the alliance because of the *hudud* issue.

- **'Buy Malaysian' campaign to spur growth**

The economic focus this year will be on domestic growth and the national economy, said Domestic Trade and Consumer Affairs Minister Datuk Shahrir Abdul Samad.

"Last year, we faced a food crisis. The prices of rice, flour and other goods were high and we needed to shell out a lot on subsidies to keep inflation in check
His ministry will be spearheading the efforts, including a nationwide campaign to buy local goods to be launched in the middle of the month.Shahrir said yesterday that the campaign was to raise awareness of made-in-Malaysia goods.Asked if discounts would be offered during the campaign, he said marketers would be up in arms, saying that lowering the price would be "cheapening the brand".Shahrir said the ministry would get manufacturers to come up with "value brands", brands that are cheaper but without marketing value.
Asked whether this campaign would be more effective than the campaigns organised by the ministry in the past, he said: "Well, we will just have to work harder now."
He also said there were no plans to adjust fuel prices since there was not much movement in crude oil prices.
The last reduction of the fuel price was in the middle of last month, when the price at the pump came down by 10 sen to RM1.80 (RON97).The crude oil price was then US$47 (RM165) a barrel.Late last month, the price of crude tumbled to US$36 but bounced back to US$49 due to the Gaza offensive.

Strategic Front

Economic Front

- **Coca-Cola says Malaysia boycott will hurt economy**

Coca-Cola spoke out Friday against a boycott of its drinks and other US goods called by Malaysian Muslim groups over the Gaza offensive, saying it would only hurt the local economy and citizens.

It said the beverage company employs some 1,700 Malaysians, 60 percent of whom are Malay Muslims, who dominate the multicultural nation's population.

A boycott of US-made goods and firms including Coca-Cola and Starbucks has been called by Muslim groups who are planning a protest Friday at the National Mosque in the capital Kuala Lumpur.The boycott, aimed at US support of Israel which has mounted the offensive in Gaza, is spearheaded by the Malaysian Islamic Consumers Association as well as the Muslim Restaurant Operators Association which has removed Coca-Cola from the menu at thousands of eateries.

- **Malaysia's Exports Dissipated by Commodities Fall:**

Malaysia, among the world's three biggest producers of both palm oil and rubber, will see exports and economic growth decelerate this year because of the "drastic plunge in commodities prices," DBS Group Holdings Ltd. said.

The CHART OF THE DAY shows the year-on-year percentage change in Malaysia's monthly exports with the UBS Bloomberg Constant Maturity Commodity Index, which comprises 26 agriculture, energy and metal components. Notice how Malaysia's export growth during the past two years peaked in July 2008, a month after the broader benchmark, compiled since 1997, reached a record. Malaysia's manufacturing sector will contract by 1.9 percent in 2009, from estimated growth of 3.4 percent last year, DBS said. Gross domestic product will "soften" to 3.3 percent, from 5.5 percent, the report said. Kuala Lumpur-based Sime Darby Bhd. is the world's biggest palm-oil producer and the country's largest company by market value.

Malaysia probably won't be the only country in Southeast Asia squeezed by the commodities decline. Exports from Thailand, the world's biggest rice and rubber supplier, dropped 18 percent in November on tumbling commodity prices. That's the first contraction since March 2002 and the biggest decline since January 1992 when Bloomberg began tracking the data. Rubber plunged 56 percent last year, prompting Prime Minister Abhisit Vejjajiva to add price support measures after announcements on output cuts by producers failed to counter slumps

Environmental

Social Front

- **Palace wants stronger anti-drug unit**

A man paddling a boat carrying containers filled with fresh water on a polluted river in Paranaque, south of Manila, yesterday.

Manila: Malacanang is seeking a stronger and more cohesive anti-drug enforcement unit in the wake of entangled drug cases of the so-called "Alabang Boys." At the same time, it is leaving up to Congress to work on the proposals to revive the death penalty in the country. Presidential Management Staff director general Cerge Remonde said yesterday that coordination between drug enforcement agencies and prosecution panel must be improved to prevent problems such as what are being experienced in the case of the Alabang Boys. Remonde lamented that the agencies involved in the cases related to illegal drugs have been at each other's throats over the failure to move cases forward.

During the hearings conducted by the House of Representatives on the Alabang boys case, a rift developed between the PDEA and Department of Justice (DOJ) as the two agencies traded accusations on the supposed bribes offered. Remonde said President Arroyo's stand on the imposition of the death penalty supports the church's position against it.

The President backed the moves by Congress a few years back to repeal the law imposing the death penalty and was lauded by the international community for taking this stance. Remonde noted that the President has always been consistent on her stand "as a good daughter of the church.

• Philippine

Political Front

- **No impeachment move against chief justice**

Chief Justice Reynato Puno is not the subject of any impeachment move at the House of Representatives, House leaders said. Speaker Prospero Nograles said he is not aware of any effort in the House to impeach Puno. Representative Matias Defensor, House justice committee chairman, is also unaware of any impeachment move against Puno. "In fact, this is the first time I'm hearing about this supposed effort to oust the chief justice," he said.

It is the justice committee that handles complaints against impeachable officials like Supreme Court justices. Majority Leader Arthur Defensor said the accusations that Puno has been sitting on the disqualification caseof Negros Oriental Representative Jocelyn

Limkaichong have no "discernible basis." On the other hand, Nueva Ecija Rep. Edno Joson said the reported threat to oust Puno might be connected to the administration's initiative to amend the Constitution. "The message would be, 'Either you toe the line or risk being run over by the Charter change express train.' "The Supreme Court can derail the Cha-cha express. I will oppose any move to impeach Chief Justice Puno because if Cha-cha succeeds, it will be GMA forever." Cagayan de Oro City Representative Rufus Rodriguez said administration allies at the House want Puno removed so they could make a "last-ditch effort" to amend the Constitution after Congress resumes session. Bayan Muna Rep. Teodoro Casiño said the reported impeachment threat against Puno, if true, condemns the House, not Puno. "It would show in no uncertain terms that the House is Malacañang's willing accomplice in undermining the branch of government that is at the forefront of protecting human rights and the rule of law," he said. "The move seems to be a deliberate attack on the justice system and not just CJ Puno because clearly the resolution mentioned was a unanimous decision of the court," said Escudero. "Who is behind this and who stands to benefit from this? I hope this is not part of a sinister plot to discredit, pressure and influence the court in any way

Strategic Front

Economic Front

Environmental

Social Front

- **Filipinos back from Gaza vow to go back**

Manila: Three Filipinas married to Palestinians from Gaza arrived with their children at the Ninoy Aquino International Airport (NAIA) Terminal I last night bearing with them stories of how they survived the daily bombings and fighting in the war-torn strip. Although they were glad that they made it through, the three expressed concern for the husbands they left behind. Annabel Abu Hassira, 39, said she will definitely go back to Gaza once the fighting stops. She was joined by her four sons, the eldest of whom is 17, and a daughter, the youngest in the brood. Abuhassira said her husband Jegad, an engineer, whom she met while they were pursuing their degrees at Far Eastern University, had been staying inside their condominium unit since hostilities erupted last week.

The two other Filipinas were identified as Laila Salama, 54, and Nita Hamaoudeh, 42, both arriving with their half Filipino-half Palestinian children on Thai Airways flight TG 624 that touched down at the NAIA runway at around 71.10pm.

The Department of Foreign Affairs (DFA) said all Filipino evacuees from Gaza are safe. DFA spokesperson Claro Cristobal said the Filipino nun, who was among the evacuees, did not join the Filipinos repatriated to Manila. The nun is in the care of the Latin

patriarch in Jerusalem. Cristobal said the 16 other Filipino nationals boarded Royal Jordanian flight RJ180 en route to Bangkok. On Thursday, the InternationalCommittee of the Red Cross led a convoy of six buses that were evacuated from Gaza.

The convoy that carried 250 foreigners, including the 17 Filipinos, was met by a team from the Philippine Embassy in Israel at the Gaza-Israel border and ferried to the Allenby crossing at the Israel-Jordan border. The embassy strongly advised all 108 Filipinos in Gaza to join the planned concerted evacuation that was called off for the second time on Wednesday.

The Canadian Embassy has been coordinating as focal point for the embassies in Tel Aviv to evacuate foreigners from Gaza.

The planned evacuation of foreigners was called off on Monday and Wednesday upon the advice of the Red Cross due to intense fighting in Gaza. The DFA said the "very, very fluid" situation in Gaza might even cancel the pullout of Filipinos from the war zone.

- **Rebel blasts cut power**

ELECTRICITY was cut to wide areas of the southern Philippines yesterday after suspected Muslim rebels blew up the main power transmission line with crude bombs, officials said.Three or four improvised explosive devices made from mortar rounds toppled the transmission line tower in Lanao del Norte province on Mindanao island before dawn, army spokeswoman Steffani Cacho said.

She said the blasts hit the steel tower and snapped high-voltage cable supplying electricity to three provinces on the Zamboanga peninsula and most parts of Misamis Occidental and Lanao del Norte provinces.

- **19 Filipinos freed by Somali pirates – DFA**

Less than two weeks into the New Year, Somali pirates released a Saudi Supertanker with 19 Filipino crew on board, the Department of Foreign Affairs reported yesterday.

The MV Sirius Star with 25 crew was freed Friday morning, said Esteban Conejos, Foreign Affairs Undersecretary for Migrant Workers Affairs. With their release, the number of Filipino seafarers held hostage by Somali pirates dropped to 71 on board five ships, Conejos added. At least 200 Filipino seafarers on board 17 ships were seized by Somali pirates since April 2007. Including those on board MV Sirius Star, 127 Filipino sailors have been released so far.

Foreign Affairs spokesperson Bayani Mangibin corroborated Conejos' statement by saying that MV Sirius Star was indeed released and that the Filipino sailors were not harmed. The 330-meter MV Sirius Star owned by the shipping arm of oil giant Saudi Aramco carried $100 million worth of oil, It was hijacked off the coast of Kenya on November 15. The size of three aircraft carriers, it is considered the biggest ship hijacked

in history. The same report also quoted Sahafi Abdi Aden, another of the group's leaders, as saying that the hijacking was over. It was not clear if a ransom was paid for the super tanker's release, but Agence France-Presse claimed that the pirates had told them days after seizing the Sirius Star they wanted $25 million for its release.

- **Philippines Looking at World as Potential Halal Food Industry**

The Philippines has been focusing its efforts to get a significant share in the global halal food industry which is growing stupendously, says RNCOS report.With Muslim population of 18-20 Million, the domestic market for halal food products is largely untapped in the Philippines, according to our new research "Philippines Food and Drinks Market: Emerging Opportunities". Besides the domestic consumption, the country is aggressively eying other regions with sizable Muslim population to benefit from the rapidly growing halal food industry all across the world.

The government is continuously making its efforts to develop halal food industry for domestic as well as export purposes. In line with this, the department of Trade and Industry (DTI) has laid out marketing plans, consisting of joint partnerships between the government, business and the Muslims, each supporting the other, says an analyst at RNCOS. It is also making studies on Muslim consumption patterns.

The country is also pushing for the establishment of halal food corners in all supermarkets, groceries and food-related retail outlets in the country by 2009. It is also planning more overseas trade shows, product sales and marketing, and the promotion of Halal certification among exporters to create markets overseas.

The most important markets, the report has identified, for Philippine Halal food include the Middle East and ASEAN countries, which have the largest number of Muslim population in the world. The report has also identified various areas of halal food industry, which are important from investment point of view.

This research study provides five-year industry forecast while evaluating industry facts which are supporting the growth of different segments. For instance, health drinks market in the Philippines is on surge due to expanding young population, rising income and a greater exposure to healthier and safer cuisine. This report will help the clients in analyzing the opportunities, challenges and drivers critical to the growth of the industry.

- **900 people killed in Philippines by 'mysterious death squads'**

Peasant leaders, environmental campaigners and student activists in the Philippines are being murdered by mysterious death squads who appear to have close links to the army.

Since President Gloria Arroyo came to power in 2001, campaigners say over 900 people have been extra-judicially executed and 200 more have "disappeared".

A United Nations report in 2007 blamed the army for most of the killings, but no action has been taken and the unexplained murders continue.

One of the most dangerous areas is the Compostela Valley, on the southern island of Mindanao. It is a place of great natural beauty as well as rural poverty which is home to several foreign owned gold mines and a long-standing communist insurgency. In the final few weeks of 2008, five apparently peaceful, law-abiding men were mysteriously shot dead in the area. The first victim was Danilo Qualbar, a 48-year-old activist for the Left-wing People First party, who was shot on November 6. Human rights researchers said there was no autopsy and no investigation – the police did not even interview the victim's family. According to Mr Qualbar's widow, a group of soldiers called out "that one" as her husband passed through a military checkpoint a week before his murder.

The next victim was 4 days later when Rolando Antolihao, 39 – a banana plantation worker and People First party member – was shot dead in front of his wife and 2-year-old daughter. There was a small army post 50 metres away but according to reports the soldiers on duty did respond to the shooting.

- **In the following weeks two more activists were shot.**

Finally, two days before Christmas Fernando Sarmiento, a 39-year-old environmentalist who argued that a local gold mine was damaging the interests of local people, was killed by assassins fitting the same description. Mr Sarmiento's friends said he was arrested by the army in July and accused of being a communist guerrilla.

Witnesses noted that the killers in the Compostela Valley usually arrived on a red Honda motorcycle and used a .45 pistol. At the top of the list of suspects are soldiers from local army camps, but there have been no official investigation into the shootings, or whether the deaths are even in any way connected.

Human rights campaigners claim that the killings are part of an offensive launched by President Arroyo in an attempt to defeat Maoist guerrillas called the New People's Army (NPA) by 2010. Although they deny the murders, senior army officers claim that legal parties such People First and other activist groups which most of the victims belong to are fronts for the communists.

Instead, the army frequently claims, the deaths are a result of feuds and purges within the communist party.

- **Maoist guerrillas attack road project**

About 80 communist New People's Army (NPA) rebels attacked a major government-funded road project in the southern Philippines, destroying more than P20mn ($425,000) worth of heavy equipment, police said yesterday.

The Maoist-led guerrillas also seized guns, mobile phones and other valuables from engineers, workers and private guards at the road project in Bukidnon province on the southern island of Mindanao, said Teodorico Capuyan, the police chief.

Capuyan said the road work in Bukidnon province was among key infrastructure projects that President Gloria Macapagal Arroyo had mentioned in a policy speech last year.

He said the attack on the road project could be linked to attempts by rebels to extort "revolutionary taxation" from construction companies and other businesses in the south.

Security officials say the 5,000-member NPA, active in 69 of 80 provinces, has also been targeting mines, plantations, logging and telecommunication companies to generate funds to recruit and train members and purchase weapons and munitions.

Based on army intelligence estimates, the NPA has raised nearly P1bn in 2008 from extortion and illegal business operations such as small-scale mining and cultivating marijuana.

The presence of NPA rebels, waging a protracted war for the last 40 years, has also scared away potential investors in many regions, the military said. The conflict has killed more than 40,000 people

- **Death toll rises to 17 in Philippines floods, landslides: rescuers**

Rescuers in the Philippines have recovered eight more bodies from widespread floods and landslides caused by heavy rains, raising the nationwide death toll to 17, rescuers said Friday.

Four corpses were pulled from a village buried by a landslide near Bislig city on the southern island of Mindanao on Wednesday, five days into a near-continuous downpour, local civil defence official Blanche Gobenciong told reporters.

A man and a woman both drowned when two boats capsized off the southern city of Surigao and off the southern island of Dinagat, while the bodies of two men were fished out in separate areas of the Agusan river basin of Mindanao, she added.

The civil defence office in Manila earlier reported six deaths from landslides, floods, storm surges and sea mishaps on the eastern island of Samar, one in the Mindanao city of Cagayan de Oro, and one each on Panay and Catanduanes islands. Among the flooded areas were the southern cities of Cagayan de Oro, Gingoog and Oroquieta.

The World Food Programme, responding to appeals for help from local governments, is to provide up to 630 tonnes of rice to help 25,000 families

- **Blood Samples From Philippines Sent To US To Check For Ebola**

Blood samples from swine and farmhands in the Philippines have been sent to the Centers for Disease Control in the U.S. to test for the Ebola- Reston virus, Health Secretary Francisco Duque said Friday.

The samples were collected by a joint team from the Food and Agriculture Organisation, the World Organisation for Animal Health and the World Health Organistion from two pig farms where the Ebola-Reston virus had been detected.The Agriculture Department is still maintaining its quarantine on the two farms as well as the voluntary ban on the export of pork until the results of the CDC tests are released, officials said.

Ebola-Reston, which is found only in the Philippines, had been confined to monkeys and the latest outbreak among pigs is the first time it has jumped species.As of December, nearly 6,000 pigs at the farms in Pandi and Talavera town outside Manila had tested positive for the virus, which is not known to be harmful to humans but could have a devastating impact on the pig industry.

Ebola-Reston is different from the Ebola sub-types found in Africa that cause deadly haemorrhagic fever in humans.Ebola-Reston was first detected in 1989 in laboratory monkeys sent from the Philippines to Reston, Virginia in the U.S.

• Thailand

Political Front

- **Thailand intensifies security for key by-elections**

Thailand’s authorities stepped up security on Jan. 10 for its largest ever by-elections slated for Jan. 11.Authorities banned alcohol and deployed extra police in 22 provinces where voting will take place to elect lawmakers for 29 seats vacated by the dissolution of the People’s Power Party (PPP) and the Chart Thai party following a December court ruling, AFP reported.

Two police will guard each polling station and rapid movement units have been on standby to handle any unexpected situation, said General Wichian Potphosri.

A total of 83 candidates from 13 political parties are on the ballots. According to Bangkok Post, the local daily, all polling stations are ready for Bangkok governor election and by-election in 22 provinces. Election Commissioner Praphan Naikowit said on Jan. 10 it is paying a close attention to the movement of anti-government group United Front of Democracy against Dictatorship (UDD), but said there has so far been no reports

of its movement from police yet. The commissioner said he believes there will be no violence on the election day and expects that voter turnout will be no less than 60 percent nationwide.

- **Bangkok election isn't about traffic, pollution**

Voters may end up basing their choices more on national politics than on candidates' vision Once again, the Bangkok gubernatorial election is being determined by national politics, and the outcome will have great repercussions not only on the lives of Bangkokians but also on how the future battle for state power transpires. Sadly, this is a situation that cannot be avoided.

Ever since Bangkok voters elected their first governor in the mid-1980s, this democratic exercise has been tied to what goes on at the national level in Thai politics. And it is even more so this time around, with power struggles on the national level being the fiercest in modern history.

Ironically, this time the Democrats are sending out a message that they once deplored: if you elect a governor who is a member of the ruling party, the administration will be effective and smooth. Just recently Democrat candidates were campaigning on a checks-and-balances theme, which, of course, has been taken up by the Pheu Thai camp this time.It seems like a long time since the Bangkok race was dictated and decided by the candidate's visions for the city. During a 1990s campaign, Bhichit Rattakul grew from a distant underdog to an overwhelming favourite, winning the election by a landslide as he rode on the crest of environmental concern. He defeated two-time governor Chamlong Srimuang, who ironically had won twice on the groundswell of public sympathy.

Other than that election, it was always a showdown against the backdrop of national politics. Chamlong's two victories were helped by what was going on on the national scene. Samak Sundaravej won by presenting himself as a lone warrior who could break the stranglehold of the Thai Rak Thai Party in the city.

Democrat Apirak thrived on similar fears that Thaksin Shinawatra's grip on Bangkok was becoming dangerously monopolised.Through all this, traffic problems, pollution and public safety could only get as far as the sidelines of the campaign. Candidates have been asked about it in televised face-offs or newspaper interviews, but at the end of the day voters going to the ballot boxes will be more occupied with whether they should support or snub the ruling party.

One of these days the idea that the Bangkok race should feature only independent candidates will be mooted and shot down. Even if such a restriction is imposed, national politics will undoubtedly find a way to get around it: nominees will be fielded, and then we will all get back to square one.Meanwhile we voters are left playing the game that they want us to play. Or is it the other way around? Maybe it's us, the voters, who have started politicising the Bangkok elections after all.

- **Thailand to support East Timor's membership of Asean**

Thailand to support Timor's membership of Asean By Supalak Ganjanakhundee The Nation - Thailand will support Timor-Leste's application for membership of the regional grouping Asean by 2012, Prime Minister Abhisit Vejjajiva said Monday.

As chairman of the group, Thailand also extended an invitation to Timor-Leste to be a guest of the chair during the Asean ministerial meeting and Asean regional forum in the middle of this year.

Prime Minister Abhisit discussed the issue Monday with Timorese President Jose Ramos-Horta, on an official three day visit from Sunday.The Timorese president is the first foreign guest to Thailand for Abhisit's government. Thailand established diplomatic relations with Timor-Leste shortly after the latter's independence seven years ago.Horta praised Thailand for sharing its experience with Asean affairs through many training programs to Timor-Leste over the past three years.

Prime Minister Abhisit and President Horta yesterday presided over a signing ceremony for a Memorandum of Understanding between Thailand's PTT and Timor-Leste's Natural Resource Ministry.PTT will provide assistance to the republic on technology and management skills to help it set up its own national petroleum company. Timor-Leste has an abundant supply of petroleum resources in the Timor Sea.Thailand will also provide assistance to Timor-Leste's agricultural sector to help lift living standards and sustain development, Prime Minister Abhisit said.

- **PM defends appointing PAD leader as adviser**

to appoint as adviser to the government a member of a protest group that was behind a siege of Bangkok's airports last year.

The appointment risks causing further divisions with supporters of ousted former premier Thaksin Shinawatra, whose allies were driven from government partly as a result of the crippling week-long blockade in late November.

Abhisit, who came to power after the last government fell in mid-December, said Prapanth Koonmee, a member of the People's Alliance for Democracy (PAD), had not committed any crime by giving speeches during the movement's rallies."Whoever was on stage, if they didn't violate the law then there is no problem. Whoever has broken the law will be prosecuted," Abhisit told reporters.Prapanth was appointed as an adviser to the deputy commerce minister at a cabinet meeting on Tuesday.Media reported earlier that two other leading PAD members, Samran Rodpetch and Phichet Pattanachot, would also be given advisory posts but there was no immediate confirmation from the government.

The royalist PAD occupied the airports at the peak of their protest movement against the previous, pro-Thaksin government, stranding hundreds of thousands of foreign travellers and costing the economy billions of dollars.The prime minister is already facing calls from Thaksin's supporters -- known as "red shirts" because of their favoured attire -- to sack Foreign Minister Kasit Piromya over his own ties to the PAD.

The government however dismissed their threats to disrupt next month's Association of Southeast Asian Nations (Asean) summit in the beach resort of Hua Hin if Kasit is not removed from the government.His supporters say Abhisit's rise to power is illegitimate and have demanded that he call elections. A "red-shirt" protest forced the premier to move his inaugural policy speech from parliament in late December.

- **Thai PM: Violence is normal in the South**

Thai Prime Minister Abhisit Vejjajiva said on Friday down play concern for his personal safety on his visit to the deep South after morning has gunfight between insurgents and security forces in Pattani.

Also on Thursday a motorcycle bomb went off in front of the Yala Hospital injuring six people, including two members of security forces. Abhisit is scheduled to travel to Yala province on Saturday on his first trip there since he assumed office in mid-December.

Abhisit, the leader of the Democrat party which is popular in Thailand's southern provinces, has made a priority of restoring peace to the southern region. As a result, his cabinet appointed a Cabinet council to be in charge of affairs in the southern border provinces. The council is comprised of 16 cabinet members and two representatives of the National Economic and Social Development Board and the Budget Bureau. Over the past five years the insurgency in the three Southern provinces of Yala, Pattani, Narathiwat and some districts of Songkla province has killed at least 3,500 people.

Strategic Front

Economic Front

- **Thailand takes measures to boost rice sales and export**

- A special squad will be set up in Thailand to guide domestic sales and exports of rice as well as stock management, a local daily reported on Jan. 10.New national rice management measures would also be finalized next month to improve efficency and better reflect market prices, Commerce Minister Pornthiva Nakasai was quoted by the Bangkok Post as saying.Thailand will boost cooperation with major rice producing countries, including Vietnam to stabilize rice prices and prevent price competition, the Minister Pornthiva added.

The Thai government plans to sell more rice this year on a government-to-government basis, aiming particularly at markets to which the private exporters lack access, the minister said, adding that Thai trade missions to potential rice buyers such as Iran, China and India are planned this month.According to Apiradi Tantraporn, Director General of Foreign Trade Department, Thailand's rice exports this year are forecast at 8.5 million to 9.5 million tonnes, compared with 10.1 million tonnes in 2008 .

- **Abhisit says country is 'getting back to business'**

The government is striving for political stability and the restoration of international confidence in Thailand, says Prime Minister Abhisit Vejjajiva.

Mr Abhisit said the main goal of the Democrat-led government was to return the country, plagued by political divisions, to normal by ensuring justice and the rule of law.

The government would carry out its duty with transparency and good governance, he said, adding that the cabinet would work "without corruption and without violations of human rights"..Mr Abhisit assured fairness for both his supporters and opponents in an attempt to bring about reconciliation.The reform would be carried out by a panel to be set up with representatives from all sectors of the country, he said.

The prime minister conveyed the same message earlier in the day when he met ambassadors and leaders of international organisations based in Thailand at Government House.He told them Thailand had suffered uncertainty this past year and now was heading towards stability.He said the government wanted to work closely with foreign diplomats to restore investor confidence.He urged all countries not to use trade measures to protect their markets.The summit will focus on attempts to foster economic, political and social ties among the 10 members of the grouping.Thailand is chairman of the regional bloc until December this year.Asean comprises Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam.Thailand has backed East Timor to become a new member

Environmental

Social Front

- **Thai court charges owner in New Year's nightclub fire that killed 66**

A Thai court has issued arrest warrants for the owner and manager of a trendy Bangkok nightclub where 66 revellers perished in a New Year's Eve fire and stampede. A Canadian was among those killed. Police say Wisuth Setsawat, owner of Santika Club, and club manager Suriya Ritrabue, have been charged with negligence resulting in the deaths and injuries of others. The two have also been charged with allowing in underage customers after a 17-year-old was found among the dead.

Police have said the fire was likely sparked by a fireworks display on the nightclub's stage. The maximum penalty for negligence is 10 years in prison and a fine of not more than the equivalent of $573, while allowing in underage customers carries a fine of $1,433.

The fire raced through the two-storey building shortly after the New Year's countdown, sending hundreds of panicked guests running for the main entrance. Officials said some of the victims burned to death, while others died of smoke inhalation and still others were crushed in the stampede to get out. Jongrak said several people were being sought for questioning in the case, including employees of the company hired to put on the fireworks display.

- **Thai anti-gov't protesters plan rallies in Bangkok to demand removal of foreign minister**

Thailand's anti-government group Democratic Alliance Against Dictatorship (DAAD) plans to gather in front of the parliament and Foreign Ministry in Bangkok on Jan. 21to oppose the appointment of Foreign Affairs Minister Kasit Piromya, a DAAD leader said on Monday.

The DAAD opposed Kasit's appointment because of his close relationship with the People's Alliance for Democracy (PAD), which led months-long street demonstrations last year in attempts to topple the two previous governments that support ousted premier Thaksin Shinawatra. Kasit previously was reported to have said the closure of two Bangkok airports by the PAD was "fun". The DAAD is demanding Prime Minister Abhisit Vejjajiva to remove Kasit. Or they would block the ASEAN summit scheduled to be hosted by Thailand in late February. Core member of the opposition Puea Thai party MP Jatuporn Prompan said that the DAAD will send letters to embassies of the other nine Association of Southeast Asian Nations (ASEAN) member countries by the end of this week, asking them to withdraw from the ASIAN summit planned in central resort town Hua Hin from Feb. 27 to March 1, The Nation news website reported.

- **Thai military accused of 'killing' refugees**

The Thai military has been accused of seizing hundreds of refugees, towing them out to sea and “leaving them to die” without engines and barely any food or water.

Aid groups said that hundreds of water-borne refugees from the Burma-Bangladesh border were arrested and held on an island in the Andaman Sea before being forced out into the ocean. Around 500 are now being treated for severe dehydration after being rescued by the Indian coast guard. Survivors have said that scores of other refugees are still unaccounted for

The refugees that were allegedly abandoned belong to the Rohingya group, a stateless Muslim minority that live on the border between Burma and Bangladesh, in particular in

the west of Burma in Rakhine state. The Rohingya have long been persecuted by the Burmese authorities, which have banned them from either marrying or travelling without permission and from owning property. They are even denied citizenship.

As a result, large number of the group have regularly sought to escape to neighbouring Bangladesh. In 1978, around 200,000 of the group fled there after a particularly brutal crackdown against them, known as the Dragon King operation. In 1992 a similar number fled to the Cox's Bazaar area of Bangladesh, though many were subsequently forced to return to Burma.

Experts say that with the refugees camps in Bangladesh long having stopped taking people, the Rohingya are now seeking to travel to Thailand and then make their way overland to Malaysia, a Muslim majority nation. They are also seeking to reach other countries in the region, including Indonesia.

The latest flood of refugees began in December. At the end of the year, several hundreds refugees were feared drowned after they jumped into the sea after their boat broke down. Indian coastguard officials found some bodies washed ashore.

Campaigners say this week's seizure of hundreds of refugees marks a new policy by the Thai authorities, who have now tasked the military rather than the immigration service with countering the flood of Rohingya. With the refugees fleeing towards more and more countries, the issue is to be discussed at next month's ASEAN summit in Thailand. But campaigners say that only once Burma recognises the Rohingya as citizens and stops discriminating against them, will they stop seeking to leave. Official figures claimed that 1,225 refugees arrived in Thailand in 2005-2006. They were 2,763 in 2006-2007 and 4,886 in 2007-2008. From 26 November to 25 December last year, 659 Rohingya were seized in eight separate incidents.

While official sources in Thailand have confirmed to the BBC that the refugees were forced back out to sea, the immigration service deny such a policy. "Thai immigration office will never send illegal immigrants back to their countries by putting them back in the boat then let them go," Police Lieutenant General Chatchawal Suksomjit, a commander of the Thailand Immigration Office, told reporters.

• Singapore

Political Front

Strategic Front

- **Singapore opens border facility to reduce threat of chemical, biological attacks**

Singapore has opened the world's first border facility to weed out the threat of chemical and biological attacks.

Called the Protective and Analytical Facility, it is located at the Tuas Checkpoint in western Singapore. About a million cargo vehicles pass through the Tuas Checkpoint every year. As the frequency in border crossings between Singapore and its neighbours increases, so too does the threat of a biological attack. All hazardous cargoes and livestock entering Singapore must do so through the Tuas Checkpoint. This makes frontline customs officers at the checkpoint most at risk of exposure to chemical and biological hazards. The new facility will strengthen Singapore's defence against these threats. An early warning system will detect the release of hazardous agents at the checkpoint cargo lanes.

If there is a chemical spill or deliberate attack, those affected can wash themselves at the decontamination facility. There is also a laboratory to identify and analyse the chemical. Mr Wong said while they may not be terrorist acts, their potential consequences are no less devastating.

Economic Front

- **S'pore inflation up 6.5% in 2008; expected to ease 0% to 1% in 2009**

The Consumer Price Index (CPI) in Singapore increased 6.5 per cent on-year in 2008 due mainly to higher costs of food, housing, transport and communications. Housing costs rose 12.7 per cent, reflecting higher accommodation prices and electricity tariff, while food prices advanced 7.8 per cent.

Transport and communication costs went up 3.3 per cent due to more expensive petrol and higher taxi fares, despite lower road tax and car prices.On a year-on-year basis, the Consumer Price Index (CPI) in December increased by 4.3 per cent compared to a year ago on account of higher housing and food costs.

However, December’s inflation rate showed a seasonally adjusted decline of 0.6 per cent over November, mainly due to lower costs in housing, transport and communications, which offset higher costs in food and recreation. On a 3-month moving average basis, the CPI in December 2008 remained at the same level as in November 2008.

Going forward, Singapore’s Ministry of Trade and Industry (MTI) has revised downwards its forecast for the CPI in 2009, estimating inflation to either remain unchanged or to decline at 1.0 per cent.

It said on Wednesday that the lower CPI was largely in expectation of a continued downward correction of commodity prices from the peaks in 2008, in line with the weakening global economy which will ease increases in domestic retail prices.

The lower 2009 CPI inflation also reflects an adjustment from the high base recorded in 2008 for food, electricity tariffs, transport and accomodat

- **Singapore revises down 2009 growth forecast, inflation rate**

The ministry also revised down its forecast for the Consumer Price Index (CPI) in 2009, estimating inflation to remain unchanged or to decline at 1.0 per cent.

MTI said the weaker economic outlook was due to faster and steeper decline in the global economic activity, as well as spill over effects on key sectors of the economy from the last quarter of 2008. Preliminary estimates for Singapore's fourth quarter GDP showed that real gross domestic product (GDP) contracted by 3.7 per cent.

This resulted in a contraction in the city-state's economy by 16.9 per cent on a seasonally adjusted annualised quarter-on-quarter basis, led mainly by a slowdown in the manufacturing and electronics sector compared to the third quarter of 2008 which saw a decline of 5.1 per cent.For 2008 as a whole, the economy is estimated to have grown by 1.2 per cent, compared with 7.7 per cent in 2007.

The manufacturing sector is estimated to have contracted by 4.1 per cent, with clusters such as electronics, precision engineering, and chemicals hit by the rapid decline in demand in Singapore's key export markets, especially in the last quarter of 2008.

In contrast, the construction sector grew by 17.9 per cent in 2008, compared to 20.3 per cent in 2007 due to a healthy level of construction output in the residential, industrial and civil engineering building segments.

Growth in the services producing industries were moderate with the financial services sector seeing a significant decline in fund management and stock broking activities in the second half of 2008, while trading in the foreign exchange market fell sharply.

MTI expects the economic downturn to continue in 2009.

It said the chemicals cluster is expected to weaken with lower oil prices and lower global demand for other manufactured goods, while global trade is expected to contract in 2009, affecting trade-related sectors such as wholesale & retail trade and transport & storage.

As for inflation which is expected to ease, the trade ministry said this is largely in expectation of a continued downward correction of commodity prices from the peaks in 2008, in line with the weakening global economy.

It added that the decline in the 2009 CPI reflects an adjustment from the high base recorded in 2008, when food, electricity tariffs, transport and accommodation costs rose significantly.

- **Market analysts suggest defensive investment approach**

The smart money would be in defensive plays amid the current bleak global economic outlook, according to some analysts. They expect to see more risk-taking to emerge only in the second half of this year.

Given the weak global economic outlook and fears of a prolonged recession, some market analysts say they would advise investors to take on a more defensive approach. "We recommend that they continue to overweigh cash and bonds, across asset classes and definitely within asset classes to continue to look at more defensive sectors like healthcare and telecom," said Manpreet Gill, Asia strategist at Barclays Wealth.

Risk aversion is likely to feature as a key theme in the early part of 2009. But as the year progresses, analysts say more money may flow into riskier assets. Mr Gill said: "I think 2009 may be the year for investors to begin adding risk to their portfolios... later in the year, around the second or third quarter, investors may begin looking at adding on more risky assets, beginning with the investment rate bonds and potentially equities later." Equities aside, market watchers say the outlook on Asian currencies over the next 12 months would improve - but only if US financial conditions stabilise.

The vice-president of Asia Pacific economics and market analysis at Citigroup, Kit Wei Zheng, said: "I think potentially we could see a recovery in the US housing market by the end of this year in a somewhat more optimistic scenario. Analysts say any recovery that comes in the second half of the year is expected to be mild, with global growth likely to remain below trend in 2010.

Environmental

Social Front

• Vietnam

Political Front

Strategic Front

Economic Front

- **Vietnam's agricultural insurance market ripe for development**

The local governments in many provinces across Vietnam, as well as farmers in those areas have not paid due attention to agricultural insurance services, an US expert said at a seminar on Vietnam's agricultural insurance market, which took place on Jan. 9.

According to Jason Hartell from the US-based Global AgRisk, agricultural production in

Vietnam is generally relatively small-scale and relies mainly on manual labour. It is, therefore, at risk from the effects of the weather, epidemics, an unstable investment environment and fluctuations in the market, while protective policies are still insufficient to cover any losses from these factors.

These circumstances lead to the fact that farmers are hesitant to invest in advanced but high-risk production models and are loyal to traditional low-yield methods of cultivation. A member from the National Consultative Council of Monetary Policy, Dao Van Hung, said that the agricultural insurance market possesses huge potential for development.

According to him, a recent survey conducted in the Mekong Delta region revealed that many farmers were willing to purchase insurance cover to protect their production levels.

However, he admitted that there are still numerous challenges to the development of the agricultural insurance market, due to small-scale production levels, a paucity of data and information allowing an accurate assessment of risk and a lack of legal regulations and knowledge regarding the issue of cover.

- **Vietnam expects lower FDI attraction this year**

Vietnam has set a target of luring just 20 billion USD in foreign investment this year, nearly one-third of 2008's figure, due to the global economic downturn.

Despite this modest target, foreign investors still appreciate Vietnam 's investment environment and its mid- and long-term prospects, according to Phan Huu Thang, Head of the Ministry of Planning and Investment's Foreign Investment Department.

Thus, Vietnam will still attract plenty of foreign investment after 2010, he added. Addressing a seminar on the impacts of the WTO's accession upon foreign investment activities in Vietnam on Jan. 9, Thang cited Vietnam 's political stability, abundant labour force, favourable investment environment and improved infrastructure as its advantages, compared to other countries in the region. Until 2010, projects in oil refining, mining, and real estate will still be investors' priorities, Thang said. Contrary to the low-registered FDI, the department set a goal of 11-12 billion USD in FDI disbursement, the same as in 2008. This unchanged objective is attributable to investors' high levels of commitment, effective implementation of foreign-funded projects (relative to the global financial crisis) and the Government's determination to maintain economic growth. The efforts of the Government, related agencies and local authorities in administrative reforms and improvements in the investment environment infrastructure and regulations related to foreign investment, have helped Vietnam to achieve remarkable FDI attraction in the last two years, according to Thang. The department's statistics reveal that investors in 84 countries and territories are currently supporting 9,800 current projects in the country, with a total registered capital of nearly 150 billion USD. In 2007 and 2008, the total registered FDI capital reached 85 billion USD, doubling the accumulated amount of the previous 19 years.

The disbursed FDI capital in 2008 hit a record of 11.5 billion USD, a year-on-year increase of 43 percent, and 2.8 times more than 2006.

Last year, over 4,000 FDI enterprises made a contribution of 16.5 percent to the GDP, and 28.9 percent to the total investment capital, compared to 15.9 percent and 16.2 percent, respectively, in 2006. The foreign-invested sector generated nearly 1.47 million jobs. To maintain this growth rate, Nguyen Thanh Bien, Deputy Minister of Industry and Trade said trade promotion and the investment environment should be further improved.-

- **Software industry growth stalls**

The software industry's growth halved to 20 percent last year, according to the Vietnam Software Association (VINASA). It was also much below the 35 percent projected at the beginning of the year and the 35-40 percent set out in the Vietnam Software Industry Development Programme approved by the Government in 2007.

VINASA, which groups 147 companies, including most of the biggest ones, estimated the industry's turnover at around 600 million USD.

It blamed the slower-than-expected growth on the global economic recession, which reduced spending on IT. The association, a member of the National Steering Committee on ICT, said in 2009 it would assist its members in overcoming the impact of the recession by developing the domestic market and focusing on major markets like Europe, Japan and the US . It would organise forums in Japan and Germany to promote the country's software industry and put enterprises in contact with clients, it said. It would, in collaboration with Japan , carry out a survey and draft the first "Overall Report on Vietnam 's Software Industry" to outline development programmes and policies, VINASA said. To facilitate cooperation between domestic enterprises and foreign partners, a system rank IT personnel would be developed based on international standards, it added.

Environmental

Social Front

• Laos

Political Front

Strategic Front

Economic Front

- **First International Education Exhibition of Laos opened**

The first International Education Exhibition of Laos opened last Friday at the Lao International Trade Exhibition and Convention Centre (Lao ITECC), Vientiane with the aim to promote education in Laos.

A three day event introduced about 80 education institutions from Thailand, Australia, Singapore, Malaysia and also from Laos. The types of products and services offered by these exhibitors include pre-schools, elementary, secondary and tertiary education programmes. Also available are vocational and distance learning programs, short courses and education toys.

To ensure a good turnout of public visitors to this inaugural event, the Ministry of Education of Laos, through its Department of Planning and Cooperation, has sent out circulars and posters to all the public and private schools in Vientiane to encourage the staff and students to attend.

- **Japan gives financial aid to development in Laos**

Japan has agreed to further support the development of infrastructure in Laos, and a signing ceremony regarding this was held at the Lao Plaza Hotel on 11 January. This event coincided with the two-day visit (11-12 January) to Laos of the Japanese Foreign Minister, Horofumi Nakasone, at the invitation of his Lao counterpart, Dr Thongloun Sisoulith.

The two ministers officially met each other in Vientiane and the two sides evaluated the friendly relations between the two countries, stretching as far back as 53 years. Over this period of time, high level delegations from the two sides have been carrying out exchange visits.

At this meeting, the Lao side expressed thanks to the Japanese Government for her support of the development of Laos, which had greatly contributed to the socio-economic development of this country and such a process had indirectly enhanced friendship and cooperation between the two peoples.

The two sides confirmed that they would provide bilateral assistance and cooperation to one another in the international and regional arenas, thereby ensuring benefit to the Lao and Japanese peoples.

During this meeting, the two countries signed two exchange notes for two projects and one of them is a non-project grant aid worth US$12 million (1.2 billion yen) focusing on procuring goods (construction materials, fuel, etc) necessary for economic stabilization and for lessening the negative impact of current international financial turmoil on the Lao economy.
The second project, a grant of US$618,000, is for the purpose of clearance of unexploded ordnance (UXO) in Saravan and Sekong provinces.

Environmental

Social Front

- **Laos boosts parliamentary co-op with Cambodia**

Leaders of the national assemblies of Laos and Cambodia on Sunday signed a Memorandum of Understanding (MoU) to map out their future cooperation. The MoU, inked by Lao National Assembly President Thongsing Thammavong and his Cambodian counterpart Heng Samrin, identifies areas of cooperation that include exchange visits by the two assemblies? top leaders, commissions, technical teams and friendship delegations, according to the Vientiane Times.

Both sides will organise meetings between administrative officials and technical staff who previously worked in the international and regional parliamentary arena, according to the MoU. Cambodia?s parliamentary delegation will attend the 17th Asia Pacific Parliamentarian Forum in Laos slated for Jan. 11-15.

- **Four provinces receive assistance from UNCDF**

The Deputy Head of the Supply for Better Service Delivery (SBSD) of the Governance and Public Administration Reform, Mr Khammoun Viphongxay, last Wednesday presented vehicles and office appliances to 12 districts in four provinces of Oudomsay,

The assistance is from the United Nations Capital Development Fund (UNCDF). These aids include 12 motorbikes, eight computers, four laptops and 12 bookcases totally worth over 247 million kip.

These aids will be used for the implementation of development projects in the districts of Namor, La, Pakbaeng of Oudomsay province, Samtai, Sobao and Aed districts of Houaphan province, Kham, Mork, Phoukoune and Phaxay districts of Xiengkhuang province and Kaleum and Dak-Cheung districts of Xekong province

• Cambodia

Political Front

- **Border row to be raised at Asean**

CAMBODIA'S border dispute with Thailand will be the focus of talks between Prime Minister Hun Sen and his Thai counterpart on the sidelines of next month's Asean summit, the premier said Tuesday, warning that the protracted military standoff over disputed territory should not be allowed to affect tourism and trade.

The issue, however, is not on the agenda of the wider Asean talks and likely will not be raised by bloc members when they convene in Hua Hin, Thailand, on February 27, Hun Sen said.

He said that Cambodia will try to limit the effects of the conflict with Thailand, and expand cooperation with all neighbouring countries.

Tempers flared on the border after Preah Vihear temple was listed as a Unesco World Heritage site in July, angering Thai nationalists who demanded that the then-government reclaim territory they claim was lost to Cambodia, including the 11th-century ruins and surrounding lands.

Cambodia and Thailand have never fully demarcated the 805-kilometre shared border.His meeting with the new Thai Prime Minister Abhisit Vejjajiva will be the first between the two leaders.Thai Foreign Minister Kasit Piromya plans to arrive Sunday in Cambodia for further talks on the border issue, which sparked the largest recent buildup of soldiers and military equipment on the countries' shared frontier. The dispute turned violent in October in a shootout that left four dead.

- **In Brief: Top MP discusses border with Hanoi**

Cambodian National Assembly President Heng Samrin was reported by Vietnamese state media as saying that demarcation of their shared border would be complete by 2012 following a meeting with his Vietnamese counterpart in Hanoi from January 15 to 19."We are like brothers, we always help each other," National Assembly deputy secretary general Chan Ven said, though he would offer no details on the ongoing talks. A bilateral agreement was signed in November last year allowing visa-free travel between the two countries

- **Hun Sen predicts hasty demise of new opposition alliance**

Cambodian Prime Minister Hun Sen has warned that the recent alliance of two main opposition parties will not last, national media reported on Thursday.

The Sam Rainsy Party (SRP) and the Human Rights Party (HRP), which are two main opposition parties in the Cambodian National Assembly (NA), agreed last week in principle to establish a political alliance called the Democratic Movement of Change (DMC) for the upcoming elections.

Hun Sen belongs to CPP, which is the major ruling party. The DMC is a new political force to lead and advance the country to have prosperity, according to the joint statement issued by both parties. The upcoming elections include the 2012 commune councils election and the 2013 general election. "We will walk on the non-violent and legal strategies for political actions," Sam Rainsy said, adding that the movement does not oppose any individual or parties. Meanwhile, Khem Sokha appealed to intellectuals and democratic supporters to join the DMC for upcoming elections.

In last year's general election, CPP won some 90 seats, SRP 26 and HRP 3 in all the 123 seats in NA.

Strategic Front

Economic Front

- **American returns to Cambodia to forge a future for orphans**

David Biviano, adviser to the Cambodian Children's House of Peace. WHEN David Biviano, PhD, heard that the Khmer Friendly House orphanage where he was serving as a volunteer was due to close in June 2008, he retuned home to the US.

But only long enough to sell his house and say his goodbyes, before returning to Siem Reap to sign on as official adviser to Hem Sathya, director of the Cambodian Children's House of Peace.

This institution was founded to take care of the 10 remaining children from the folded orphanage, but has since expanded to include another 20 children from Siem Reap province. Just over a month after its official opening on December 27, 2008, the House of Peace, or Santepheap, is preparing to launch a weekly traditional Khmer dance show, to start on Sunday, February 1.

Luckily, 10 of the children at Santepheap are already trained dancers, due to a program at their previous orphanage. But for many of the children it is a new experience

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Business and Politics in Muslim World

India

Sadia Khanum

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(Outline)

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Political front:

Some of truckers' demands reasonable: Advani

The Bharatiya Janata Party expressed concern over the impact of the truckers' strike on the people and also the future of some 53,000 employees of Satyam Computer Services, rocked by a Rs.7000-crore fraud. Leader of the Opposition L.K. Advani urged the government to urgently negotiate with the striking truckers while pointing out that the disruption in supplies of essential food items and goods resulted in a 30-50 per cent increase in their prices. Mr. Advani said some of the demands of the truckers were "reasonable." While aviation fuel prices had been revised downwards several times over the last several months, the price of diesel was cut by a mere Rs. 2 a litre.

There will be no repeat of 2004 after Lok Sabha polls: Karat

Communist Party of India (Marxist) general secretary Prakash Karat said that there would be no repeat of 2004 after the next general election. Mr. Karat was inaugurating a rally, organised in connection with the ongoing CPI(M) Central Committee meeting. There was no question of the CPI(M) and other Left parties supporting the Congress after its relentless pursuit of 'anti-people' economic policies that have caused immense misery to people, he said. "In fact, if it were not for the stiff resistance offered by the Left to the disastrous economic policies of the UPA, the financial system in the country would have collapsed very much like in the U.S. and other countries," he said.The CPI(M) general secretary said the Left parties were working on a strategy to see to it that the next government would be one led by neither the BJP nor the Congress but by secular parties. The Central Committee had resolved to go ahead with the current dialogue with various non-BJP non-Congress parties such as the TDP in Andhra Pradesh, AIADMK in Tamil Nadu and the Janata Dal (S) in Karnataka. Mr. Karat criticised the Indian Union Muslim League (IUML) for refusing to withdraw its Minister of State for External Affairs E. Ahamed after Parliament passed a resolution expressing strong disapproval of the Israeli aggression on the Palestine people. "It is a very good resolution and we welcome it. Now they must ask Mr. Ahamed to initiate the process to break the diplomatic relations with Israel. If Dr. Manmohan Singh does not do so, they must withdraw support to the UPA government. Then alone will the people believe the sincerity of the IUML in the matter," he said. Referring to the government's resolve to fight terror in association with the U.S., he said the country would not be able to fight terrorism in the company of the U.S., which was fully in league with Israel and the main cause of terrorism. It was the U.S. which propped up the Pakistani military and the ISI. On its part, the BJP was trying to use terrorism to further divide the people. The BJP and the sangh parivar were trying to put the entire blame for terrorism on the Muslim community, which was far from the truth as the country was faced with terrorism in different forms in its different regions, Mr. Karat said. West Bengal, Tripura and Kerala Chief Ministers Buddhadeb Bhattacharjee, Manik Sarkar and V. S. Achuthanandan also addressed the rally.

Trinamool wins Nandigram seat

The Trinamool Congress has bagged the Nandigram Assembly seat, the by-election for which was held on January 5. The Communist Party of India (Marxist) retained the Para Assembly seat in Purulia district and the Congress retained the Sujapur seat in Malda district. The election

results were announced on Friday. Of particular significance is the outcome in Nandigram considering that the polls there were held against the backdrop of its troubled past. Ever since violence broke out there in January 2007 in the wake of rumours that farmland is being acquired by the authorities for the setting up of a chemical hub, Nandigram has been in the news. The movement of the Trinamool-led Bhoomi Ucched Pratirodh (Resistance against Eviction from Land) Committee against acquisition of farmland morphed into a turf war between the Trinamool and the Left parties that continued for much of the year, well after the State government announced its decision to call off the industrial project. Coming less than eight months after the party came up trumps in the rural polls in Nandigram in May last, the Trinamool's victory, wresting the seat from the Communist Party of India, has been more impressive than its earlier electoral success. Its candidate, Feroza Bibi, whose son was a victim of the violence in Nandigram the previous year, defeated her closest rival, Paramananda Bharati of the CPI by more than 39,000 votes. Trinamool chief Mamata Banerjee described it as a "sign of change and of things to come."

'BJP has assured total support to Gorkhaland'

Gorkha Janamukti Morcha (GJM) president, Mr Bimal Gurung has claimed that BJP's central leadership has extended total support to the demand for creating Gorkhaland. Addressing a rally at Panighata Mr Gurung said that he had talks with senior BJP leaders like Mr LK Advani, Mr Rajnath Singh and Mr Sushama Swaraj who had accepted the logic behind the creation of the separate state and assured total support to fulfil the aspiration of the Hill people.

It's SP pressure tactic: Congress

The Samajwadi Party's unilateral announcement of candidates for 52 Lok Sabha constituencies in Uttar Pradesh is nothing but a pressure tactic; not so much for political mileage as for furthering its corporate agenda, the Congress said. Leaders of the Congress in the know of the goings-on between the parties claimed that it was not surprised at the SP's decision to go ahead with finalising candidature. "By and large, they have gone along with what was decided between the two parties," a leader said, while conceding that the SP had finalised candidates for some contentious seats also. "This is nothing but a pressure tactic." Besides in the matter of a couple of seats outside Uttar Pradesh, the Samajwadi Party is trying to mount pressure to have its way in the disproportionate assets case against some of its leaders, the spectrum controversy, gas allocation for the Dadri power project, land for an SP office in the capital, and more bungalows in Delhi's Lutyens' zone. It was difficult for any responsible party to be bulldozed into accepting these demands, a Congress leader said. "Can we go into an alliance with a liability that can lead to a scam?" Meanwhile, on a day when the SP came out with its third list of candidates, Congress general secretary in charge of Uttar Pradesh Digvijay Singh said the option of the alliance was open. While conceding that the SP's unilateral announcements did dilute the spirit of coalition dharma, Mr. Singh pointed out that friendly contests were inevitable in any alliance. Asked whether the UPA-SP coordination committee would meet in the near future to iron out the rough spots, Mr. Singh said he was unaware of any meeting being scheduled as he was not a member of the panel.

BJP: blow to India's diplomatic efforts

The BJP described British Foreign Secretary David Miliband's recent visit here as a "huge diplomatic disaster" for, it had dealt a blow to India's efforts to put pressure on Pakistan through the international community after the Mumbai terror attack. BJP general secretary Arun Jaitley

said Mr. Miliband had virtually endorsed Pakistan's stand by saying that the "resolution of the Kashmir issue would help deny extremists in the region one of their main calls to arms." This was almost the identical view that was expressed by the former Pakistan President, Pervez Musharraf, during the Agra Summit, Mr. Jaitley said. It seemed the government had "surrendered" before the view that Pakistan itself would conduct the trial, if any, against anyone it might find guilty of involvement in the Mumbai attack plot. "The targets of investigation would now become the investigators. The entire diplomatic effort by India has come to naught." BJP spokesman Rajiv Pratap Rudy pointed out that Mr. Miliband contradicted Prime Minister Manmohan Singh when he stated that there was no evidence of involvement by Pakistan's state agencies. Both Mr. Jaitley and Mr. Rudy criticised Mr. Miliband's "endorsement" of the Congress' "next generation leader Rahul Gandhi" by visiting Amethi. Mr. Rudy said this was a "highly undiplomatic" behaviour on the part of Mr. Miliband, especially as the visit to Amethi took place just ahead of the next general election. The Congress criticised Mr. Miliband's observation linking the Mumbai terror attack to Kashmir. In a statement, party spokesman Abhishek Singhvi described Mr. Miliband's comment that "resolution of the dispute over Kashmir would help deny extremists in the region of their main calls to arms" as "unfortunate." Mr. Miliband, according to the Congress, tried to relate two issues that had no linkages. "To link Kashmir with Mumbai, directly or indirectly is completely untenable. It dilutes the unity and integrity of the war against terror." Referring to the blasts in the London underground, Mr. Singhvi said no attempt was made to link them to Iraq or Northern Ireland. "The same yardstick should be applied to the Mumbai attack."

BJP: we will ensure that farmers get cheaper loans

BJP president Rajnath Singh promised that a government led by the party at the Centre would ensure that farmers got loans at not more than four per cent interest. He was speaking at a meeting where farmers' representatives met National Democratic Alliance's prime ministerial candidate L.K. Advani here. Mr. Advani said the debt waiver announced by the United Progressive Alliance government had not ended the plight of farmers who continued to commit suicide in large numbers in Maharashtra, Andhra Pradesh and some other States. He pointed out that the growth of agriculture was not adequate and its share in the overall Gross Domestic Product had fallen. With over 60 per cent of the population still dependent on agriculture, this sector needed to be given maximum attention. The large number of people dependent on agriculture was also the reason for India's social and economic problems, including unemployment and under employment.

Mumbai Attacks and Aftermath:

Sharing of material helped nail Pakistan's denial

A day after the Ministry of External Affairs (MEA) wrapped up briefing the envoys here, India feels it has "nailed" Pakistan's policy of denial and prevented Islamabad's efforts to "hyphenate" the victims and perpetrators of terror. Diplomatic sources said External Affairs Minister Pranab Mukherjee had finished writing to 184 counterparts, detailing the links between elements in Pakistan and terrorists behind the Mumbai attack. The MEA also shared the material about the terror strikes with over 130 heads of mission. "This has dealt with one of their excuses that they don't have evidence although it defies imagination why they would need material because after all, the Lashkar-e-Taiba was their creation. By sharing this material with everyone, we have nailed their denial," said the sources. Although Pakistan has promised to examine the material, the sources were sceptical whether it would travel down the road of booking the masterminds of

the attack on the strength of its past actions in similar cases of terror attacks. India had handed material related to Pakistan's involvement in terror strikes at least 10 times. Evidence was presented four times at the joint anti-terror meetings; once at the Foreign Secretary level talks and five times during Home Secretary level meeting. "The result? In all cases, all actionable leads were obliterated. This is the so-called cooperation we received so far," said the sources. Pakistan Prime Minister Yusuf Raza Gilani promised Prime Minister Manmohan Singh in Colombo last August that the Kabul Embassy suicide attack would be investigated. "We are still waiting for details from their so called investigations," said the sources while dismissing Islamabad's offer of a joint probe as a "cheeky exercise in futility given their track record." They referred to Mr. Mukherjee's observation about the state of the criminal justice system in Pakistan which could not investigate Benazir Bhutto's assassination and had to seek the help of the United Nations. "This same set-up is talking of joint investigations. This is nothing but another attempt to deflect attention," said the sources. But they were open to the idea of both sides conducting parallel investigations and sharing the results with each other. It was in this context that India was giving other countries the message that Pakistan should not think it was taking action in anybody's interest. This terrorism was bound to spill over and affect other countries. This was clear from the targeting of Jews and foreigners from western countries during the Mumbai attacks, the sources said. "We have been victims of terror from Pakistan for 30 years. It has been their state policy to inflict 1,000 cuts on our polity. We are expecting and calling upon Pakistan to honour its commitments. We are not making a demand. It is in everyone's interest that they do so."

We can't accuse Pakistan agencies without proof: U.S.

While maintaining that it would work "non-stop" to bring the masterminds of the Mumbai terror attack to justice, the U.S. has not concurred with India's formulation of official Pakistani agencies having given a helping hand to the attackers. U.S. Ambassador to India David Mulford sought to differentiate the American stand from the one articulated by Prime Minister Manmohan Singh and Union Home Minister P. Chidambaram of some Pakistani agencies having quarterbacked the attack in view of its sophistication. "I don't think we want to take the view that we make accusations against certain parties without the usual evidences or proofs. There is a new government in Pakistan which we support. So does India. We are seeking to assist it in carrying out its obligations," Mr. Mulford said in response to questions, including whether the U.S. agreed with India's suspicion of Pakistani agencies' involvement in the terror attacks and if Islamabad was capable of taking on terrorist organisations. However, the U.S. was one with India on the issue of bringing to book the perpetrators of the terror strikes, especially because six American citizens were among those killed. It was also convinced that the strikes had shown there was a "problem" in Pakistan. "The U.S. has its own law. When Americans are killed anywhere, we pursue those people and that is what we are up to in Pakistan. We will press ahead and we will do it non-stop as long as it takes," said Mr. Mulford. "Like India, we have a common agenda — we want to see Pakistan succeed, not fail, not become a serious problem, not become a failed state. That is the American agenda. But the situation in Afghanistan has complicated that agenda where the U.S. is pursuing its national interests." The U.S. Ambassador had earlier reposed faith in the dossier presented by India, terming it "credible" since "a lot of that was prepared with assistance from the FBI. The U.S. doesn't compile stuff which is not credible."

India refutes Pak statement

India said it had received no reply from Pakistan to the dossier of evidence on the Mumbai terror attacks as claimed by Islamabad.In response to Pakistan Prime Minister Mr Yousuf Raza Gilani's statement yesterday that the ISI had "given its feedback" to India on the

Mumbai attacks, minister of state for external affairs Mr Anand Sharma said: "I will only comment after receiving the reply."Pakistan, meanwhile, took an aggressive stand accusing the world of "double standards" and said there was no need to make "so much noise" over the Mumbai attacks. Raising the pitch, Mr Gilani asked why no one was speaking about the alleged "atrocities" in Jammu & Kashmir and the killing of innocent people in the Israeli attack in Gaza. "We have to see that the world does not have double standards," he said. "The HRCP regrets that one of the perpetrators of the Mumbai carnage is confirmed as a Pakistani, but commends the government of Pakistan for facing this unpleasant reality," HRCP chairperson Ms Asma Jahangir said in a statement. Meanwhile, Pakistan has cut by 20 per cent the non-developmental expenditure of all ministries to meet defence needs amidst tensions with India. Former President Mr Pervez Musharraf today said surgical strikes cannot be carried out against Pakistan and if such an eventuality arises the country is prepared to respond with "full force". "We have maintained a force level which is adequate for deterrence. And we have the resolve to use the force if there is any danger," Mr Musharraf said.

Manmohan's card to Zardari big news

From a hoax call from a man pretending to be External Affairs Minister Pranab Mukherjee and threatening war to a New Year greeting card – apparently genuine – from Prime Minister Manmohan Singh with a message of peace, Pakistan's President Asif Ali Zardari can now say he has seen it all in six short weeks. The hoax call, days after the Mumbai attacks, escalated the tensions between the two countries. It made President Zardari reach for the phones to the Pakistan Army and Washington, and the Pakistan Air Force was put on full alert. The presidency did not like it when it got out that it had been had. The New Year card, the Aiwan-e-Sadr is not hiding. The news of its arrival made it to the wires of the State-run Associated Press of Pakistan. The card, which is said to have a dove printed on the front, is being described as "a message of warming relations between the two countries" nearly two months after the Mumbai attacks. "The leadership of Pakistan and India have been stressing on the continuity of peace process between the two countries, with President Zardari always emphasising that the peace process should not be hijacked by the non-State actors. Now the good wishes extended by Prime Minister Singh to President Zardari through a greetings card, having a dove printed on its front side, also exhibits the same desire of peace and harmony between the two South Asian neighbours," APP gushed. Inscribed by both Dr. Singh and his wife Gursharan Kaur, the card says "with all good wishes for the new year." Contacted by a cheeky Pakistani journalist who wanted to know if the card had been confirmed as genuine, the President's spokesman, Farahtullah Babar, said in his matter-of-fact manner that the card had arrived through the Foreign Office.

No dilution of position, says Pranab

A day after saying the perpetrators of the Mumbai terrorist attack could be tried in Pakistan provided this was done in a transparent manner, External Affairs Minister Pranab Mukherjee changed tack to stress there was "no question" of India giving up its demand that they be handed over to face justice here. With the Opposition parties accusing the government of contradicting itself after insisting that the Mumbai plotters must all be extradited, Mr. Mukherjee met briefly with television reporters on Friday in an attempt to set the record straight. Asked to clarify his comment to "Aaj Tak" channel that while the government would like the attackers of Mumbai to be extradited to India, they should be tried in Pakistan if for some reason that were not possible,

Mr. Mukherjee said: “We have never given up the demand that the perpetrators of terror acts should be extradited to India. There is no question of that or [a] climbdown.” In his interview to “Aaj Tak” on Wednesday, Mr. Mukherjee said “they should try the perpetrators of Mumbai” when asked what he wanted from Pakistan. “The trial should be transparent. We have caught Ajmal Kasab. But there were others who were a part of the conspiracy. They should be caught and tried there.” Mr. Mukherjee repeated this demand for a Pakistani trial in his statement on Friday, but insisted that the Mumbai perpetrators “must face Indian justice” as the terror crimes were committed in India. “This is not an either or situation as these things are not mutually exclusive,” he said, adding that “the position is quite clear and there is no question of dilution in position.” He said major terror acts have been committed in India. “These were planned and launched from Pakistan. Only full investigations, which are transparent and verifiable in Pakistan, can unveil the full conspiracy Pakistan is obliged to investigate and prosecute the criminals.” It was up to Islamabad to ensure that individuals based in Pakistan did not commit criminal acts elsewhere “and then have effective immunity simply because they are Pakistani nationals.”

Pakistan briefs Indian envoy

Pakistan on Friday officially conveyed to India the steps taken by it against those linked to the Mumbai attacks, urging that the two countries should go back to the peace process that New Delhi says it has put on “pause” mode. Pakistan said it had conveyed to Indian High Commissioner Satyabrata Pal the “sequence and series of actions initiated by the government in pursuance of its international obligations as well as relating to the Mumbai attacks.” Mr. Pal met Pakistan Foreign Secretary Salman Bashir at the Foreign Ministry where he was given the information. The Indian envoy was also given a letter from Prime Minister Yusuf Raza Gilani — described by the Pakistani media as a “message of goodwill” — responding to Prime Minister Manmohan Singh’s New Year greetings to him. According to an official present at the meeting, the information handed over by Pakistan was a “recapitulation” of what Rehman Malik, who heads the Interior Ministry, told journalists on Thursday. Responding to Mr. Malik’s announcement, External Affairs Minister Pranab Mukherjee said Pakistan should have conveyed this information “direct” to India through “existing diplomatic channels.” It would appear that it was in response to this that Pakistan handed over the same information to Mr. Pal. A statement from the Foreign Ministry said Mr. Bashir referred to Mr. Gilani’s statement in the National Assembly earlier this week that the government had launched an official inquiry. “The Foreign Secretary mentioned that it was important for Pakistan and India to chart the way forward on anti-terrorism cooperation as well as the imperative need for an across-the-board constructive bilateral engagement,” the Foreign Ministry said without specifically referring to currently “paused” composite dialogue process.

Act faster on 26/11: Miliband

Stepping up pressure on Pakistan, Britain on Friday asked it to go “farther and faster” in taking action against those involved in the Mumbai attacks and root out terrorist infrastructure within the country. “The whole international community wants Pakistan to go farther and go faster,” British Foreign Secretary David Miliband told a press conference here after meetings with Pakistani leaders, including Prime Minister Yousuf Raza Gilani. Mr. Miliband, who travelled to Pakistan after a visit to India, advocated a two-pronged approach comprising the prosecution of the people detained and “putting out of business” the terrorist infrastructure within Pakistan that can be used to launch further attacks outside the country. “I want the Pakistan government to take action because British people have been hurt... because terrorism from Pakistan is a threat to the stability of the whole region,” he said. “It is vital that the detentions are turned into prosecution with

charges, and if found guilty, for the persons to be punished," said Mr. Miliband, adding Pakistan must "rebuff" attempts to use its soil as a launching pad for attacks like those in Mumbai. In the long term, Pakistan must use a combination of economic, political and security measures to root out terrorist infrastructure. For this, the country would need the support of the world community through steps such as the provision of financial aid by the International Monetary Fund and Friends of Pakistan, he said. Mr. Miliband said it was "very clear" that the Mumbai attacks were carried out by the outlawed Lashker-e-Taiba group and had originated in Pakistan. The terrorism that is affecting both India and Pakistan needs to be "tackled at source," said Mr. Miliband. After his meetings with Pakistani leaders, the British minister said he was convinced that the government was committed to finding and prosecuting the perpetrators of the Mumbai attacks. Mr. Miliband said it was also clear that Pakistan's current policy to tackle groups like the LeT does not work and needs to be reviewed. Though External Affairs Minister Pranab Mukherjee had said in New Delhi on Friday that "the first preference of India is for extradition" of the suspects linked to Mumbai, this did not rule out "successful prosecution" in Pakistan, Mr. Miliband said. "Prosecution in the Pakistani system is satisfactory," he added. Mr. Miliband later met President Asif Ali Zardari over dinner and will meet Army Chief Ashfaq Parvez Kayani on Saturday. Mr. Miliband also made it clear that he was not conveying a message on behalf of India. "I want Pakistan to take action because British citizens were killed in the [Mumbai] attacks," he said. Three Britons were killed and seven others injured in the terrorist strike and this "directly speaks to British national interest," he said.

Police refuse to believe accounts of 'key witness'

Anita Uddaiya, 47, has been throwing the Mumbai Crime Branch into a tizzy since a popular city tabloid reported her missing four days ago. Uddaiya is a resident of Machchimar Nagar in Cuffe Parade, a fishing colony along the coast where the Mumbai attackers docked on November 26. She has claimed to have seen the attackers. A complaint was lodged at the Cuffe Parade police station by her daughter Seema after she went missing on Sunday morning. Just as mysteriously as she disappeared, she reappeared three days later on Tuesday night. In her version to the media, she reportedly said that she was taken to the United States as a witness and her statement was recorded in camera before unidentified persons. She said that on Sunday morning she joined the "white men" she had been in touch with since December. They took her to the airport to board a flight to the United States. There she stayed in a hotel, whose name she does not know. After spending a night there, her statement was recorded the next morning. She was then taken back to the hotel and to the airport from there. She has given explicit details of her flight, the food she ate, the hotel she stayed in, the tall buildings that she saw, in her interview to the tabloid. There seems to be many loopholes in the story that Uddaiya has told the media. Questioning the credibility of Uddaiya 's account, Rakesh Maria, Joint Commissioner of Police (Crime), said that she did not even have a passport and rubbished her claims of being a key witness. The police are miffed at Uddaiya's account, and call it a "publicity" stunt. They have gone to the extent of registering a case against her and her daughter on Friday under Section 182 of the Indian Penal Code (false information, with intent to cause a public servant to use his lawful power to the injury of another person). It is a non-cognisable offence. "We shall seek permission from the court to conduct an inquiry into the matter. We have traced her movements till Sunday evening and she was somewhere around the city. In her statement to the police on return, she has said that she had gone to visit a relative in Rahimatpur in Satara district [in Maharashtra]," said Rakesh Maria, Joint Commissioner of Police (Crime). He categorically denied that Uddaiya was a key witness in the case as she was touted to be. "She is not my witness. She was not part of the identification parade. She was not taken to J.J. Hospital to identify the terrorists' bodies. We have only recorded her statement in which she flip-flopped. I have quite a few witnesses from Machchimar Nagar.

They were there for the identification parade," said Mr. Maria. Uddaiya was called for questioning on Friday to explain the knotty affair, police say. Initially, she said she had gone to Satara but later she said that she was taken by the white men for questioning abroad.

It is information, not evidence'

Even as it promises a "serious examination" of the dossier received from India on the Mumbai attacks, Pakistan is falling back on making a fine distinction between "information" and "evidence" in an apparent effort to reassure domestic public sentiment that the alleged Pakistani links of the attackers are far from proven. On the floor of the National Assembly on Tuesday, Prime Minister Yusuf Raza Gilani repeated what Foreign Secretary Salman Bashir told a parliamentary committee a few days ago: "All that has been received formally from India is some information. I say information because these are not evidence. This needs to be carefully examined." In the course of making what was described as a "policy statement" on the Mumbai incident in the lower House of Parliament, Mr. Gilani, however, strikingly omitted any mention of Ajmal Amir Kasab, the surviving Mumbai attacker, who was last week acknowledged by the government as a Pakistani national. The Prime Minister said the dossier had been forwarded to the Interior Ministry for "necessary inquiry in accordance with the law," promising that the results would be shared with India in "due course of time." Underlining the need for "serious, sustained and pragmatic cooperation" as the way forward to getting to the perpetrators of the attack, Mr. Gilani recalled Pakistan's proposals for conducting a joint investigation with India. "India has, however, not responded to our proposal. We hope they will see merit in it and accept a joint inquiry, Mr. Gilani told the lower House of Parliament. The government's repeated emphasis on "evidence," as opposed to "information," has helped keep up a view in the Pakistani media that the material India has provided is of little value. Indian officials here said it was never New Delhi's claim that the dossier was evidence that could be presented as such in a court of law. Rather, it contained leads that point to the involvement of the Lashkar-e-Taiba in the Mumbai attacks. It was now Pakistan's job, the officials said, to follow the leads through its own investigations in order to collate the "evidence."

Terrorist camps in Pakistan still active: Indian Army commander

Stating that militant incursions from across the border in Kashmir had come down considerably, a senior Indian Army commander on Thursday said terrorists training camps were, however, still active in Pakistan. "There are about 800 terrorists active in Jammu and Kashmir and different (terror) organisations are inter-linked," Lt.Gen. P.C. Bhardwaj, the General Officer Commanding in Chief (GOC-in-C) of the Northern Command, told reporters. Bhardwaj was speaking to the media at Akhnoor near Jammu on the occasion of Army Day. He said the militant groups were coordinating their strikes. Even though the infiltration of militants from Pakistan across the Line of Control (LOC) had considerably come down but "a number of terrorists training camps are still active in Pakistan", he said.

Ties may snap: Chidambaram

India may break off business, transport and tourist links with Pakistan if it fails to help to investigate the Mumbai attacks, Union Home Minister P. Chidambaram has warned. "There are many, many links between India and Pakistan, and if Pakistan does not cooperate and does not help to bring the perpetrators to heel, those ties will become weaker and weaker and one day snap," he told *The Times* . "Why would we entertain Pakistani business people? Why would we entertain tourists in India? Why would we send tourists there?"

Pakistan must fulfil its obligations: Miliband

British Foreign Secretary David Miliband said Tuesday that he did not agree with the perception of Pakistani agencies' involvement in the Mumbai terror attacks but called upon Islamabad to fulfil its international obligations by frontally challenging the terror groups operating from its territory. Mr. Miliband, who was addressing a joint news conference with External Affairs Minister Pranab Mukherjee, said: "I have said publicly that I do not believe the attacks were directed by the Pakistani State." But he felt it was "clear where the responsibility lies for Mumbai attacks, it is with the Lashkar-e-Taiba …Britain wants Pakistan to comply with its obligations to deal with terror…Pakistan has a fundamental responsibility to tackle the roots of the Lashkar, which is clearly behind the Mumbai attacks….it is essential in this case." At the end of 'exhaustive" talks, Mr. Mukherjee insisted that Pakistan must extradite all those sheltered there after committing crimes on the Indian soil. He hoped Pakistan would be obliged to implement all international conventions and the resolution by the United Nations Security Council on bearing down on organisations and individuals responsible for executing terror acts. Mr. Mukherjee hoped that with the help of the material and evidence provided by India, Pakistan would act and ensure that the perpetrators of the Mumbai attacks were brought to justice. British Foreign Secretary David Miliband said Tuesday that he did not agree with the perception of Pakistani agencies' involvement in the Mumbai terror attacks but called upon Islamabad to fulfil its international obligations by frontally challenging the terror groups operating from its territory. Mr. Miliband, who was addressing a joint news conference with External Affairs Minister Pranab Mukherjee, said: "I have said publicly that I do not believe the attacks were directed by the Pakistani State." But he felt it was "clear where the responsibility lies for Mumbai attacks, it is with the Lashkar-e-Taiba …Britain wants Pakistan to comply with its obligations to deal with terror…Pakistan has a fundamental responsibility to tackle the roots of the Lashkar, which is clearly behind the Mumbai attacks….it is essential in this case." At the end of 'exhaustive" talks, Mr. Mukherjee insisted that Pakistan must extradite all those sheltered there after committing crimes on the Indian soil. He hoped Pakistan would be obliged to implement all international conventions and the resolution by the United Nations Security Council on bearing down on organisations and individuals responsible for executing terror acts. Mr. Mukherjee hoped that with the help of the material and evidence provided by India, Pakistan would act and ensure that the perpetrators of the Mumbai attacks were brought to justice.

JuD camps, websites shut, chief arrested: Pak

Pakistan has claimed that it has detained 71 members of outlawed militant groups and put under surveillance 124 others, besides shutting down five "training camps" of JuD and banning its websites in the wake of the Mumbai attacks blamed on elements based in this country. Interior Ministry chief Rehman Malik said a special investigation team headed by an Additional Director General of the Federal Investigation Agency is being set up to examine "without any prejudice" all aspects of the Mumbai attacks and the information provided by India. The team will include two other officers with counter-terrorism experience. Giving details of Pakistan's investigation in the wake of the Mumbai incident, Malik said 71 members of banned militant groups had been detained so far. Among them are leaders of Jamaat-ud-Dawa (JuD) and Lashker-e-Toiba, including Hafiz Mohammed Saeed, the founder of both groups, Mufti Abdur Rehman, Col (retd) Nazir Ahmed, Ameer Hamza and LeT operations commander Zakiur Rehman

Lakhvi.

Significantly, Malik did not say whether any legal proceedings had been initiated against the detained persons. Authorities had shut down eight relief camps and five training camps run by JuD in Punjab province and PoK. Though no evidence was found in these facilities, there were "traces" that 5 of them were being used as "training camps", he said. Six publications of JuD, including the weekly 'Ghazwa', and the group's websites too had been banned, he said. Malik said that 124 members of banned groups had also been placed under surveillance for the past six months under the provisions of anti-terror laws. Asked whether the information given by India on the Mumbai attacks constituted evidence, he replied: "We are accepting that information, and we have formed an investigation team with a view to reach the culprits."

Pak to formally respond to Indian dossier within a week

Pakistan will formally respond within a week to India's dossier on the Mumbai attacks by describing the information provided in it as "scanty and insufficient" and by renewing its offer for a joint probe into the terrorist strike, a media report said. "The Pakistani response is almost prepared after prolonged consultations here among the foreign office, interior ministry and other security agencies and it is being given a finishing touch," a senior official who did not want to be named told the pro-establishment The Nation daily. The response will be handed over to India in a week after it is approved by the President and Prime Minister, he said. The dossier had been thoroughly examined and the Pakistani response could be summarised by saying that "the Indians would be told to extend concrete evidence to Islamabad and not information", the official said. The response will also describe "the so-called Indian evidence as scanty and insufficient," the daily said. Pakistan would repeat its offer for a joint probe into the Mumbai attacks with "a plea that it was the only workable solution" to the standoff between the two countries, he said. The official declined to share details of the Pakistani response but said that it described the "Indian information (as) not something that could be produced as admissible before the court as a piece of evidence".

Domestic Situation:

Gujarat is the benchmark, asserts Modi

Gujarat Chief Minister Narendra Modi said he did not want any certificate on secularism from any corner of the world. “No one should preach secularism to us. Our history shows that secularism is in our blood, mythology, [and] philosophy,” said Mr.Modi said. The country’s history showed that it had “never attacked anyone anywhere at any time,” he pointed out. “We are committed to harmony. We are dedicated to our Constitution. No one should question us,” he said amid applause. To another question regarding justice to victims of the Gujarat riots, Mr.Modi blamed vested interests, especially some non-governmental organisations, for stalling the proceedings and securing stay orders from the Supreme Court. Asserting that Gujarat had become a model for others, he said: “Positive or negative, Gujarat is the benchmark.”

Students’ lack of interest in science worries PM

Concerned over the lack of enrolment of students in science subjects in universities, the Prime Minister, Dr Manmohan Singh, said it was "disturbing" as the government was "committed to making science education attractive to our youth". Speaking at the Platinum Jubilee celebrations of the Indian National Science Academy (INSA) here, he said: "We cannot expect to create a large talent pool of scientists to service a knowledge economy if this share does not pick up significantly in the years to come. We need to look into the reasons for this unsatisfactory situation and I hope that you will deliberate on this as well." Dr Singh said that though over the years many institutions of excellence have been built, he could say with "some satisfaction that since the early years of Independence, no government has done more to increase the number of institutions of excellence in the country than the present government". However, he felt that maintaining standards in sciences and education while expanding the base at such a pace was indeed a difficult task and he expected institutions like INSA to reflect on ways to combine expansion with excellence. "At the same time it is important that we raise the standards of science teaching and research uniformly so that we are not left with islands of excellence in a vast sea of mediocrity. The centre of gravity of scientific research appears to have moved away from universities, a trend that I do have worries about. The government can help with financial support but it is the scientific community that must give scholastic substance to the infrastructure that exists or is coming into being," he said.

World Bank ranks Karnataka first, Kerala second

The World Bank has developed a new Investment Climate Index to help identify the key challenges and bottlenecks to be overcome in attracting business investment. In a policy research working paper, World Bank analyst Guiseppe Iarossi ranks the investment climate in 16 Indian States, using data from a survey of 4,000 entrepreneurs in 2005. Karnataka tops the list, with Kerala a close second. Tamil Nadu comes in at ninth place, overtaken by Gujarat, Andhra Pradesh, Haryana, West Bengal, Maharashtra and Delhi. Having identified 46 variables descriptive of the business environment in the 16 States, the researcher grouped them into three categories: inputs, infrastructure and institutions. Two dimensions were identified for each category: the objective indicators of cost and the subjective indicators of perception. Noting that both Delhi and Tamil Nadu seemed to be ranked lower than expected, the paper concludes that Delhi was dragged down by poor power infrastructure and the worst performance in terms of corruption of all 16 States. Tamil Nadu, on the other hand, finds its rankings lowered by poor performance on access to finance, lack of skills and availability of technology, according to paper. The Index attempts to rank the most important bottlenecks to a better business climate, so that governments can better prioritise policies to remedy them with appropriate interventions. Infrastructure is the biggest variable distinguishing between the best and worst States on the Investment Climate Index, with electricity being the single biggest constraint within that category. This is confirmed by both subjective and objective indicators, with the bottom six States in the rankings facing a large number of power outages and large losses due to such outages. The second most important constraint is poor transportation infrastructure, according to the paper. The World Bank used the 2005 data collected in its Investment Climate Survey to construct the new Index.

Thackeray's charge against Karnataka

Attacking the BJP government in Karnataka over the boundary row, Shiv Sena chief Bal Thackeray said Chief Minister B.S. Yeddyurappa was heaping "grave atrocities" on the Marathi people. "Chief Minister Yeddyurappa was accorded a red carpet treatment when he visited Mumbai. The same Chief Minister is heaping grave atrocities on the Marathi people in Karnataka," Mr. Thackeray said in an editorial comment in Sena's mouthpiece *Saamna*. "We are happy that Mr. Yeddyurappa was behind the 'lotus' blooming in the South. But why is he bent on the 'massacre' of the Marathi people?" he asked. Recalling Mr. Yeddyurappa's remarks that in Mumbai he felt like being in Mysore due to the presence of lakhs of Kannadigas, Mr. Thackeray said, "Why don't you apply the same logic in your State and stop tormenting Marathi people?" On the plan to field the former Union Home Minister, Shivraj Patil, for the post of President, he said: "We said that he won't get the Sena support just because he is a Marathi. We said he should first tell us what he did for the Marathi people in Karnataka's border areas." Mr. Thackeray's comments came as the nine-day session of the Karnataka Legislature commenced in Belgaum on Friday. The session is being held in the backdrop of protests from the Maharashtra Ekikaran Samiti, which is seeking the merger of 856 villages and towns of Karnataka with Maharashtra.

Lalu Prasad gets a feel of bullet train

Railway Minister Lalu Prasad, now in Japan to shore up funds for the proposed dedicated freight corridor, got a feel of the high-speed bullet train on Tuesday. Mr. Prasad, who is said to have carried his own basket of eatables, boarded the Shinkansen, the Japanese name for the bullet train, from Tokyo for a 2 hour 20 minute journey to Kyoto. The train attains a speed of up to 300 km per hour along the 515-km journey. Mr. Prasad's business for the day and Wednesday requires at least three trips in bullet trains. These included visits to Shin-Kobe and Shin-Osaka and back to Tokyo. Leading a high-level delegation of his Ministry, Mr. Prasad is meeting a number of Japanese ministers and officials to expedite construction of the Rs.37,000-crore eastern and western corridors. Japan has agreed to provide Rs.17,000 crore as soft loan to finance a part of the western corridor project. India is also expected to purchase about 160 new class electric locomotives of 9000 HP to 12000 HP. According to sources in the Railway Bhawan, Mr. Prasad was keen on procuring a part of the soft loan during the current fiscal itself as work on the project is to start soon.

Shorter Republic Day parade this year

The Republic Day parade, an annual feature showcasing military might, cultural heritage and development of the country, will have a shorter run this year. Over the years, the parade, which begins at the base of Raisina Hill and winds it way to the Red Fort, has taken about two hours. Last year, the duration was 110 minutes. This year, the time could be slashed by 30 minutes, said officials in the Defence Ministry, which is primarily responsible for putting up the grand show that usually ends with a fly-past by the Indian Air Force. One of the reasons for time reduction is to accommodate a ceremony preceding the parade, at which the President presents Ashoka Chakra, the highest peacetime gallantry medals. There would be a drastic reduction in cultural programmes by schoolchildren, the officials said. The officials said that over the past few years media reports suggested that the parade duration be shortened. The route itself was curtailed a few years ago with the parade moving from the India Gate roundabout towards Bahadurshah Zafar Marg and on to Red Fort, skipping Connaught Circus and Chandini Chowk. The parade itself is split into two parts, with the marching contingents doing the entire stretch from the Rajpath to the Red Fort while those presenting the cultural pageantry and schoolchildren stop at

the National Stadium, close to the India Gate roundabout. In the days ahead of the parade, people in Delhi have witnessed diversions and traffic regulation as movement on the Rajpath segment is restricted for allowing the participants to practise.

Economic Front:

Inflation below 6 p.c.

Inflation, for the first time in 10 months, fell below six per cent, due to the declining prices of manufactured goods and food items.

Satyam to have new auditing firm

The government-appointed Directors on Monday took charge of Satyam Computer Services and announced that they would appoint a new auditing firm within 48 hours to re-state the accounts. Also, they would immediately begin searching for a new Chief Executive Officer and a Chief Financial Officer. The Directors said they were talking to banks for funds to disburse the employees' January salaries. Banks would come forward with money only on being satisfied with the re-stated accounts. The Board would seek extension of time to announce the third quarter financial results. While working capital issues topped the priority, the option of merger was also open. At a press conference after six hour-long deliberations at Satyam Infocity, new Board members Deepak Parekh, Kiran Karnik and C. Achutan said a new chairman would be elected after the appointment of other directors. The Directors said they had talked to two independent auditing firms, which would submit their proposals by Tuesday. The accounts for the last three to four years would be looked into, as none had faith in the numbers produced so far. Price Waterhouse would continue to be the official auditors until the next annual general meeting. Mr. Parekh said the books indicated huge amounts of receivables, as the company had marquee customers, virtually the 'AAA'-rated who's who of global corporations. But the veracity of the figures had to be ascertained. Going by the available records, the debt against receivables was minimal. Restoring the confidence of customers, staff, suppliers and investors to ensure business continuity was uppermost in the Directors' minds.

Inflation eases to 5.24 per cent

Good news on inflation continues as the wholesale price index fell for the tenth week in a row to an almost 11-month low of 5.24 per cent for the week ended 3 January, prompting the finance ministry to project that it would go down to three to four per cent by 31 March. Inflation, measured by movements in wholesale prices, dipped by 0.67 percentage points to 5.24 per cent for the week ended 3 January from 5.91 per cent in the previous week, which may result in an even softer interest rate regime. It stood at 4.26 per cent a year ago. "We are seeing a robust and healthy decline in inflation. The expectation is that inflation will come down to a still more manageable number, that is, between three and four per cent, by the end of March," economic affairs secretary Mr Ashok Chawla said. Economists, however, are more optimistic. Crisil principal economist Mr DK Joshi said: "There is a possibility that the inflation rate will go down to two per cent by March or April." On the possibility of policy rate cuts by the Reserve Bank, he said,: "The RBI's action is independent of the week on week levels. They go by trends. But lower inflation just facilitates easing monetary policy. Interest rates will definitely come down."

Corporate image shouldn't suffer: Manmohan

Prime Minister Manmohan Singh held discussions with his senior Cabinet colleagues on exploring the ways and means of salvaging the fraud-ridden Satyam Computer Services. He reviewed the steps being taken to bring the guilty to book in the Rs. 7,100-crore fudging of accounts of the IT major. Apart from Corporate Affairs Minister Prem Chand Gupta, who briefed Dr. Singh on the Satyam developments, the meeting was attended by External Affairs Minister Pranab Mukherjee, Home Minister P. Chidambaram, Commerce and Industry Minister Kamal Nath and Planning Commission Deputy Chairman Montek Singh Ahluwalia. Briefing the media, Mr. Gupta said: "We are looking at different possibilities …We apprised the Prime Minister and other Ministers of the situation and what action has been taken, what is being done, and what will be done." The top-level political deliberations came a day after the three-member board appointed by the Centre took charge of Satyam to take stock of the extent of affliction and chart the future course of action. At its maiden briefing at Hyderabad on Monday, the board, comprising HDFC chairman Deepak Parekh, the former Nasscom president, Kiran Karnik, and the former SEBI member, C. Achutan, clearly indicated that the immediate priority was to attend to the liquidity crunch that was afflicting the company's ongoing business and to restore the confidence of its overseas clients and 53,000 employees. Mr. Kamal Nath had also indicated that the government was open to considering a financial package to protect the interests of the employees and other stakeholders. According to sources, the issue of cash crunch did figure during the review meeting convened by Dr. Singh. While all options are under consideration, it is, however, not clear whether the government will announce an outright "bailout" package or direct a consortium of public sector banks to make available the required funds in tranches as working capital. The Prime Minister's objective, the sources said, was not only to salvage the beleaguered company but also ensure that the global image of India Inc., particularly the IT sector, was not tarnished. While the government is yet to appoint more directors, Dr. Singh has already directed Cabinet Secretary K.M. Chandrasekhar to "coordinate" the steps being taken by various government agencies and other regulators on the Satyam issue.

Infosys posts 33% rise in net at Rs. 1,641 cr.

Second largest software services exporting company Infosys Technologies beat market expectations by posting a 35.5- per cent year-on-year revenue growth in the third quarter of 2008-09. Sequential growth of revenues, over the previous quarter, was 6.8 per cent. In the quarter ended December 31, the company earned Rs. 5,786 crore, while making a net profit of Rs. 1,641 crore. The net profit registered a year-on-year increase of 33.3 per cent. In dollar terms, revenues increased by a more modest eight per cent to $1.171 billion in the third quarter compared to same period in the previous year. Announcing the results here Infosys CEO and Managing Director S. Gopalakrishnan said, "This is a very good performance, considering the difficult times we are in." He admitted that the depreciation of the rupee had benefited the company. This is highlighted by the fact that in dollar terms, year-on-year growth in the third quarter was only 8 per cent, compared to 35 per cent in rupee terms. In fact, revenues in the third quarter actually declined by 3.7 per, when compared to the previous quarter. Mr. Gopalakrishnan admitted that the company's ability to fix prices had been impaired. However, he said the "improved performance" on key parameters such as operating margins and utilisation of resources had provided "reiteration of the strength of Infosys' model." Mr. Gopalakrishnan said the company's earnings from non-U.S. markets had been affected by the depreciation of the British pound (by 18 percent), the Australian dollar (23 per cent) and the euro (11 per cent) against the U.S. dollar during the last quarter. Referring to the recessionary situation, he said, "The next 12-18 months is going to be a challenging period. The velocity of business has definitely slowed down." The company had laid

more emphasis on fixed price model, paying attention to "customers' expectations in this difficult situation," he added. Mohandass Pai, Director (Human Resources), said Infosys "would honour all offers of employment it has made." The company plans to recruit about 27,000 employees next year. Its attrition rate was the lowest in eight quarters, he said. Referring to the Satyam affair, Mr. Pai said, "Regulatory agencies need to act decisively in a coordinated manner." He said the company would refrain from doing anything that would be construed as poaching on Satyam's employees at a time when it was facing difficulties. Infosys, he said, "would not proactively approach Satyam's clients" for contracts. However, he said Infosys would not say 'no' Satyam's clients approached the company. Infosys hopes to see a revenue growth of 21-25.5 per cent (year-on-year) in the last quarter of the current fiscal. In dollar terms, it expects consolidated revenues to grow between -1.2 per cent and 2.5 per cent in the fourth quarter of the current financial year. In the full year, it expects revenues to grow by 29.1-30.3 per cent in rupee terms and by 11.8-12.8 per cent in dollar terms.

Gujarat poised to get over Rs. 12 lakh crore investments

Far exceeding the State government's own expectations, the two-day 'Vibrant Gujarat Global Investors' Summit 2009' concluded here on Tuesday with promises of investments of over Rs. 12 lakh crore in the coming years. Announcing this at the valedictory ceremony of the summit, Chief Minister Narendra Modi said more than 8,500 Memoranda of Understanding were signed between the State government and the intending investors, creating additional over 25 lakh job opportunities. The announcement was greeted with resounding noise of clapping with even foreign delegations and prominent industrialists from the country and abroad giving Mr. Modi a standing ovation for the achievement by a State in attracting industrial investments at a time when the global economy was facing recession. Drawing a comparison, Mr. Modi pointed out that while the last three editions of the 'Vibrant Gujarat' summit in 2003, 2005 and 2007 together received promises for investment of over Rs 6.34 lakh crore, the 2009 summit alone had inked MoUs to invest 12 lakh crore. Before the beginning of the summit, the government had expected signing of about 3,000 MoUs and investments of about Rs. 10 lakh crore, which itself would have been more than double the investment promise of Rs 4.61 lakh crore in the last summit with over 61 per cent implementation.

Geo-strategic developments:

Oil assets vulnerable to sabotage: Pranab

Describing the Mumbai terror attacks as "direct strikes" on India's economic development, External Affairs Minister Pranab Mukherjee called for heightened security to protect the hydrocarbon assets from acts of sabotage. Inaugurating the five-day international oil and gas conference and exhibition Petrotech 2009, Mr. Mukherjee said: "The unpardonable Mumbai attacks only underscore the risk all countries face from economic sabotage, irrespective of whether these acts are authored by States or merely carried out by so-called non-State actors." Stressing that the crucial hydrocarbon sector was even more vulnerable to terrorist attacks, he said: "Energy security concerns are central to our national interest and an important aspect of our economic diplomacy; efforts to protect these assets had to be a global undertaking, rather than of individual countries. "Protecting these assets would not simply be a law and order problem for an individual country, whether an energy exporter or a consumer. Stability of energy supplies, security of energy transportation and creation of new energy infrastructure and its protection has to be a common goal requiring coordination and cooperation of all countries."

India-Russia naval exercise by month-end

Six Russian warships, including a nuclear-powered missile cruiser, will take part in a joint naval exercise with the Indian Navy in the Arabian Sea by this month end. Called “INDRA,” the exercise is part of the biennial India-Russian Naval exercises programme. It is aimed at boosting cooperation between the two navies in maritime law, anti-piracy operations, counter-terrorism and drug smuggling. The first exercise was held in 2003, and according to Russian news agency RIA Novosti, the current exercise will involve a number of live-fire drill. According to information available here, the exercise will be held between January 26 and 31.

Indo-German Antarctic expedition suspended

In a major setback to the Indo-German Antarctic expedition LOHAFEX, the German science ministry has suspended its permission to proposed ocean fertilization experiment till its impact is independently reviewed. The team of 48 international scientists, including 29 from India, is currently sailing in the South Atlantic and is just days away from the proposed experiment site in the Scotia Sea near the Antarctic Peninsula. "We do not have an idea how long the review process will take," Prof S W A Naqvi, co-chief scientist of project, told TOI on email aboard the research ship Polerstern. "If the clearance comes within 8-10 days, it will not affect our programme because as it is we have to spend some time selecting a suitable 'eddy' for our experiment, map it thoroughly and determine its characteristics," he said. Nature reported that the German science ministry has asked Germany's Alfred Wegener Institute for Polar and Marine Research (AWI), the institute behind the expedition (along with India's National Institute of Oceanography), to commission an independent assessment of the study's environmental safety.

Flows in Indus basin likely to decrease’

With predictions of extreme changes in river flows due to global warming, a new study has underscored the need for a comprehensive assessment of the impact of climate change on dam building in the Himalayas. The impact of global warming was already being felt in the Himalayas, resulting in accelerated melting of glaciers and depletion of the massive water store of the region. Already, the threats of glacial lake outburst floods were on the rise with possible failures of downstream dams. There are predictions of dramatic decrease in flows in the Indus basin in 100 years, the study said. The study titled ‘Mountains of Concrete: Dam Building in the Himalayas,’ released here on Monday, asserts that climate change was likely to have the most serious implications for dams. There were real fears that the “abode of snow” would no longer be left with any and this would have tremendous impact all the way into the Indo-Gangetic plains aggravated by the construction of hundreds of dams. The study, undertaken by Sripad Dharmadhikari of Manthan Adhyayan Kendra for International Rivers, points out that that there was a renewed push in recent years for building dams in the Himalayan region, including in Pakistan, India, Nepal and Bhutan, which could lead to the highest concentration of dams in the region. Significantly, the study did not look at the dams in China for reasons of “insufficient resources, difficulty in access to information and issue of language.” As glaciers melt, water in the rivers will rise and dams would be subjected to much higher flows, raising concerns of dam

safety, increased flooding (as in the Kosi in Bihar last year) and submergence. And with the subsequent depletion of glaciers there would be much lower annual flows, affecting the performance of dams with huge investments. “Unfortunately, dam construction was being planned without any assessment of these impacts.” The study has identified 24 lakes as potentially dangerous in Bhutan based on criteria of water level rise, the associated mother glacier, the conditions of the dams and topographical features. It said that the frequency of glacial lake outbursts floods was on the rise in Nepal, Bhutan and Tibet. It predicts dramatic decreases in the Indus river flows in 100 years after glacial retreat. Presenting his study, Mr. Dharmadhikari pointed out that the dam building in the Himalayas will transform the landscape, ecology and economy of the region. It will have far-reaching impact all the way down to the river deltas. Submergence of lands, homes, fields and forests on a large scale will displace hundreds of thousands of people. It will severely disrupt the downstream flows, impacting agriculture, fisheries and threatening livelihoods of entire populations. Degradation of nature and massive influx of migrant workers will have great implications for the culture and identity of local people. As the region was seismically active, the dams that were being planned faced high risks. By far, the most serious issue was that of climate change and its impact on the Himalayas, he said.

Kashmir:

Only some elements in Pakistan inimical: Omar

A whole was not India’s enemy but “some elements in that country certainly do not want good relations between the two countries.” In his first interaction with the media after assuming charge, he said his government would seek to create a conducive atmosphere for a dialogue between the Centre and the separatists. Mr. Abdullah said he was not aware of any State declaring Pakistan as a threat to India. “There are forces in Pakistan who are not in favour of good relations between the two neighbours but if someone suggests that the whole of Pakistan was against India, it is not fair” he told a questioner. He referred to Pakistan President Asif Zardari and Prime Minister Yusuf Raza Gillani’s statements in which they talked about friendly relations and said “we should take that at face value.” It is in our interest that these forces in Pakistan do not succeed, he said, adding, “Pakistan is a neighbour and will remain so, and violence or war is no solution to any problem.” He cautioned, “we should not go with the impression that Pakistan is our enemy.” The Congress does not want to surrender its ideology, likewise “we will also not do that.” “I am not carrying any baggage,” he said.

Two militants, two policemen killed in Rajouri

Two militants, believed to be those who escaped an Army offensive at Poonch recently, were killed in an encounter in the Rajouri belt. The Jammu and Kashmir police lost two of their men in the gun battle, which is continuing. On a tip-off that five militants were hiding in the Tringa Gala area in Rajouri, a police team launched a search operation, Noushera Superintendent of Police R.K. Bhat said. The police teams intercepted the groups and two militants believed to be of the Pakistan-based Jaish-e-Mohammad were killed. A search was on for the others.

Farooq takes over as NC president after six years

The former Chief Minister of Jammu and Kashmir, Farooq Abdullah, on Tuesday took over as president of the National Conference, a position he handed over to his son, Omar Abdullah, in 2002. The change has taken place after Mr. Omar became Chief Minister on January 5. The

decision to name Dr. Abdullah to lead the party was taken at an extraordinary meeting of the working committee, the NC's highest decision-making body, here. His name was proposed by senior leader Sharifuddin Shariq; provincial president Mehboob Beg seconded it. According to the NC spokesman, most of the members of the working committee, including the newly elected MLA from Noorabad, Sakina Itoo, Abdur Rashid Shaheen, MP from Baramulla, and general secretary Sheikh Nazir Ahmed were present. Soon after taking over the reins, Dr. Abdullah was garlanded by his supporters. "My priority will be to strengthen the party at every level. I will act as president till May. After that, we will hold a two-day convention at the State level in which all MLAs and district presidents will vote for the person whom they would like to be the party's president," Dr. Abdullah told journalists, adding that the elections for choosing district presidents would be open. "There will be new faces in our party who would lead the party at the district level," he said. Dr. Abdullah said he accepted the post to relieve Mr. Omar Abdullah to deliver efficiently as Chief Minister. Among his priorities is to restore the Mujahid Manzil, the party's erstwhile headquarters in downtown Srinagar which has been the stronghold of separatists since the eruption of militancy in 1990. "It will start functioning exactly as it used to during Sheikh Muhammad Abdullah's time. All our Ministers will sit there on a rotational basis and listen to the grievances of the people every Friday. The problems of the people will get registered there and accordingly addressed," Dr. Abdullah said "The renovation work of the Mujahid Manzil office will start in April and will be completed in a year's time." The erstwhile headquarters was set ablaze in 1990 by suspected militants, forcing the party to shift its main office to the high-security Nawai Subah complex in the city. Dr. Abdullah ruled out a war between India and Pakistan: "The two countries won't fight as they have understood that war will only lead to destruction. They will fight jointly to eradicate the menace of terrorism and resolve all issues through dialogue."

Dr. Abdullah took over as NC president in September 1981 after his father stepped down. He transferred the responsibility to Mr. Omar Abdullah in 2002 with a view to infusing new blood into the party. Though Mr. Omar Abdullah and the party faced defeat in the 2002 Assembly elections, this time they returned to power. Stating that the NC and the Congress will jointly fight the coming Lok Sabha elections in the State, he said: "I myself will campaign for the elections." Both parties will fight the elections for four Rajya Sabha seats on an equal share basis.

Social front:

Human rights organisations ask Karnataka government to implement High Court order on Christians

Several human rights organisations, including the People's Union for Civil Liberties (PUCL), have demanded that the Karnataka government implement the High Court's order of January 7 upholding the rights of Christians in Davangere in the light of the recent church attacks there. Following a public interest litigation by pastors from three churches in Davangere, the High Court had ordered that the government extend protection to minority communities in the area, reopen churches that were shut down and register cases against the perpetrators of violence. In an interim order of December 24, the High Court had issued directions stating: "The district administration shall provide necessary protection to the life and property of the Christian community..." Y.J. Rajendra, vice-president of PUCL, told presspersons here on Tuesday that the State government should direct all agencies to follow the court directives and added that the police must uphold the rule of law. Hasan Mansoor, president of PUCL, said the government

should withdraw false cases filed against Christians and churches. Representatives of Karnataka Samatha Sainik Dal, Dalit Sangharsha Samiti, Praja Vimochana Chaluvali, Komusauhardha Vedike and All India Christian Council were present.

Foreign Relations:

India, Afghanistan call for clampdown on terrorism

India and Afghanistan, both victims of cross-border terrorism, without naming Pakistan called upon States to prevent terrorism in any manner originating from their territories. A joint statement after a meeting here on Monday between Prime Minister Manmohan Singh and visiting Afghan President Hamid Karzai pointed out that it was necessary for countries to look after their backyards since "terrorism emanates from the sanctuaries and training camps and the sustenance and support received by the terrorist groups." The Ministry of External Affairs here described Mr. Karzai's visit, the second in less than six months, as symbolic to express Afghanistan's solidarity in the wake of the Mumbai terror attacks. Shortly before the visit, a senior Afghanistan official complained there was little response from Islamabad even though they had "piles of evidence" about Pakistani involvement in several terror attacks in his country. The leaders called for the "full compliance with bilateral, multilateral and international obligations of States to prevent terrorism in any manner originating from territories under their control." While reviewing their partnership, the two leaders expressed satisfaction at the progress in bilateral development and reconstruction projects in all parts of Afghanistan. With the completion of the road from Zaranj to Delaram in south-western Afghanistan, Dr. Singh informed the Afghan President that a second major infrastructure project, the Pul-e-Khumri-Kabul transmission line and the sub-station at Chimtala in northern Afghanistan will be handed over shortly to the government. The leaders expressed their satisfaction that the construction of the Afghan Parliament, "a symbol of the common commitment of both countries to pluralism and democracy," had also begun. Dr. Singh announced that India would gift 2,50,000 metric tonnes of wheat. The shipment will be made as soon as Afghanistan worked out its transportation arrangements. Mr. Karzai invited Dr. Singh for a visit to Afghanistan. The invitation was accepted and the dates will be finalised through diplomatic channels.

Miliband's 'aggressive' style upsets Delhi

It is unusual for the government to publicly criticise the views of a foreign dignitary on an official visit, especially before his trip to India is over. So when Ministry of External Affairs spokesman Vishnu Prakash issued a tartly worded statement on Thursday in response to a question about "certain views expressed by British Foreign Secretary David Miliband," diplomatic eyebrows immediately went up. The assumption was that India was responding to the views expressed by Mr. Miliband in an op-ed in *The Guardian* or in his joint press conference with External Affairs Minister Pranab Mukherjee. Senior officials told *The Hindu* on Friday the MEA statement was really the product of the irritation India felt with Mr. Miliband for the "aggressive" manner in which he conducted himself in his closed-door meetings with Mr. Mukherjee and Prime Minister Manmohan Singh. In particular, South Block took offence to his strident arguments that the Mumbai terror attacks were really the result of the Kashmir issue remaining unresolved. "He's a young man and I guess this is the way he thinks diplomacy is conducted," said a senior official. "In both his meetings, his posture and style of talking were a little too aggressive. The PM and EAM are much older and this is not what they are used to," he added, describing the meetings as "quite an episode." Mr. Miliband, they said, was also clearly unaware of all that India and Pakistan had done on the Kashmir front from cross-LoC trade to discussing 'soft borders' before

terror attacks like Mumbai slowed down and brought the process to a halt. Apart from Mr. Miliband's demeanour, what irked the Indian side was his insistence on drawing a link between Mumbai and Kashmir. Officials said he berated Dr. Singh and Mr. Mukherjee on this point and said that whatever India may wish to say on the matter in public, in private they must accept that they had to do more to work with Pakistan to find a solution to the Kashmir issue. "Yes, there is a Kashmir issue and we need to resolve it," the Indian side told the British Minister. "But when a group like the Lashkar, which says it supports 'global jihad,' attacks Mumbai and kills Americans and Brits and Jews, what does this have to do with Kashmir?" Mr. Miliband also annoyed the Indian side by warning the two leaders that Delhi should not even think of taking any kind of military action against Pakistan in the wake of the Mumbai attacks. All told, say Indian officials, the two meetings with Mr. Miliband were "pretty awful." India had no objection to the British Foreign Secretary publicly disagreeing with the Prime Minister's statement that "some official agencies in Pakistan" must be involved in Mumbai. 'Sovereign governments can and will disagree with each other's assessments," an official said. "But he needs to know that we do not take kindly to being hectored."British Prime Minister Gordon Brown had been "quite positive" on the issues which concerned India, during his visit to New Delhi last month.

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BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

Aisha Rehman

From 16th-23rd Jan, 2009

Presentation: January 28, 2009

Sources

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(OUT LINE)

Iraq

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- Talabani, Hakim discuss outcome of Kuwait summit
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- $300m contracts with Jordan for projects in Salah al-Din

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- New plan to retrieve stolen antiquities
- Cabinet allocates $56.5 million for higher education
- No curfew during elections - security committee

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Economic front

- A Seven-way meeting of the Leaders of Syria, Kuwait, Saudi Arabia, Qatar, Egypt, Jordan and Bahrain held in Kuwait
- The Arab Economic Summit resumes activities with participation of President al-Assad
- Syria, Jordan Sign Minutes of Meetings of Land and Sea Transport Joint Companies
- Atrash, Experts from European Investment Bank Review Preliminary Project of Supporting Municipalities
- Monetary Donations from Syrian People to Gaza Amount to SP 724 Million

Geo strategic front

- Saad says Syria is strategic depth of Lebanon, hails resistance
- Jebril says resistance defeated Israeli aggression
- Moallem Stresses the Need for Opening the Crossings in Gaza
- Minister Bilal Stresses Importance of WPC's Role in Solidarity, Abandon of War and Aggression
- Shallah: Palestinian Resistance Victory in Gaza is Victory for all freedom Fighters worldwide
- UN Official: Israel used Banned White Phosphorous in shelling UNRWAR-Run Schools in Gaza, Call for Probe
- Al-Moallem Affirms to French Senate delegation the Need for Lifting the Siege Imposed on Gaza Strip
- British Embassy Opens New Center for Visas in Damascus

Palestine and Israel

Political front

- Hamas: Government in Gaza to distribute 40 Million Euro to aid Gaza residents
- Israeli Supreme Court lifts ban on Arab participation in National Elections

- Olmert says his government decided on a unilateral truce which starts on Sunday 2:00 am
- Israeli cabinet grants legal aid to political and military officials accused of war crimes
- Israel hopes for prisoner swap with Hamas
- Hamas dismisses reconciliation talks with Fateh

Attacks on Gaza

- Israel announces unilateral ceasefire
- Mubarak urged Israel to end its Gaza operation immediately and said he planned to host a reconstruction conference, but did not say when.
- Israel forces start Gaza withdrawal
- Gazans grapple with scale of death and destruction
- IAEA to look into Israel's suspected uranium use

Geo strategic front

- US, Israel sign deal aimed at halting arms smuggling into Gaza

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- Lebanon lays claim to Israel's Tamar-1 gas field

Geo strategic front

- Suleiman calls for Arab unity at Doha summit
- UN chief concerned over situation in south Lebanon
- Gaza war was a sneak preview of Israel's plan for Lebanon
- In Lebanon and Iran, Israel described as loser in Gaza
- Lebanese American considered as US Envoy to Mideast

Jordan

Political front

- King to take part in Sharm El Sheikh meeting
- Lower House speaker urges world parliaments to act on Gaza violence
- Prince Hassan warns against extremist reactions as a result of Israeli aggression

- Lower House to resume discussions over 'bourses' law

Geo strategic front

- Iraqi authorities release Jordanian prisoner
- South Korean delegation briefed on peace efforts
- Jordanians hopeful over Obama peace quest

Economic front

- Germany extends support to Irbid water project
- Water pumping disruption to affect Amman, Zarqa
- Group suspected of assaulting garment factory finance director seized
- Jordan, Kuwait ink cooperation deal on commercial marine transportation
- Jordan's standing improves on economic freedom index
- Italian funds breathe new life into handicraft initiative

Social front

- Protesters urge action, boycott of US and Israeli goods
- Dahabi visits Gendarmerie officer injured in Rabia protest
- Press association condemns Israel's targeting of journalists in Gaza
- Jordanian medics to help traumatised Gazans
- Activists protest against Parliament's 'lack of action' on Gaza
- Jordanian volunteer doctors return from Gaza
- Printing presses referred to court over forged medicinal packaging
- Third Jordanian medical team to be dispatched to Gaza

Iraq

Political front:

IHEC imposes fine on electoral slate in Ninewa

The Board of Commissioners of the Independent High Electoral Commission (IHEC) in Iraq decided to impose a fine of 10 million Iraqi dinars ($1 U.S. dollar = 1,118 ID) on al-Hadbaa slate in Ninewa for issuing a release that "violates the Commission's rule of behavior." "The decision can be appealed before the Judicial Authority for Elections within three days," said an IHEC release issued on Monday and received by Aswat al-Iraq news agency. The release did not mention when the fine was imposed. Al-Hadbaa list will participate in the upcoming provincial elections in Ninewe province, due to be held later this month.

Parl. postpones speaker's election

The Iraqi Parliament on Monday postponed its speaker's election until February 4 during a session presided over by First Deputy Speaker Sheikh Khaled Atiya. Mahmoud al-Mashhadani stepped down as Parliament speaker following a heated argument with members of parliamentary committees, during which he allegedly used "offensive" language that prompted many parliamentarians to call for his resignation

There must be an end to division in Diala - VP

The Iraqi Vice President (VP) Tareq al-Hashemi called to abide by the primary constants that preserve the unity and stability of Diala, explaining that the province is a scaled-down Iraq that should not be dominated by one side, according to a release issued by al-Hashemi's office. "Through democracy, people are free to choose their representatives to reinforce the culture of acceptance of others and a peaceful handover of power," the release that was received by Aswat al-Iraq news agency quoted al-Hashemi saying while speaking to a public gathering at Diala sport club stadium. "All sides are looking forward to a fair and honest election," he added. "The upcoming council for Diala will face big challenges," he noted.

Wathab Shaker: Blocs support my nomination for parliament's speakership

Lawmaker Wathab Shaker on Monday said that his nomination to occupy the position of parliament speaker is supported by a number of political blocs, explaining that he is an independent legislator, not affiliated with any political entity. "I represent Iraq, not any political bloc," Shaker said in a press conference in Baghdad that was attended by Aswat al-Iraq news agency. He did not name the political entities that support him, but noted "any parliamentarian can be nominated for this position according to the constitution." "The Parliament will hold a first round of secret voting to decide who will occupy this position in Feb. 2009," he added. In a special session of the Iraqi Parliament on Tuesday (Dec. 23), former speaker Mahmud al-Mashahadani was retired, after addressing some insulting words to lawmakers who later demanded his resignation.

Kurdistan president: Kurds have no aspirations in Mosul

President of Iraq's Kurdistan region Massoud al-Barzani said that Kurds have no aspirations in Mosul city, adding that they seek peaceful coexistence in the multi-ethnic city. The remark was made during his meeting with tribal leaders in Ninewa evening, according to a statement published on the official web site of the Kurdistan Regional Government (KRG). "We want Mosul to be a city of fraternity and peaceful coexistence. Rumors that they (Kurds) commit transgressions are false," the statement quoted Barzani as saying. The meeting was attended by the secretary of the political bureau of the Kurdistan Democratic Party (KDP), Fadil Mirani; the head of the presidency office, Fouad Hussein; and several politicians. Mosul, the capital city of Ninewa, lies 405 km north of Baghdad. The original city of Mosul stands on the west bank of the Tigris River, opposite the ancient biblical city of Nineveh on the east bank, but the metropolitan area

has now grown to encompass substantial areas on both banks, with five bridges linking the two sides. Despite having an amount of Kurdish population, it does not form part of the area controlled by the Kurdistan Regional Government (KRG). There are different communities in Mosul like Christians, Shiites and Kurds along with a Sunni majority. The fabric Muslin, long manufactured here, is named for this city. Another historically important product of the area is Mosul marble. The city is also a historic center for the Nestorian Christianity of the Assyrians, containing the tombs of several Old Testament prophets such as Jonah, Yunus in Arabic, and Nahum.

Interior Ministry calls on security forces to vote on time

The undersecretary of the Iraqi interior ministry for police affairs called on security forces personnel to vote on the date specified for them, according to a release issued by the security committee for provincial elections. "I call on security forces personnel to vote on the date specified for them, and not to vote with the average people on Jan. 31; otherwise, related terms would be imposed on them," the release that was received by Aswat al-Iraq news agency quoted General Eden Khaled Qader. "A group of officers will be assigned to protect polling centers, in addition to another group that will be responsible for advising and instructing," he added.

18,000 persons to supervise Karbala elections

A total of 18,000 supervisors will run the electoral process during the Karbala provincial council elections on January 31, the media official of the Independent High Elections Commission (IHEC) said "A total of 18,800 supervisors have been registered in the Karbala commission office to monitor the elections and register violations," Hussein al-Aameri told Aswat al-Iraq news agency. "They include teachers, lawyers, and university professors," he added, noting that they will run 214 electoral centers. Nearly 1,179 candidates, including 320 women, are competing for 27 seats in Karbala's provincial council. The provincial council elections are due to be held on January 31 in 14 out of 18 Iraqi provinces. The holy Shiite city of Karbala lies 110 km southwest of the Iraqi capital Baghdad.

PM urges Iraqis to participate in elections

Iraqi Premier Nouri al-Maliki called on Iraqis to actively participate in the upcoming provincial councils elections that would take place on Jan. 31, 2009. Addressing a crowd of Najaf people, the premier said "I call on voters to select their representatives on the basis of honesty, qualification and integrity." "The upcoming provincial councils elections would show the image of the new Iraq," he added. Al-Maliki promised to respect the election result, "as it represents the national will," according to his description. The provincial council elections are due to be held on January 31 in 14 out of 18 Iraqi provinces.

Kurdistan's parliament amends the region's presidency law

Speaker of Kurdistan's parliament, Adnan al-Mufti, said that the Regional House on Wednesday passed the second bill to amend the region's presidency law, and another act that allows Kurdistan's provincial councils to remain in office until the end of 2009. "The amendments allow the region's president to call for early legislative election in Kurdistan," al-Mufti told Aswat al-Iraq news agency. "The president of Kurdistan is now authorized to call for conducting early legislative election in the region on May 19, 2009," he added.

Kurdish president reiterates rejection to support councils

President of Iraq's Kurdistan region Massoud Barzani reiterated rejection to the formation of support councils. In his speech during meeting Yazidi personalities in Shikhan district, north of Mosul, the president said "unfortunately some bodies, who fought with us against the former regime, want to form the support councils to won more votes, but we will not allow this in Kurdistan." In response to calls to form support councils in the Kurdistan Region and adjacent areas, the President said, "We support all attempts to fight terrorism but the goals of forming support councils are something else. President Barzani also referred to the historical bonds of friendship between Kurds and Arabs in Mosul . "We don't have any ambitions in Mosul . Mosul is a place for all Iraq 's ethnic and religious communities — Kurds, Arabs, Turkomens, Assyrians, and Chaldeans. Mosul is an example of peaceful co-existence and tolerance of all these communities," the President added. Speaking about Yazidis, Barzani said "we have absolute trust that Yazidis are Kurds and they have the right to decide that." The Yazidi faith is not a missionary religion. Its followers are concentrated in northern Iraq. According to the UN High Commission for Refugees (UNHCR), there are about 800,000 Yazidis all over the world. 550,000 of them live in Iraq and concentrated in the district of Sinjar, where the temple Lalesh is considered the holiest shrine for Yazidis, the district of al-Shaykhan (50 km north of Mosul), the district of Bueshiqa (15 km east of Mosul) and some other areas and villages in the provinces of Ninewa and Duhuk. Yazidis are primarily ethnic Kurds and most live near Mosul, with smaller communities in Armenia, Georgia, Iran, Russia, Syria, and Turkey. The estimates of their population size vary, partially due to the Yazidi tradition of secrecy about their religious beliefs. Mosul, the capital city of Ninewa, lies 405 km north of Baghdad.

Maliki stresses importance of prioritizing national interest

Iraqi Prime Minister Nouri al-Maliki stressed the importance of prioritizing Iraq's interest on the personal and partial interest. "We need those who assume senior positions to be characterized by honesty and efficiency because efficiency alone is not enough in the reconstructing the country," al-Maliki said during his meeting with chieftains of Bani Malik tribe. "If my party is not serving Iraq and its people there is no good in it," the premier added. "We wan responsibility as a commitment and a duty not as a gift," he said, noting that Iraq should enjoy more security and stability.

Economic front:

Iraq and Syria to build gas pipeline

Iraq intends to construct a new pipeline to ferry its natural gas via Syria to Europe through the Mediterranean Sea, the Oil Ministry said in a statement. The statement said both countries were working on the details of the project and the means to translate it into reality. The statement was issued following a meeting Oil Minister Husain Shahristani held with the Syrian ambassador in Baghdad Nawaf Faris. "They discussed cooperation in areas of oil and gas and the efforts of the two countries to develop new paths to export Iraqi gas and oil," the statement added. Iraq plans to ship its future production of gas from the giant field of Akkas via Syria. Iraq has huge proven gas reserves estimated at 110 Tcf. Potential reserves are put at 350 Tcf. The Akkas field, near the Syrian border, was discovered in 2001. It contains 4.5 Tcf of proven reserves of natural gas. Currently Iraq exports about 200,000 barrels of oil via a pipeline that passes through the Syrian territories to terminals on the Mediterranean.

Canadian firm to build 5,000 housing units in Karbala

A Canadian firm is to build 5,000 housing units in the religious city of Karbala, provincial officials said. The Investment Commission in the city has signed a memorandum of understanding with the Canadian firm, they added. The spokesman for the commission, Raid al-Asali, said the project, the largest in the city, will be constructed on an area of 1.1 square meters in Karbala outskirts. Asali gave no figure on the cost. However, he said the cost of the project would be determined once its designs and economic feasibility studies are completed. The project will include health clinics, schools, tourist facilities and other public amenities, he added.

Iraq wants to settle issue of joint oil fields with neighbors

The Oil Ministry says it is keen to solve differences with neighboring states with regard to oil fields straddling international borders. The ministry's spokesman Isam Jihad said Iraq wanted to settle these issues as quickly as possible. One reason for the 1991 Gulf war were allegations by the former regime that Kuwait was stealing Iraqi crude oil by digging beneath the part of fields within Iraqi territory. Iraq shares oil fields with Kuwait, Saudi Arabia and Iran. The largest of these fields is the gigantic Majnoon, which experts say is one of the biggest in the world, with reserves estimated at 25 billion barrels. Iraq is reported to have handed over several of its major oil fields to U.S. giant oil firms. Jihad said the Western Qurna field with proven reserves estimated at 10 billion barrels was also now up for grabs. But before developing it, the country needs to settle territorial claims by Iran as the field straddles through Iranian territory. Iraq has 115 billion barrels of proven reserves**.**

Economic summit opens in Kuwait

The Arab Economic, Development and Social Summit opened in Kuwait with the participation of President Jalal al-Talabani. Talabani, who arrived in Kuwait on Sunday (Jan. 18), will give a

speech at the conference, which is expected to tackle Iraqi debts to Gulf countries, in addition to energy and investment issues. Talabani's speech will highlight Iraq's role in fighting terrorism and the improvement in security conditions, according to a presidential statement. The two-day summit will also address issues related to trade, transport, health, education, infrastructure, development and the repercussions of the global financial crisis for the Arab economy. The Israeli operation in the Gaza Strip is also one of the main items on the summit's agenda.

Talabani, Hakim discuss outcome of Kuwait summit

Iraqi President Jalal Talabani discussed with Shiite leader Abdelaziz al-Hakim on Friday the outcome of the Arab economic summit held recently in Kuwait, according to a presidential statement. "Talabani briefed Hakim on the activities of the Iraqi delegation in the summit and the Iraqi president's meetings with leaders of countries that participated in the two-day event and exchanged views on means to strengthen Iraq's ties with those countries," read the statement as received. Hakim is the leader of the Shiite Supreme Islamic Iraqi Council (SIIC). "Talabani also referred to the positive outcome of bilateral talks between Iraq and Kuwait," it added. The meeting was attended by SIIC deputy leader Ammar al-Hakim and the Iraqi president's office director Nizar Muhammad Saed. Iraq has attended the Arab socio-economic summit hosted by neighboring Kuwait on January 19-20.

Senior Kuwaiti delegation in Iraq soon

Deputy Prime Minister Rafie al-Issawi on Wednesday said that a high-ranking Kuwaiti delegation will soon visit Iraq to discuss pending issues between the two countries. "Several issues have been raised with the Kuwaiti side," Issawi said at the end of his visit to Kuwait to attend the economic summit. Commenting on Iraq's airways war debts to Kuwait, the Iraqi official said in a statement released by his office and received by Aswat al-Iraq news agency that the issue has almost been settled, adding that satisfactory solutions to both parties have been reached. Iraq participated in the two-day Kuwait-based Arab Economic, Development and Social Summit (January 19-20).

MoU between Missan and Canadian firm

The investment commission of Missan signed a memorandum of understanding with a Canadian company to execute eight service projects in the province, according to the commission's head. "The eight projects consist of an advanced hospital with a capacity of 200 beds near Missan University, brick factory north of Amara city, gas driven power station that produces 500 Mega Watt of electricity, new residential compound, clinics, garbage elimination, in addition to two agricultural projects," Ali Ward told Aswat al-Iraq news agency. The commission was formed in 2008, and consists of nine members that were elected by Missan's provincial council. Amar, the capital city of Missan province, lies 390 km south of Baghdad.

New investment plan for Missan projects

The Investment Authority in Missan province has developed a new plan for the implementation of 120 projects, including an international airport and an oil city, the head of the authority said. “Preparations are currently underway for 120 investment projects, including Missan International Airport, an oil city encompassing the new Missan refinery and an oil derivatives depot,” Ali Wared told Aswat al-Iraq news agency. “Negotiations are currently underway with a Turkish company to set up residential units at convenient prices in the province,” Wared added. Amara, the capital city of Missan province, lies 390 km south of Baghdad.

Electricity, industry ministries sign contract to install generators

The Iraqi Ministry of Electricity said that it had signed a contract with the Ministry of Industry to install and operate diesel-driven power generators. “The total capacity of the units is 230 Megawatt,” the Electricity Ministry said in a release that was received “The total cost of the project is 25 million Euros,” it added. “The project will be finalized within 18 months,” it noted. “Pielstick, a French company, will provide the project’s equipment,” according to the release.

Food security and strategic goods committee established

The Iraq Cabinet’s secretariat announced the formation of a committee on food security and strategic goods in an attempt to ensure the supply of foodstuffs and basic goods in local markets. “The establishment of the committee also aims to protect local consumers from economic fluctuations,” according to a statement released by the cabinetThe committee is headed by the Iraqi minister of trade, Abdelfalah al-Sudani. The committee will be assigned to examine the problems of the food market and the reasons behind price increases, the statement added.

Oil ministry denies Iran’s partnership in Majnoon field

The Iraqi oil ministry discredited recent mass media reports about Iran’s partnership in the Majnoon oilfield on the joint borders between the two countries, according to a release by the National Information Center. “There is no partnership with Iran in the Majnoon oilfield in Basra province,” read the release as received, pointing out that the meant border oilfield is Abu Gharb as announced by the ministry in the second round of licenses. Arguments took place in February 2008 between Iraqi oil technicians and Iranian border guards after the Iranians prevented the Iraqis from resuming works to rehabilitate the Abu Gharb oilfield in Missan province, on the Iraqi-Iranian borders. The Iranian side then justified the measures by saying that border demarcation landmarks disappeared due to the torrential rains that hit the area, calling for clear landmarks to indicate borders. Abu Gharb, which produces 5,000 barrels per day (bpd), was developed and invested in 2007 by Iraqi technicians. Iraqi lawmaker Mohammed al-Dayni on Sunday (Jan. 18) threatened to question Oil Minister Hussein al-Shahrestani over statements attributed to him about Iran’s partnership with Iraq on the Majnoon oilfield.

Majnoon, an Arabic word that means “crazy”, is one of the world’s richest oilfields, boasting a confirmed oil reserve of 23-25 billion barrels. It was named so due to its crazy abundance in crude oil under a small area in east Euphrates off the city of al-Qarna.

$300m contracts with Jordan for projects in Salah al-Din

The Iraq National Investment Commission signed $300-million contracts with a Jordanian company on Thursday to carry out construction and agricultural projects in Salah al-Din, an INIC official in the province said. “Several contracts were signed with Aphrodite, a Jordanian firm working in the field of construction and contracting, to build 2,500 housing units in Tikrit, the capital city of the province, over several stages taking up to five years,” Tami Saab, the INIC vice chairman in Salah al-Din, told Aswat al-Iraq news agency. “The Jordanian company will also cultivate 2,000 *donums* with high-oil olives near the city of Baiji, (40 km) north of Tikrit,” Saab said. One Iraqi *donum* equals 2,000 square meters. “The projects also include the construction of a garage for trucks, a hotel and relevant utilities near the Baiji oil refineries, Iraq’s largest,” he added.The contract was signed by Jawhar al-Fahl, the INIC chairman in Salah al-Din, for the Iraqi side and Qays al-Jaafari, Aphrodite CEO. Jaafari, in statements expected the projects to provide jobs for many unemployed people in the province. “Salah al-Din is going to turn into a permanent workshop,” Jaafari said, adding his company will embark on implementing these projects in a month since the signing date.

Experiment of planting high-yielding potato in Thi-Qar

The agriculture department in Thi-Qar started an experiment to plant the hybrid Dutch potato in the province to improve the agricultural production, the director of the planning of the Thi-Qar agriculture department said. “We started today (Jan. 23) providing farmers of one ton of the high-yielding hybrid Dutch potato to plant it for the first time in the province,” Engineer Mahdi Saleh al-Zerkani told Aswat al-Iraq news agency.

“The experiment aims to improve and increase the agricultural production in Thi-Qar,” he added.

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Geo strategic front

Iraq's FM in Turkey to meet senior officials

Iraqi Foreign Minister Hoshyar Zebari arrived in Ankara on Thursday night, leading a high-profile delegation in response to an invitation from his Turkish counterpart Ali Babacan, according to a foreign ministry's statement. "The minister will hold a series of meetings on means to bolster bilateral ties and the joint coordination to implement the strategic declaration of bilateral relations between the two countries, which was signed during the visit of Turkish Prime Minister Recep Tayyip Erdogan to Baghdad," said the statement received by Aswat al-Iraq news agency. "Hoshyar's talks will dwell also on the latest developments in the region, mainly the border's security and fighting terrorism," it added. Last July 10, Turkish Prime Minister Recep Tayyip Erdogan was in Baghdad and announced during a joint press conference with al-Maliki the establishment of the higher council for strategic cooperation between Iraq and Turkey

Social front

New plan to retrieve stolen antiquities

The Ministry of Tourism and Antiquities has drawn up a new plan to retrieve "all the antiquities that have been stolen," according to the minister, Qahatan al-Jibouri. Jibouri, whose ministry is in charge of the Antiquities Department, said the return of smuggled and stolen Iraqi relics as well as the protection of Iraqi ancient sites was a top priority. The relative quiet in the country has encouraged the government to draw the plan which among other things calls for the deployment of guards to protect endangered Mesopotamian sites. Jibouri said all Iraqi ministries would be involved in the program under which no government authority will be allowed to encroach on mounds and areas containing debris of ancient civilizations. Government bodies will also help in safeguarding these areas, Jibouri added. The details of the plan have yet to be worked out, but archaeologists say it is the first serious effort in post-U.S. invasion to preserve the country's ancient heritage. As for the return of stolen antiquities, the ministry will give financial benefits to persons handing the finds in their possession to the Antiquities Department. Thousands of antiquities, among them some priceless relics, are still missing following the looting of the Iraq Museum shortly after the U.S. invasion. It is believed that thousands more have been recovered from ancient sites through illegal digging at some of

the most fabulous and renowned ancient cities like Babylon, Ur, Nimrud and Ashur. Iraq has more than 10,000 archaeologically significant sites and it needs an army of guards for their protection.

Cabinet allocates $56.5 million for higher education

The Iraqi council of ministers in its second session in 2009 that was held on Tuesday, decided to allocate $56.6 million to develop the higher education sector in the country, according to a release issued by the official spokesperson of the Iraqi government. "This came in response to the recommendations made by the conference to develop higher education to Iraq," said the release that was received "$2.5 million of the amount will be used to support the U.S. Fulbright program," he added.

No curfew during elections - security committee

The official spokesman for the elections high security committee said that there will be no curfew during the provincial council elections on Jan. 31. "There will be no curfew or vehicle ban during the coming elections and cars can freely move to reach poll stations," General Aiden Khaled Qader told Aswat al-Iraq news agency. The provincial council elections are due to be held on January 31 in 14 out of 18 Iraqi provinces.

Syria

Economic front

A Seven-way meeting of the Leaders of Syria, Kuwait, Saudi Arabia, Qatar, Egypt, Jordan and Bahrain held in Kuwait

President Bashar al-Assad held a meeting in Kuwait with the Emir of Kuwait Sheikh Sabah Al-Ahamd Al-Jaber al-Sabah, King Abdullah bin Abdul Aziz of Saudi Arabia, Sheikh Hamad bin Khalifa Al Thani of the State of Qatar, President Mohammad Hosni Mubarak of Egypt, King Abdullah II of Jordan, King Hamad bin Issa Al Khalifa of Bahrain. The meeting was held following the opening session of the Arab Economic Summit, the summit for solidarity with Gaza, which kicked off in Kuwait earlier in the day. Presidential Political and Media Advisor Dr. Bouthaina Shaaban told the Syrian Arab News Agency (SANA) in a statement that the meeting was very frank and serious. She added that the leaders discussed during the meeting the stances which must be taken to restore the Arab coordination in the service of the Arab issues, the dignity of the Arab people and the restoration of the usurped rights.

The Arab Economic Summit resumes activities with participation of President al-Assad

The Arab Economic, Social and Development Summit, the Summit for solidarity with Gaza, resumed its activities in an evening session with the participation of President Bashar al-Assad. The evening session will discuss a draft agenda which includes in its first item the Israeli military aggression on the Palestinian people, its repercussions, means of stopping it and realizing reconciliation among the Palestinian factions. The draft agenda also includes the draft work program issued by the Arab Economic, Social and Development Summit, Kuwait Summit declaration and other drafts related to the achievement of the economic integration among the Arab states. Later, Emir of Kuwait, Sheikh Sabah Al- Ahmad Al Jaber Al-Sabah held a dinner banquet in honor of the Arab Presidents and Kings participating in the Summit in the presence of President al-Assad.

Syria, Jordan Sign Minutes of Meetings of Land and Sea Transport Joint Companies

Syria and Jordan signed Friday minutes of the meetings of the General Assemblies of the two joint Syrian-Jordanian Land and Marine Transport Companies Minister of Transport Ya'rob Badr, who signed the minutes along with his Jordanian counterpart Alaa al-Batayneh, said that the two sides agreed to re-estimate budgets of the two companies to overcome the difficulties this year, noting to the agreement on controlling expenditure in order to reduce the operational costs of the two companies to face the negative effects of the global financial crisis. It is scheduled for the General Assembly of the Syrian-Jordanian Company for marine transport to study, in its forthcoming meeting in Damascus next April, proposals of the entry of new naval equipment to take advantage of the new world prices to support the fleet of the company.

Atrash, Experts from European Investment Bank Review Preliminary Project of Supporting Municipalities

Minister of Local Administration and Environment Hilal Atrash discussed Thursday with representatives of European Investment Bank and program of Municipal Administration Modernization MAM and delegates of Transport Ministry the preliminary report of supporting municipalities. The report contains the survey of the special needs of for the sustainable development in the municipalities and results of works, projects and plans carried out by MAM project in Syria over three years. During the meeting, the structural and the work strategy, measures and the legal framework for organizing the work of the municipalities fund in cooperation with local and international experts were put. Earlier, the delegation of municipal administration modernization program and experts of the European Investment Bank visited a number of governorates, Lattakia, Tartous, Homs and Palmyra and were briefed on the projects proposed to be financed.

Monetary Donations from Syrian People to Gaza Amount to SP 724 Million

Committees supervising the collection of monetary donations from the Syrian people to support the people of Gaza reported that donations up until Thursday amounted to SP 724 million, and that donations are still being made. Donations in kind from the Syrian

people, which were delivered via five aid caravans, amounted to 3000 tons of food, medicine, medical supplies and other humanitarian aid supplies.

Geo strategic front

Saad says Syria is strategic depth of Lebanon, hails resistance

Chairman of the Lebanese Nasserite Popular Organization, MP Osama Saad Friday underlined that the Syrian depth is the strategic depth for Lebanon and the Lebanese national interest requires relations between Syria and Lebanon to be distinguished and good. Saad said in a speech that the Palestinian resistance has been able to confront the Israeli aggression on Gaza, adding "it defeated the Israeli war machine and this is a new indication to the correctness of resistance choice." He called for protecting the resistance and building a Lebanese defense strategy to face Israeli threats and greed against Lebanon.

Jebril says resistance defeated Israeli aggression

Secretary General of the Popular Front for the Liberation of Palestine- the General Leadership- Ahmad Jebril underlined that the Palestinian national resistance has defeated the Israeli aggression which sought to remove the resistance arms. "Struggle of the national resistance along with the Palestinian people in the face of the Israeli war machine surprised Israel which has failed to realize the goals of its aggression on Gaza whether militarily or politically," Jebril said in a speech He added that the Palestinian people aspirations to restore their legitimate rights won't be met except by sacrifices and blood.

Moallem Stresses the Need for Opening the Crossings in Gaza

The meeting of Syrian Foreign Minister, Walid Moallem with a delegation representing the French Senate , headed by Deputy Chairman of the Foreign relations and defense Committee ,Jean François Poncet , was focused on bilateral relations and ways of boosting them further , and on the tragic results of the latest Israeli aggression on Gaza which left many people killed and total destruction including the sabotage of the infrastructure which resulted in a human catastrophe in Gaza. Minister Moallem stressed the necessity for lifting the unjust siege imposed on Gaza and opening all the crossings including Rafa Crossing to allow the influx of the medical and humanitarian needs to the Palestinian people. In a statement to SANA, Poncet described the meetings he held in Damascus as important , pointing out that the aim of his tour in the region was exploratory and aims at acquainting the French Senate with the situation in the Middle East. He added that his delegation discussed with Minister Moallem the situation in the region in general , and in Gaza in particular , and the Syria's role for the achievement of peace in the region.

Minister Bilal Stresses Importance of WPC's Role in Solidarity, Abandon of War and Aggression

Minister of Information Dr. Mohsen Bilal stressed importance of the role played by the World Peace Council (WPC) in the filed of world solidarity and peace world peace and abandon of war, occupation and aggression. The remarks were made in a meeting between Minister Bilal and a delegation of the WPC headed by its Executive Secretary Iraklis Tsavdaridis in Damascus. The meeting focused on the repercussions of the brutal Israeli aggression on Gaza Strip and the role of the WPC and the media in disclosing the brutal crimes committed by the occupation forces in the Strip. The remarks were made in a meeting between Minister Bilal and a delegation of the WPC headed by its Executive Secretary Iraklis Tsavdaridis in Damascus Wednesday evening. The meeting focused on the repercussions of the brutal Israeli aggression on Gaza Strip and the role of the WPC and the media in disclosing the brutal crimes committed by the occupation forces in the Strip. Minister Bilal said the crimes of the occupation amount to a flagrant violation of the humanitarian, civilized values and the international laws and agreements, particularly the Geneva Fourth Convention. The Minister stressed necessity of bringing the Israeli officials before war crime courts to hold them responsible for the killing of children, women and the elderly as well as the destruction of hospitals, worship places and the shelling of the UN headquarters in the Strip in defiance of the international community.

The delegation includes the Deputy Chairman of the WPC, the Deputy Speaker of Latin America Parliament, the Speaker of the Andes Province Parliament in Venezuela and a number of Venezuelan MPs.

Shallah: Palestinian Resistance Victory in Gaza is Victory for all freedom Fighters worldwide

The Secretary General of the Palestinian National Resistance -Islamic Jihad Ramadan Shallah said the victory of the Palestinian resistance in Gaza Strip against the Israeli aggression was a victory for all the freedom fighters and peace-loving peoples in the world. In an interview with the al-Manar TV satellite channel Wednesday night, Shallah highly appreciated Syria's role in supporting the national struggle of the Palestinian people to restore their legitimate national rights. He added that Israel's brutal aggression on Gaza disclosed its real ugly face to the whole world.

UN Official: Israel used Banned White Phosphorous in shelling UNRWAR-Run Schools in Gaza, Call for Probe

The Spokesman for the UNRWA in Gaza Strip Chris Gunness stressed that the Israeli occupation forces had used the internationally-banned white phosphorous in striking UNRWA-run schools in Gaza Strip, killing dozens and wounding others. Speaking in an interview with the BBC channel Wednesday night, Mr. Gunness said Israel's use of such prohibited weapons "was not a conclusion but a real fact directly verified and confirmed by the international team working in Gaza Strip". The UN official called on the international community to probe into Israel's striking of the UN-run schools in Gaza and punish those responsible for the fatal attacks against the defenseless civilians. In one of the Israeli heinous attacks at US-run schools in Gaza, at least 30 people died and 55 were injured at the Jabaliya refugee camp in northern Gaza when Israeli invading forces shells

landed just outside the school, which was packed with locals taking shelter from the Israeli shelling. The UNRWA said around 14,000 people were taking shelter from the fighting in 14 such buildings around Gaza, and that it had given the Israeli army the GPS coordinates of all its facilities in the enclave. Earlier, UN humanitarian coordinator for the Palestinian territories Maxwell Gaylard said that "these tragic incidents need to be investigated, and if international humanitarian law has been contravened, those responsible must be held accountable."

Al-Moallem Affirms to French Senate delegation the Need for Lifting the Siege Imposed on Gaza Strip

Foreign Minister Walid al-Moallem discussed with a delegation from the Senate of France headed by Deputy Chairman of the Foreign Affairs, Defense and Armed Forces Committee at the Senate of France Jean Francois-Poncet bilateral relations between Syria and France and means for bolstering them. Talks also discussed the tragic results of the Israeli aggression on Gaza Strip and the resulting death and destruction, including the destruction of infrastructure which constitutes a disaster for the Palestinian people. Minister al-Moallem stressed the need for lifting the siege imposed on Gaza Strip and opening all crossing points, including the Rafah crossing point, to allow the delivery of medical and humanitarian aid to the Palestinian people. The meeting was attended by Assistant Foreign Minister Abdul-Fattah Amoura and the French Ambassador in Damascus.

British Embassy Opens New Center for Visas in Damascus

The British Embassy opened a new center for issuing entry visas to the United Kingdom. A statement distributed by the Embassy notes that citizens who wish to apply for visas can apply via the new center instead of the Embassy, with the center providing advice and consultations to citizens willing to travel to the UK. The British Ambassador in Damascus Simon Collis pointed out that the center will expedite answering applications for visas and facilitate answering queries in that regard for all applicants, adding that the center will encourage exchanging visits by businessmen and other sectors and that he expects an increase in the number of visitors thanks to this center. "We welcome all Syrian citizens who wish to apply for a visa to visit the United Kingdom during this year," the Ambassador said.

Palestine and Israel

Political front

Hamas: Government in Gaza to distribute 40 Million Euro to aid Gaza residents

The Palestinian Information Center, affiliated with the Hamas movement, reported Thursday that the dissolved Palestinian government in Gaza, headed by Ismail Haniyya, decided to

distribute 40 M Euros to the residents of the Gaza Strip who were affected by the latest Israeli offensive. Taher Al Nunu, spokesperson for Hamas, said in a press conference in Gaza City, that the "government decided to distribute the money to compensate the affected families". He added that 4,000 Euros will be handed to families that completely lost their homes, 2,000 Euros to families that partially lost their homes, 1,000 Euros each to famiies that lost a family member, and 500 Euros to each wounded resident. Responding to claims by the Palestinian Authority in Ramallah that Hamas left prisoners at al-Saraya prison when it was shelled by Israel, Al Nunu said that "no prisoner was killed, and we have no political prisoners". He accused Fatah of slander and of carrying out a media campaign against Hamas. He also accused the movement of hacking into the al-Aqsa TV of Hamas. It remains unclear how Hamas will manage to distribute promised payments.

Israeli Supreme Court lifts ban on Arab participation in National Elections

The Israeli Supreme Court issued a ruling that voids a ban preventing Arab parties in Israel from participating in the parliamentary elections, which will be held in Israeli next month. The ruling was made after several Arab-Israeli political leaders filed an appeal against the ban. Arab-Israeli member of the Knesset, Ahmad Tibi, said that this decision is "a defeat to fascism", and added that discrimination is deeply rooted in Israel, therefore the "battle is not quite finished", according to Israeli daily. The United Arab List and the Balad parties had been banned from participating in the elections after the Central Elections Committee issued an order last week in this regard. Arab parties objected to the ruling and described its as a form of fascism. The Central Elections Committee accused Arab parties of "incitement, supporting terrorist groups and of refusing to recognize Israel", Haaretz said. Arab parties had voiced opposition to the Israeli offensive against the Gaza Strip. The ultra-Orthodox parties, Yisrael Beiteinu and the National Union-National Religious Party were the two parties that filed the original appeal to bar Arab-Israeli parties from participating in the elections. Avigdor Lieberman, chairman of the Yisrael Beitenu Party, described the Supreme Court decision as "unfortunate" and said that the court did not establish a boundary to punish "disloyal Arab members of the Knesset". Lieberman added that in the next Knesset, religious parties will push for a law barring citizenship to some "disloyal Arab citizens". Lieberman is well known for his extreme views against the Arabs and Palestinians, as he has, on many occasions, called for the massive deportation and transfer of Arabs and Palestinians into neighboring Arab countries. 10 out of 120 Knesset members are Arabs, and the Arab population in Israel is nearly 20%.

Olmert says his government decided on a unilateral truce which starts on Sunday 2:00 am

Olmert said that the decision comes after the military operation, which Israeli initiated in Gaza 22 days ago, managed to weaken the Hamas movement which has controled Gaza since June 2007. The Israeli Prime Minister added that Israeli tanks will keep key positions in Gaza and will

respond to any attack by the Palestinian resistance. Osama Hamdan, a Hamas leader in Lebanon, told Al Jazeera TV that Hamas will continue to resist as long as there are Israeli tanks and troops in Gaza. Hamas demanded a ceasefire last week, and on December 16th 2008, Hamas agreed to a six-month ceasefire with Israel, but Israel refused and senior Israeli military officials said that the Gaza offensive plan was already prepared and finalized before the truce ended. Yet, Israeli did not open the border crossings, leaving 1.5 million Palestinians living in Gaza imprisoned and without humanitarian supplies, and hundreds of patients, dozens of them children, died in Gaza hospitals.

On Friday, following talks in Cairo with Egyptian officials over the cease-fire, Hamas declared its acceptance of the Egyptian initiative to end the war in the Gaza Strip. Olmert announced on Saturday night that his government decided on a unilateral truce in Gaza which starts on Sunday 2:00 am. Israel embarked on its military offensive on December 27th, 2008, and the brutal bombardment and ground invasion have claimed the lives of more than 1,300 Palestinians, among them over 400 children. Six Israeli civilians and 10 Israeli soldiers have been killed by Palestinian resistance fire.

Israeli cabinet grants legal aid to political and military officials accused of war crimes

In session, the Israeli cabinet decided to grant full legal aid to its military and political officials accused of committing war crimes against the Palestinians in the Gaza Strip

Israeli Prime Minister, Ehud Olmert, defended the Israeli war on Gaza and claimed that the army avoided harming civilians. Olmert said that the government will provide its officials with all aid they need as military and political officials might be facing criminal charges for harming Palestinian civilians. Israeli Foreign Minister, Tzipi Livni, defended the war on Gaza and said that “Israel and the United States can cooperate in the war on terrorism”. Livni added that Israel can recruit the United States if it provides the US with a clear political view. She added that the “political process” Israel carried out in recent years “enables it to fight terrorism”. Meanwhile, Israeli Justice Minister Daniel Friedmann, stated that he intends to consult prominent legal experts in order to provide legal answers to Israel's military activities. The Israeli cabinet decision came after a bill, titled “Strengthening the IDF's hand after Operation Cast Lead” was submitted by the Israeli Defense Minister, Ehud Barak, in coordination with the State Prosecutor and the Ministry of Justice, Israeli online daily, Haaretz, reported. Barak claimed that the Israeli army is “the most moral army in the world” and added that the army would receive full support from the government. The Israel army killed over 1300 Palestinians, at least 400 of them were children, in its 22-day war in the Gaza Strip. More than 5000 Palestinians, mainly women and children were injured in the offensive.

Israel hopes for prisoner swap with Hamas

AFTER PUMMELLING HAMAS in the Gaza Strip, Israel now hopes to push through a prisoner swap to retrieve a soldier held by the Palestinians since 2006, Israeli officials said They said Israel was conditioning any lifting of its Gaza blockade on immediate progress in Egyptian efforts to free Gilad Shalit, and would be willing to relax its objections to a list of Palestinian prisoners which Hamas wants released in exchange. The Islamists demand amnesty for 1,400 inmates, including 450 senior fighters. Israel long balked over the latter group, saying their release would sap Palestinian President Mahmoud Abbas' peace strategies by bolstering rival hardliners. But after its 22-day offensive against the Hamas administration in Gaza, Israel appears to be more flexible. "There is a sense that we can afford to relax our criteria on the prisoner release, as any benefit to Hamas would be more than offset by the damage it sustained in Gaza," said one Israeli security official. The official said Prime Minister Ehud Olmert wanted to clinch a deal before he is replaced in a February 10 election, though it was not clear whether the Israeli Security Cabinet could approve all the names on the Hamas release roster.A top Israeli defence official, Amos Gilad, travelled to Cairo on Thursday to discuss ways of consolidating a January 18 truce which ended the Gaza offensive. Security sources said Gilad would raise Shalit in his talks with the Egyptians.The Gaza offensive killed at least 1,300 Palestinians, many of them civilians, and wrecked the improverished strip's infrastructure. A Palestinian official familiar with the talks said the offensive had made the prospect of a swap deal more remote: "Who knows where Shalit is after what happened?" he said. Western powers have since called for Gaza's borders with Israel and Egypt to be more open, while supporting Israel's demand that Palestinian cross-border rocket salvoes cease and that Hamas arms-smuggling from the Egyptian Sinai be choked off. The Israelis rule out restoring normal operations at Gaza's border crossings unless there is a deal on Shalit, an army conscript seized by Hamas-led fighters in a June 2006 border raid.

Hamas dismisses reconciliation talks with Fateh

A senior official of the Hamas group dismissed any reconciliation talks with the rival Fateh, and said that Arab and international donations to Gaza should exclusively go to the beleaguered coastal strip's rulers. The remarks by Sami Khater, a member of Damascus-based Hamas' political bureau, followed claims by Hamas leaders that they emerged victorious after the group survived a relentless three-week offensive by Israel on the Gaza Strip. Khater said Arab and international donations to rebuild Gaza should go directly to Hamas and not to rival Palestinian President Mahmoud Abbas whose faction rules the West Bank. He said Abbas and his Palestinian Authority cannot be trusted. A Hamas delegation is to travel to Cairo this weekend for talks with Egyptian mediators on ways to consolidate a fragile ceasefire in Gaza in place since last Sunday, he added. Israel's top negotiator on Gaza, Amos Gilad, was in Cairo on Thursday for talks with the mediators. Hamas' relations with Egypt have been strained by the Gaza offensive after Cairo rejected the group's demand to open the Rafah border crossing during the Israeli attacks. The group's exiled chief Khaled Mishaal declared victory against Israel in Gaza and urged world leaders to deal with his group, labelled a terrorist organisation by the United States and Israel. International donors will meet at a conference in Egypt next month to raise funds to rebuild the devastated Gaza Strip, the Palestinian prime minister said Norwegian

Deputy Foreign Minister Raymond Johansen said: "Norway wants to coordinate the international effort and to support the Palestinian Authority - it's very crucial to support the Palestinian Authority and to rebuild the Palestinian institutions." Johansen said a donor coordinating committee - which he heads - would also meet in February, but he did not indicate the location. Palestinian officials estimated the damage from Israel's 22-day offensive against Hamas fighters at some $2 billion. The Palestinian Authority, which lost control of Gaza to Hamas in June 2007, insists it must lead reconstruction efforts.

Attacks on Gaza

Israel announces unilateral ceasefire

Israel called off its three-week offensive in the Gaza Strip, saying it had achieved its objectives against the Islamist Hamas group in a campaign that killed more than 1,200 Palestinians. Hamas warned that it was not ready to give up, however. Prime Minister Ehud Olmert told Israelis in a televised address from the national army headquarters in Tel Aviv: "The conditions have been created that our aims, as declared, were attained fully, and beyond." The ceasefire, which he said responded to an appeal from Egyptian President Hosni Mubarak, would start from 2:00am (00:00 GMT) on Sunday, he said, but troops would remain for now in the Gaza Strip and Hamas would be "surprised again" if it attacked. He said Hamas was "beaten badly" and its ability to fire rockets into southern Israel, the main stated goal of the assault launched on December 27, had been severely limited. Nonetheless, rockets landed in Israel even minutes before he spoke and Hamas leaders said they would continue to fight for an end to Israel's closure of much of Gaza's trade and a withdrawal of the Israeli forces from their territory. After weeks of frenetic diplomacy revolving around Egyptian mediation, Israel chose to shun a negotiated accord with Hamas and to simply hold its fire, denying the Islamists, who are committed to the destruction of the Jewish state, the deal they sought on easing Israel's punitive blockade on the territory. ‘Olmert said: "The campaign has proven Israel's power and strengthened its deterrence." He also said he would work with Mubarak to tighten security on Gaza's Egyptian border - a key goal of Israel which wants to prevent Hamas rearming through smuggling tunnels. Despite the lack of any clear deal at this stage, Mubarak invited a pack of European leaders to a short-notice summit on Sunday that is meant to come up with ways to bolster the truce in Gaza and to ease the plight of the 1.5 million people penned in to the 45km sliver of coast. Figures from an independent Palestinian human rights group put the number of civilians killed in three weeks of aerial bombardment and a two-week-long ground offensive backed by tanks and artillery at over 700. Hundreds of fighters have also died.

Mubarak urged Israel to end its Gaza operation immediately and said he planned to host a reconstruction conference, but did not say when.

Mubarak will also host Palestinian President Mahmoud Abbas and UN chief Ban in Sharm El Sheikh on Sunday, along with the leaders of Jordan, France, Britain, Germany, Turkey, Italy and Spain. A Western diplomat in Cairo said the leaders would discuss how to coordinate efforts to reach a ceasefire. But he added that if Israel decided to halt its

campaign "it will be a very different type of a meeting". He did not give more details. Egypt has been a key interlocutor in the weeks of negotiation to bring about an end to Israel's attack on the Gaza Strip to stop Hamas rocket fire. Egypt put forward a proposal for a temporary cease-fire followed by a more lasting agreement to end arms smuggling to Hamas and open the crossings into the Gaza Strip.Egypt has been adamant, however, that any international force monitoring the borders or the Gaza Strip could not be based on Egyptian territory. But Egyptian Foreign Minister Ahmed Aboul Gheit said Saturday his country was not bound by the agreement.

Israel forces start Gaza withdrawal

Israel began pulling troops out of the Gaza Strip on Sunday as a fragile unilateral ceasefire came into effect after its deadliest offensive ever on the battered Palestinian territory. As medics scrambled to pull dozens of bodies from the mountains of rubble left by Israel's three-week offensive, Palestinian fighters said they would hold their fire for one week to allow Israeli troops to withdraw. Prime Minister Ehud Olmert said Israel intended to withdraw troops "as quickly as possible" and had no intention of reoccupying a territory from which it withdrew settlers and the army in 2005. "We are not interested in staying in the Gaza Strip, we want to leave as quickly as possible," Olmert said at a press conference with European leaders. German Chancellor Angela Merkel called the halt in fighting a "window of opportunity" in terms of achieving a "lasting peace" between Israel and the Palestinians. French President Nicolas Sarkozy hailed Israel's ceasefire but said: "This is only a first step, it must go further." The delegation from Britain, France, Germany, Italy and the Czech Republic, which currently holds the rotating EU presidency, earlier attended a summit in Egypt with Arab leaders aimed at shoring up the truce. Egypt held separate talks with Hamas group which rules Gaza and President Hosni Mubarak announced plans to host an international aid conference to help rebuild Gaza. In Jerusalem, Brown urged Israel to reopen crossings into Gaza. Fighters in the Gaza Strip, however, fired at least 18 rockets and mortar rounds at Israel following Olmert's announcement, wounding at least one person, the army said. The military confirmed troop withdrawals had begun after witnesses saw Israeli tanks and troops pull back from key positions in and around Gaza City towards the border fence which surrounds the impoverished territory.

Olmert announced late Saturday that he had ordered an end to offensive operations in Gaza after 22 days of combat but that troops would remain and fire back if attacked. After the ceasefire came into effect at 2:00am (0000 GMT), Gaza enjoyed its first bomb-free night in more than three weeks, but there were soon signs that the calm may unravel.

Gaza medics took advantage of the halt in the fighting to rush to areas which had been inaccessible, pulling at least 95 bodies from the rubble, including those of several children. The discoveries brought the overall death toll since Israel launched Operation Cast Lead on

December 27 to more than 1,300, medics said, making it by far the deadliest Israeli offensive ever launched on the Gaza Strip.

Gazans grapple with scale of death and destruction

After 22 days of devastating Israeli air strikes and shelling, shocked Palestinians emerged onto the rubble-strewn streets of the Gaza Strip on Sunday to collect their dead and inspect their shattered homes. Women sat weeping amid the ruins of their houses, hiding their faces, many too distressed to speak. Others sifted through the debris to gather cherished belongings in plastic bags. One held a necklace. "This is all that's left," she said. Children tried to salvage schoolbags and torn notebooks. Shereen Abed-Rabbo, a 12-year-old girl, returned to her home to find it reduced to bricks. Among her destroyed belongings was a torn Koran, she said. Hamas, eager to show it still controls Gaza despite the Israeli onslaught, sent policemen back onto the streets -even the traffic cops were out on mangled, cratered roads. Municipal bulldozers pushed aside crushed cars and fallen chunks of concrete from the streets, but nothing could conceal the scale of destruction wrought by Israel's military machine. Ambulances negotiated roads torn up by bombs and tank tracks to recover bodies that had lain for days in rubble in Beit Lahiya and open areas to the north. Hamas police said about 95 bodies, mostly of fighters, had been found so far. Fearing renewed Israeli strikes, the police chief in the northern Gaza Strip ordered his men to move only in very small groups to guard police headquarters and public buildings and to not going inside them unless absolutely necessary. Sereya, an old woman dressed in a black robe, wandered among the ruins of the housing compound where she had lived. Israeli soldiers have told Reuters reporters of going in with overwhelming force and, in at least one case, of bulldozing a house to kill a suspected guerrilla fighter inside. International humanitarian law experts say troops are obliged not only to do all they can to avoid harming civilians but also to avoid destroying civilian property. Israel has rejected suggestions that it may have committed war crimes, though a number of international bodies, including the United Nations' refugee agency in Gaza, urged investigations after the deaths of children and other civilians.

IAEA to look into Israel's suspected uranium use

The UN's nuclear watchdog said it would look into a claim by Vienna-based Arab ambassadors that Israel may have used ammunition containing depleted uranium in Gaza attacks. The IAEA said the request was made in a letter addressed to Director General Mohammad Al Baradei and was delivered by the Saudi Arabia ambassador on Monday on behalf of Arab diplomats. "We are circulating the letter to member states and will investigate the matter to the extent of our ability," IAEA spokeswoman Melissa Fleming said. She said the IAEA had not yet decided on its course of action as it needs to check with member states first. The IAEA has in the past contributed to studies on depleted uranium traces from ammunition in the Balkans which found it was highly unlikely that a reported increase in cancer risks there could be linked to the traces. Depleted uranium is used in weapons because it can more easily penetrate tanks and armour due to its density

and other physical properties. It also has civilian uses in medical equipment and is used in radiation shields. The Israeli ambassador to the IAEA, Israel Michaeli, declined to comment on the Arab letter, but Tel Aviv on Tuesday denied it used the munitions in Gaza and said they're just propaganda. Similar allegations were raised after the 2006 war between Israel and Hizbollah in Lebanon. Investigations found no proof depleted uranium munitions were used. An IAEA article on the issue says that while the substance "is assumed to be potentially carcinogenic ... the lack of evidence for a definite cancer risk in studies over many decades is significant and should put the results of assessments in perspective". Still, says the article, "there is a risk of developing cancer from exposure to radiation emitted by... depleted uranium. This risk is assumed to be proportional to the dose received".

The US and NATO have used uranium-depleted rounds in Bosnia and Iraq. According to the World Health Organisation, the weapons are lightly radioactive. Researchers have suspected depleted uranium may be behind a range of chronic symptoms suffered by veterans of the 1990-91 Gulf War. Some of the symptoms include memory and thinking problems, debilitating fatigue, severe muscle and joint pain, depression, anxiety, insomnia, headaches and rashes.

Geo strategic front

US, Israel sign deal aimed at halting arms smuggling into Gaza

The United States has agreed to Israel's request to lead an international effort to halt weapons smuggling into the Gaza Strip , raising the prospects for a cease-fire in a conflict that's claimed more than 1,100 lives, U.S. officials and diplomats said Under the agreement, the outgoing Bush administration pledged to help track and interdict weapons shipments before they reach Gaza , which the militant Palestinian group Hamas has used as launching pad for rocket attacks on Israel . The deal was being signed Friday in Washington by Secretary of State Condoleezza Rice , in one of her last official acts in office, and Israeli Foreign Minister Tzipi Livni . Rice said Friday that the U.S.-Israeli memorandum of understanding "should be thought of as one of the elements of trying to bring into being a durable cease-fire, a cease-fire that can actually hold." Israel , which began attacks on Gaza three weeks ago in response to the rocket fire, has said it won't reopen the territory's border crossings until steps are taken to stop arms smuggling. ***The deal seems likely to provide a boost for cease-fire talks in Cairo, Egypt , that the Egyptian*** government is mediating. U.N. Secretary General Ban Ki-Moon said Thursday that while the talks were making progress, it could take several more days to reach a deal. The United States and Israel also have discussed having the Army Corps of Engineers build some kind of barrier — such as trenches or a submerged wall — to prevent the digging of underground tunnels for smuggling weapons from Egypt into Gaza , officials and diplomats said.

Lebanon

Political front

Economic front

Lebanon lays claim to Israel's Tamar-1 gas field

Lebanon said on Wednesday it was looking into whether a natural gas find which Noble Energy said it discovered off Israel's Mediterranean coast also fell under Lebanese waters, a charge Israel denied. A U.S.-Israeli exploration group said last week it had found large amounts of natural gas in the eastern Mediterranean that are expected to meet Israeli gas demands for well over a decade. Led by Noble Energy, the group said it found natural gas of more than 3 trillion cubic feet (88 billion cubic meters) 90 km from the Israeli northern port of Haifa. But Lebanese authorities said it was not clear whether the basin fell only under Israel's waters. Kabbani had said in a statement on Monday that he feared that Israel "can extract mounts of gas from the depths of Lebanon's territorial waters if there is a common gas basin." "If that basin extends to Lebanese waters, then we want to warn this company from infringing on our rights," Kabbani said, adding the parliamentary committee had requested the government take action. Energy Minister Alain Tabourian said Lebanon was in the process of registering with the United Nations the delineation of the country's exclusive economic zone waters to determine whether the gas find fell within it. Neither official said how long this process would take. But Delek Drilling, one of the partners in the U.S.-Israeli consortium, denied the possibility that the discovery was within Lebanon's territorial waters. Noble Energy owns 36 percent of the Tamar site while Isramco Negev owns 28.75 percent and Avner Oil Exploration and Delek Drilling each hold 15.625 percent. Dor Gas Exploration owns 4 percent. Delek and Avner are units of conglomerate Delek Group. The Tamar-1 drilling site is located 90 km west of the northern port of Haifa. Analysts estimate the natural gas is worth about $15 billion-$16 billion and will be sold starting in 2013. Noble, Delek and Avner are already producing natural gas from a separate site off the coast of southern Israel that is expected to be depleted within five years.

Geo strategic front

Suleiman calls for Arab unity at Doha summit

Lebanese President Michel Suleiman addressing the Doha Arab summit meeting said: "We should come out with a comprehensive and unified Arab strategy to meet the challenges and to force the enemy to implement the Arab peace initiative." Suleiman called for a stance of conscience and for a great will in light of the extremity of the tragedy. He said that despite the fact that the quorum for holding an emergency Arab summit is not complete, our solidarity meeting with Gaza "must not appear to establish Arab axis and divisions." Suleiman pointed, " Lebanon is ready with its efforts in protecting the established Palestinian rights." He was also adamant in directing everyone's attention that Lebanon has suffered many aggressions that succeeded in

destroying its institutions but not the spirit for resistance. Suleiman said: "Israel works hard on violating UNSCR 1701, and continues to occupy part of our land." He hoped that the Arab family would come together in facing this terrible aggression against Gaza, regardless of the summit's location "because the Arab line in unity with the Palestinian line is capable of weakening this Israeli killing machine," he said. He thanked all Arab initiatives in support of Lebanon. He directed his attention to the Palestinians saying, "we came to stand by you and hope that our participation would serve your aspirations." Prior to the Summit meeting President Suleiman and his Syria counterpart held a closed summit meeting at the Sheraton Hotel in Doha.

UN chief concerned over situation in south Lebanon

Visiting UN Secretary General Ban Ki-moon expressed concerns over the firing of Katyusha rockets from Lebanon into Israel. "I am concerned for the situation in the south, any additional aggression threatens the stability of UNSCR 1701. I call on everyone in Lebanon and Israel to control themselves to maintain stability," Ban, who arrived in Beirut late Friday, told the Lebanese parliament Last week, the tension in southern heightened after unidentified militants fired several rockets into the northern Israeli settlement prompting Israel to fire back at areas where the rockets where launched from. The incident raised fears that UN Security Council resolution 1701, which ended 33-days of war between Hezbollah and Israel in 2006, is being violated and it threatened the prevailing calm and stability in southern Lebanon and on the other side of the border. Referring to the ongoing Israeli attacks on Gaza, the UN Chief said: "Hamas must stop firing rockets and Israel must stop its offensive." On his part, House Speaker Nabih Berri welcomed the UN chief inside the Lebanese parliament and said Israel continues to violate Lebanese territories and breaches UNSCR 1701, which Lebanon is committed to. Berri added : “If UN resolutions had been implemented, many wars would have been prevented,”. Berri called for holding Israeli leaders accountable for all military attacks. The UN chief started his official talks Saturday in Beirut by meeting with Lebanese President Michel Suleiman and Premier Fouad Siniora. He also met a group of Lebanese children who presented him a memorandum protesting the killing of children in Gaza.

Gaza war was a sneak preview of Israel's plan for Lebanon

The question that was being asked around Beirut this past week was if the bombing of Gaza by Israel -- now in its third week -- would come to a halt before Lebanon got dragged into the Middle East's latest conflict. That question was on the minds of those attending a chic dinner party held in one of Beirut's more affluent suburbs, which included a government minister, local reporters and a visiting journalist; that same question was also on the minds of the working-class Shiites living in a neighborhood south of Beirut known simply as "the suburbs," or in Arabic, "Dahiyeh." At the weekend Israel announced a unilateral cease-fire, and hours later so did Hamas, which in essence solves nothing in the long term, leaving the region in an uncertain limbo. But in the interim the great fear in Lebanon is that the country may get pulled into the Palestinian fight, as it has on multiple occasions in the past. What is encouraging this time is that it appears, at least for the moment, that neither Lebanon nor Israel is anxious for a fight.

Two prominent members of the pro-independent March 14 Alliance, often referred to as the anti-Syrian coalition, told this correspondent that Hezbollah seemed aware of the potential consequences and would stay out of the fight. Samir Geagea, the leader of the Christian Lebanese Forces, as well as Samir Franjieh (who stands politically apart from the rest of the pro-Syrian Franjieh clan), told this correspondent in separate meetings in Beirut last week that the next week -- the one before Obama's inauguration -- would be crucial. At the same time both leaders told this correspondent they believed the Lebanese Shiite organization Hezbollah would stay out of the current fight. ***The economic crisis affecting*** many of the world's economies might actually play in favor of Lebanon. With the price of a barrel of oil currently at $35, the Iranians, who had planned their 2009 budget at $90 a barrel, will face a severe economic shortfall -- this in turn translates as less hard cash for Iran to hand down to Hamas and Hezbollah. One immediate outcome is that, unlike in the aftermath of the 2006 war with Israel, when Hezbollah was able to distribute piles of cash to those who lost homes in the battle, this is hardly going to be possible in Gaza, or in Beirut in case of a repeat performance. And for once there seems to be unanimous agreement from just about every leader across the political spectrum in Lebanon -- which runs the gamut from the far left to the far right and includes pro- and anti-Syrians, Iranians, Saudis, etc. -- that it would be counterproductive for Lebanon to jump into this fight. Since the fighting in Gaza began on Dec. 27, the Lebanese have been well aware of the consequences of getting pulled into another war. And one of the big fears here is that Iran may pressure Hezbollah to open a second front on Israel's northern border to alleviate some of the pressure on Hamas in the Gaza Strip. The good news amid this dire environment is that some analysts believe Israel is not itching for a fight on its northern border, at least not now. Last year several high-ranking Israeli army generals published an outline of their plan of retaliation against Lebanon in the event of an attempt by Hezbollah to attack Israel. Under Eisenkot's plan, in the event of war the civilian centers from which Hezbollah operates will be viewed exclusively as military installations. If and when the next conflict breaks out, Israel, said a group of senior army generals, would refrain from chasing mobile Hezbollah missile teams around southern Lebanon. Instead, they would "create deterrence" by punishing Lebanon and the individual towns and villages that provide the terror group with its fighting force and cover. And indeed, the Lebanese were given a pretty accurate sneak preview of what Israel's Dahiyeh Doctrine, if implemented, would look like. It was hard for anyone here to escape the non-stop coverage from Gaza being transmitted over the multitude of Arabic-language television satellite news networks broadcasting 24 hours a day.

In Lebanon and Iran, Israel described as loser in Gaza

Though Israel says it has achieved all the goals it set out for its offensive in Gaza, Palestinian advocates were loath to admit that Israel had gained anything from the offensive other than to damage civilian lives and the tools of Palestinian statehood built up since the Oslo Accords. "It is not a defeat," Salah Salah, a Lebanon-based member of the Palestinian National Council, said of the conflict's shaky end. The council is a 669-member legislature that represents Palestinians in the occupied territories and the diaspora. "It is a victory for the resistance and the Palestinian people of Gaza," he said along the sidelines of a conference sponsored by a think tank run by the Lebanese

militant group Hezbollah. Ali Fayad, the director of the Consultative Center for Studies and Documentation, the Hezbollah think tank, said Hamas won just by continuing to stand and fire rockets into Israel, likening the conflict to the month-long war between Hezbollah and Israel in 2006. We think that Hamas will be stronger, he said. Fayad argued that one consequence of war and defeat for Israel and its allies was the emergence of a rival to the Arab League, which he described as the "League of Doha," a reference to the gathering in Qatar last week that excluded pro-American Arab states such as Egypt and Saudi Arabia. The Doha forum included delegates from Syria. Turkey and Iran, as well as Hamas. He said the war also had badly damaged the U.S.-sponsored peace process, which Hezbollah and Tehran staunchly oppose in favor of opposition to the Jewish state. Iranian foreign minister Manoucher Mottaki, whose country is a major patron of Hamas, said that the cease-fire in the Gaza Strip could collapse unless Israeli troops withdraw outside of the seaside enclave. Mottaki told the official Islamic Republic News Agency, or IRNA, that Israel's decision to stop its offensive in Gaza while leaving its troops in place was not acceptable. Despite the shaky ceasefire, Iranian officials continued bellicose talk about Gaza, spinning the ceasefire as an indication of Israel's failures in achieving its objectives. Iranian lawmakers and officials publicly urged Muslims and Arabs to pressure their governments to pursue the Gaza issue at the United Nations Security Council. They also continued lambasting pro-American Arab states, saying they did not do enough to counter Israel. It was an indication that Tehran is not yet willing to let tempers cool between the two camps -- one led by Iran and Syria, the other by Egypt and Saudi Arabia -- that have emerged in the Middle East. Egypt, Saudi Arabia and Jordan 'have indeed supported the oppressor," said Ali-Reza Zaker Isfahani, a foreign policy adviser to firebrand President Mahmoud Ahmadinejad, according to IRNA. Israel and its allies hope to avoid the reconstruction pitfalls of Lebanon after the 2006 war, in which the Iranian-backed Hezbollah and Tehran took credit for much of the rebuilding efforts in areas of southern Lebanon devastated by Israeli airstrikes. But Iran appears primed to help in Gaza's reconstruction. Ahmadinejad, in a phone conversation with Syrian President Bashar Assad, said the two nations were "duty-bound to help the Palestinian nation and create suitable grounds for them to continue their decent lives," according to IRNA. Salah, the Palestinian activist, said the greatest threat to the Palestinian cause was the rift between Hamas and the Western-backed Fatah faction, the dominant political force in the West Bank. Reconciliation, he conceded, "will take time, and it will not be easy." The rift ultimately plays into the hands of Israel, he said.

Lebanese American considered as US Envoy to Mideast

People close to Secretary of State-designate Hillary Rodham Clinton said Sunday that George J. Mitchell, a former Senate majority leader and the chairman of a Middle East peace commission in 2001, was a leading candidate to be the Obama administration's special envoy to the Middle East. The appointment of Mr. Mitchell, a seasoned and well-regarded negotiator, would signal that President-elect Barack Obama was attaching a high priority to the Middle East and the current Gaza crisis from his first days in office. Obama transition officials declined to comment on Mr. Mitchell, but David Axelrod, Mr. Obama's senior adviser, told CNN on Sunday that Mr. Obama would move quickly to address the instability in the Middle East and hoped that

the new cease-fires in Gaza would last. “Let me say that all of us are hopeful that a cessation of violence will hold,” Mr. Axelrod said. People close to Mrs. Clinton, who is expected to be confirmed soon after Mr. Obama’s inauguration, said it was not clear how soon she would travel to the region. The sources asked not to be named because discussions about the job were still under way. Early trips to Europe and the Middle East are traditional for modern secretaries of state, but complicating matters are the Feb. 10 Israeli elections and a concern that Mrs. Clinton not be seen as siding with one potential prime minister over others. “Senator Clinton has no plans for travel, and in any event, it would be premature to discuss any potential travel to the region prior to the Senate considering her nomination,” said Brooke Anderson, the national security spokeswoman for the Obama transition team. Middle East analysts said it was also unclear what role Mrs. Clinton would play in the indirect negotiations between Israel and Hamas sponsored by Presidents Hosni Mubarak of Egypt and Nicolas Sarkozy of France. “They’re going to have to assess whether her involvement is appropriate at that point,” said Martin S. Indyk, a former ambassador to Israel. “If the Egyptians essentially have it under control, it may not be necessary for her to immediately go out there. What she doesn’t want to do is look like she’s showboating and then the rockets start falling the minute she comes back.” Other people who have been mentioned as possibilities for the job include Richard N. Haass, a State Department official during President Bush’s first term and now president of the Council on Foreign Relations, and Daniel C. Kurtzer, who served as United States ambassador to Egypt and then Israel.

Jordan

Political front

King to take part in Sharm El Sheikh meeting

His Majesty King Abdullah will leave today for Sharm El Sheikh to participate in an international summit that Egypt’s President Hosni Mubarak called for to review efforts exerted to end the Israeli aggression, lift the siege over Gaza, open the crossings and implement UN Security Council Resolution 1860. King Abdullah on Friday discussed the latest developments in the Gaza Strip and efforts to end the Israeli military offensive on the coastal enclave in a phone call with Mubarak. Meanwhile, Jordan is participating in a pan-Arab economic summit in Kuwait, scheduled for Monday. The Jordan News Agency, Petra, on Saturday quoted Foreign Minister Salah Bashir as saying the summit represents an opportunity to unify the Arab ranks through consensus. In a statement to the press while attending the summit’s preliminary meetings, Bashir said Arab joint action has seen many achievements, adding if there were differences, “everybody is keen to overcome them at this summit”.

Lower House speaker urges world parliaments to act on Gaza violence

Lower House Speaker Abdul Hadi Majali on Saturday called on parliaments across the world to mobilise their countries to pressure Israel to stop its military offensive against Palestinians in the

Gaza Strip. Majali and an accompanying delegation returned home from Istanbul yesterday after participating in an extraordinary meeting of the Organisation of the Islamic Conference executive committee. Also yesterday, South Korea's National Assembly Speaker Kim Hyung arrived in Amman as part of a tour of the Kingdom. Kim is scheduled to hold talks with Majali today on means to enhance bilateral ties, particularly in the parliamentary field.

Prince Hassan warns against extremist reactions as a result of Israeli aggression

HRH Prince Hassan warned against extremist reactions as a result of the Israeli aggression on the people of Gaza. In an article published on "Al Jazeera Net", the Prince said the offensive waged by Israel on 1.5 million Palestinians in Gaza is a crime against humanity, asking how long the world will continue to accept double standards. "We are witnessing a catastrophic humanitarian crisis in Gaza as a result of the Israeli aggression," the Prince said, noting that Israelis have a false perception that their brutality will force the other side to agree to live under continued occupation, submission and surrender while the truth is the opposite.

Lower House to resume discussions over 'bourses' law

The Lower House of Parliament is scheduled to convene today to resume discussions on a draft law regulating companies dealing in foreign currencies. A House session last week lost its quorum after 20 MPs walked out over heated discussions regarding Article 4 of the proposed law, which calls for establishing a council under the authority of the Industry and Trade Ministry to license and regulate companies dealing in foreign currencies. A majority of present deputies voted to grant the Jordan Securities Commission the authority to regulate the sector rather than create a new body, while dissenting MPs claimed that such a move would require a change in the law governing the commission. Lawmakers will also decide whether to accept modifications made by the Senate on the 2008 livestock protection draft law or refer the legislation back to the concerned committee for recommendation, Agriculture Committee Chairperson Wasfi Rawashdeh told. A joint Senate committee, however, rejected the House's amendment and opted instead to finance the fund through state budget allocations as had been suggested by Prime Minister Nader Dahabi. Legislators will also refer the Jordan News Agency, Petra, draft law to the concerned committee for review.

Geo strategic front

Iraqi authorities release Jordanian prisoner

Iraqi authorities on Saturday released Jordanian citizen Fadi Bassam Harb following intensive efforts by the government to release all Jordanian prisoners abroad. Director of the Foreign Ministry's Consular Department Ahmad Mubaidin said Harb, who has been imprisoned in Iraq for a long time, was handed over to the ministry though the International Red Cross in Amman, adding he was in good health.

South Korean delegation briefed on peace efforts

His Majesty King Abdullah on Sunday discussed efforts to stop the Israeli attacks on the Gaza Strip with Speaker of the National Assembly of the Republic of Korea Kim Hyong-o and an accompanying delegation. At yesterday's meeting, the King stressed the importance of partnership between the two countries and ways to boost cooperation in the fields of water desalination and alternative energy. Talks during the meeting, attended by HRH Prince Feisal, Lower House Speaker Abdul Hadi Majali, Royal Court Chief Nasser Lozi, the King's Adviser Ayman Safadi and the Korean Ambassador to Amman Bong-Kil Shin, also touched on means to boost bilateral ties. The Monarch reviewed the outcome of his latest visit to South Korea in December last year where both countries signed an agreement in the field of peaceful nuclear energy and a memorandum of understanding on economic and development cooperation. For his part, Kim stressed his country's keenness to develop cooperation with Jordan in various fields, particularly in the energy sector. Lawmakers also held official talks with the delegation on means to boost cooperation in the peaceful use of nuclear energy, encourage tourism exchanges, amend the trade balance and activate cultural and technical exchange programmes. Majali and his Korean counterpart chaired the meeting where discussions also covered the latest developments in the region. The House speaker expressed Jordan's support for efforts designed to achieve peace, justice and stability in the Middle East based on international resolutions.

Jordanians hopeful over Obama peace quest

With little over a day into his term as US president, Jordanians have tempered optimism over Barak Obama's ability to effect "change" in the region. In light of his calls to His Majesty King Abdullah and Palestinian President Mahmoud Abbas and pledges to work for a "durable peace", average citizens and political analysts expressed hope for a renewed and effective US commitment to the peace process. Amman bus driver Mohammad Khader said he liked the way the president conducted himself since assuming office. "He called Abbas right after he became president. [Former president] Bush wouldn't have anything to do with Arafat and refused to talk to Hamas. This is a step in the right direction," Khader told. Seventy-year-old Um Huda said shortly after viewing Obama's inauguration on Tuesday that she believed Obama was sincere in his vow for a new dialogue with the Muslim world. Ahmad Abu Khokha, 28, who left his home country of Egypt for better job opportunities in Jordan, said he was concerned mostly with Obama's ability to effect change not only the economic situation in the US, but across the world. Forty-year-old Amman taxi driver, Ayed Shabaan, said he has listened to Obama's statements carefully and expressed hope that the incoming president will work with others when formulating foreign policy. Zarqa engineer Mohammad Nassaf said he would hold judgement on the new US administration until substantial efforts are made towards resolving the Israeli-Palestinian conflict. Ahmad Rumhee, a self-proclaimed supporter of the Muslim Brotherhood, was sceptical of the 44th president's ability to work towards peace in the region. MP Nassar Qeisi (Amman, 6th District) said that after travelling to the US and meeting with the Obama campaign last fall, he is convinced of the new president's commitment to the peace process. The

lawmaker pointed out that Arab countries will also need to play a role in order to assist in bettering the region. In a statement released on Wednesday, Islamic Action Front (IAF) Secretary General Zaki Bani Rsheid welcomed the new Obama administration, but stressed that dialogue was needed with all parties in the region. In addition to wishing the president well on his "endeavour", the IAF called on Obama to live up to his promise of "change" for the region. Fares Breizat, political analyst at University of Jordan's Centre for Strategic Studies, said that though the immediate phone calls to Abbas and King Abdullah were a good sign, it has yet to be seen whether Arab leaders will play a greater role in US policy in the region. Breizat said that while former US president George W. Bush used democratisation as a policy, he expected Obama not to actively pursue democratisation of the region, adding that hopes towards the US stance on the peace process should be tempered. Qeisi added that although public opinion of Obama may be favourable, and there are high hopes for administration, Jordanians should be realistic. Despite the doubts and calls for patience, Um Huda, meanwhile, said she is excited about the incoming president's message.

Economic front

Germany extends support to Irbid water project

The Wastewater Greater Irbid-Phase II Project will receive an additional 17 million euros under a financial agreement signed between the Ministry of Planning and International Cooperation and the German government on Thursday. Germany has contributed a total of 46.6 million euros to the project through the German Development Cooperation Bank (KfW), according to a ministry statement. Planning and International Cooperation Minister Suhair Al-Ali, who signed the agreement with German Ambassador in Amman Joachim Heidorn, said the project's key objectives include providing proper sewage disposal for the city of Irbid and enhancing the area's health and environment by constructing a 500km sewer network with connections to 1,400 homes, in addition to protecting groundwater. For his part, the German ambassador reiterated his government's commitment to providing Jordan with further necessary financial and technical assistance in various sectors.

Water pumping disruption to affect Amman, Zarqa

The Water Authority of Jordan and Miyahuna said water pumping from the Khao Water Plant to Amman and Zarqa will stop as of today for a maximum period of 24 hours. The halt in pumping is to allow for construction work, the authority indicated yesterday. Areas that will be affected by the stoppage of supply will be compensated once pumping resumes, the authority indicated.

Group suspected of assaulting garment factory finance director seized

Authorities arrested five people who were involved in an assault and robbery in Dulayl last week. Public Security Department Spokesperson Major Mohammad Khatib said a non-Jordanian

finance director of a garment manufacturing company filed a complaint on January 11, stating that persons in two Jeeps intercepted his vehicle on the Zarqa road and stole $40,000 that he had in his possession. Security personnel formed an investigation team which managed to track down the suspects who confessed and will be referred to court, Khatib said.

Jordan, Kuwait ink cooperation deal on commercial marine transportation

Jordan and Kuwait on Tuesday signed a joint cooperation agreement in the field of commercial marine transportation to boost cooperation and expertise exchange between the two countries. Minister of Industry and Trade Amer Hadidi and Kuwaiti Minister of Electricity and Water Nabil Ben Salameh signed the agreement yesterday.

Jordan's standing improves on economic freedom index

Jordan was ranked 51st globally and 6th regionally on the 2009 Index of Economic Freedom, showing an improvement in its international standing and a slight drop regionally compared to the 2008 index. This year's index, carried out by the Wall Street Journal and The Heritage Foundation, covers 183 countries measuring 10 specific freedoms such as trade, business, investment and property rights freedoms. Jordan's economic freedom score rose by 1.3 points in 2009, making the country's economy 51st globally compared to 58th in the 2008 index. Regionally, Jordan dropped from the 5th place it earned last year. The index indicated that there was a substantial increase in business freedom, moderate increases in trade freedom and government size, and a slight decline in freedom from corruption. It also indicated that the country has relative strengths in terms of monetary stability, strong property rights, and low tax rates on individual and corporate income. Inflation is moderate, and the government has succeeded in phasing out direct subsidies of many goods, according to the survey. However, Jordan's weaknesses included large government size and non-transparent regulatory obstacles to investment, according to the index. He added that the index indicated a slight decline in freedom from corruption while the latest report by Transparency International stated that Jordan has improved in terms of its fight against corruption. Transparency International's 2008 Corruption Perception Index, released in late September 2008, indicated that perceived corruption has lessened over the past year in the Kingdom.

Italian funds breathe new life into handicraft initiative

After a three-month stoppage due to technical difficulties, the Handicraft Promotion Project (HPP) will resume operations after receiving funds from the Italian government Established in 1987, the project promotes local handicraft production and marketing through a centre built in cooperation with the International Labour Organisation (ILO) and the Italian government. An agreement signed yesterday by the Vocational Training Corporation (VTC), the ILO and the Italian government will provide $465,000 for the initiative's third phase which will be implemented over the next six months to improve product quality and training capabilities at

the HPP. VTC Director General Majed Habashneh said one of the main challenges hindering the project is the HPP centre's location in Salt, which discourages the participation of trainees from other regions. To address the issue, Habashneh said organisers are considering alternatives such as using the new funds to provide participants with free transportation to the training centre. The corporation has also signed agreements with private sector stakeholders for training and marketing items made by centre trainees, the official said. Italian government representative, Ahmad Yaaqbeh, noted that engaging the private sector in production and marketing has been at the centre of the initiative's success. Under the third phase, the ILO will provide technical services and financial coordination in order to develop the quality of products made by the trainees, according to Gregor Schulz, ILO skills and employment expert. Training at the centre, which has a 50-person capacity, will become free once it resumes operations, a measure that is being applied at the VTC's 46 training centres to encourage more Jordanians to enrol in the corporation's training programmes, Habashneh said.

Social front

Protesters urge action, boycott of US and Israeli goods

Public condemnation of the ongoing attacks on Gaza continued on Saturday, with activists burning Israeli and the US products at the Professional Associations Complex in Shmeisani. According to Maysara Malas, a member of the Jordan Engineers Association freedoms committee, the burning is a symbolic gesture of "Jordan's rejection of Israel and the US". Meanwhile, a Muslim Brotherhood-sponsored conference launched a petition calling for Palestinian President Mahmoud Abbas to be refused entry into the Kingdom "in light of his stance on the Israeli military offensive in Gaza". Around 2,000 people took part in yesterday's gathering, organised by the Islamist movement to galvanise support for Palestinians in the besieged coastal strip, with Islamist activists and tribal leaders expressing their anger over Palestinian Authority officials' inaction. Several speakers condemned Abbas for not attending Friday's Doha summit, accusing him of being "an Israeli agent", and called for a national survey to gauge public opinion of the 1994 Wadi Araba Jordanian-Israeli peace treaty. Speakers included Hammam Said, overall leader of the Muslim Brotherhood movement, Islamist MPs, former army general Sami Majali and dignitaries from Karak, Maan, Irbid and Zarqa. "Although we appreciate the government's efforts to support us, we call for cancelling the Wadi Araba agreement and ending all forms of normalisation with the Zionist enemy, including political and economic ties," said Said***. Muslim Brotherhood*** spokesperson Jamil Abu Baker told The Jordan Times on the sidelines of the conference that the event is a part of a series of initiatives to support Palestinians living in the besieged enclave.

Dahabi visits Gendarmerie officer injured in Rabia protest

Prime Minister Nader Dahabi on Friday visited an officer from the Gendarmerie hospitalised at the King Hussein Medical Centre after he was injured in clashes with protesters in Rabia while on duty. Dahabi delivered His Majesty King Abdullah's well-wishes to the officer. The premier said the government permits demonstrations in the Kingdom to enable the public to express their anger over the Israeli attacks on Palestinians in Gaza, stressing that citizens should respect public and private property.

Press association condemns Israel's targeting of journalists in Gaza

In a statement issued on Friday, the Jordan Press Association (JPA) condemned Israel's targeting of journalists in the Gaza Strip. The JPA said Israeli actions seek to prevent journalists from "covering the crimes committed by Israel against civilians, children and women" and called on international media and press organisations to pressure Israel to stop targeting journalists.

Jordanian medics to help traumatised Gazans

Jordanian psychiatrists joining a voluntary medical team heading for Gaza will be helping patients suffering from "psycho trauma" as a result of the three-week Israeli offensive in the strip. President of the Jordan Medical Association (JMA) Zuhair Abu Fares told The Jordan Times on Sunday that the specialists are among a 24-member team of medics who will replace the first group of volunteers that have been giving their Palestinian peers and other volunteers a helping hand in treating thousands of injuries resulting from the unprecedented military attacks. According to Abu Fares, people of Gaza now suffer Post Traumatic Stress Disorder (PTSD) after they were exposed to "horrific and tragic events due to the Zionist entity's aggression". A Palestinian doctor at the Shifa Hospital in Gaza, Ayman Rashid, told The Jordan Times on Sunday in a telephone interview from Gaza: "People in Gaza now suffer from psychological disorders as they return to their destroyed homes and see their relatives' decomposing bodies." PTSD is an anxiety disorder that can develop after exposure to a terrifying event or ordeal in which grave physical harm occurred or was threatened. Traumatic events that may trigger PTSD include violent personal assaults, natural or human-caused disasters, accidents, or military combat, said Amman-based psychiatirst Mohammad Habashneh. Habashneh added that people who suffer from PTSD lose interest in things they used to enjoy, have trouble feeling affectionate, be irritable, become more aggressive, or even become violent. They avoid situations that remind them of the original incident, and anniversaries of the incident are often very difficult. Rashid indicated that hospitals in the coastal strip still suffer from shortages in medical supplies as they expect more injured people. Hospitals in Gaza are also in urgent need of specialists in artificial limbs as the Israeli attacks left a large number of disabled people, many of them with amputated limbs, Abu Fares said. He indicated that the first seven-member Jordanian medical team is due to arrive back in Amman today, adding that the JMA will continue sending surgical and medical supplies to the strip.

Activists protest against Parliament's 'lack of action' on Gaza

Activists staged a sit-in outside Parliament on Sunday to protest ongoing violence on Gaza, despite a unilateral Israeli declaration of ceasefire and a separate announcement by Hamas yesterday that it would cease fire. Calling on Hamas to launch more missiles into Israeli towns, protesters placed an Israeli flag on the ground and stepped on it repeatedly in what was called a Hamas “victory celebration”. Activists criticised lawmakers for what they deemed "lack of action" in supporting Gaza as it suffered under an Israeli military offensive that left more than 1,200 people dead and thousands injured. They chanted, "Listen Majali, we do not want an Israeli embassy in Jordan," in reference to Lower House Speaker Abdul Hadi Majali, in addition to condemning Palestinian President Mahmoud Abbas and Egyptian President Hosni Mubarak. Though the protest was organised by the leftist movement, several Islamist activists and MPs also made an appearance. Jordan Bar Association President Saleh Armouti said Israel's declaration of a ceasefire was a testament of Hamas’ ability “to stand up and teach Israel a lesson". He told The Jordan Times that the professional associations will proceed with filing a lawsuit against Israel for committing what he called "war crimes". Less than 100 people attended yesterday’s protest, indicating a drop in the intensity of demonstrations with the expected end of hostilities. Activists warned citizens to continue pressuring authorities to end diplomatic ties with Israel and expel the Israeli ambassador from Amman after "Israel proved it does not recognise the Kingdom or any other Arab country as a peace partner"

Jordanian volunteer doctors return from Gaza

A Jordan Medical Association's (JMA) team of volunteers returned home on Sunday night after spending a week in the Gaza Strip treating Palestinians wounded during the Israeli onslaught. The JMA delegation entered Gaza through the Rafah crossing border on January 12, a day after they left the Kingdom and had to sign a document for the Egyptian authorities stating that they take full responsibility for their entry into the war zone, according to Bassem Kiswani, head of the delegation. Comprising two surgeons, two orthopaedic specialists, a plastic surgeon and two paediatric surgeons, the team embarked immediately on the treatment of wounded citizens at the Shifa Hospital, Kiswani told "Despite the deteriorating situation and the humble medical capabilities, the team carried out dozens of surgical procedures in operation theatres and the ER," he added. Kiswani, a paediatric consultant, still remembers many of his little patients. He even used his cell phone camera to take a photo of Suheib Suleiman, a seven-month-old baby with a fractured skull. He added: “The large number of the wounded we have seen at the Shifa Hospital had amputated legs, which indicates that the Israeli army used munitions that explode on the ground and spread horizontally at a low height.” Meanwhile, plastic surgeon Mohammad Abu Hdeib said he noticed that the wounds he had cleaned, sterilised and sewed ruptured and swelled in a way that he could not understand.

Printing presses referred to court over forged medicinal packaging

The Jordan Food and Drug Administration (JFDA) last week referred two printing press owners to the prosecutor general, after they were discovered forging pharmaceutical packaging. He added that the referral is the first documented pharmaceutical packaging forgery case and was uncovered during extensive inspection campaigns recently conducted by the administration. According to the Public Health Law, medicine is considered counterfeit if its commercial name, label or information card is forged. “Those who violate the law face a prison term ranging between two to three years and a JD10,000 fine,” Rawashdeh explained, adding that the Press and Publications Department will consider closing the printing presses, depending on the court’s decision. In order to avoid future violations, Rawashdeh said a circular will be sent through the Press and Publications Department to the Kingdom’s printing presses to warn them against printing pharmaceutical packaging without JFDA permission.

Third Jordanian medical team to be dispatched to Gaza

The Jordan Medical Association (JMA) announced that a third Jordanian medical team will be dispatched to the Gaza Strip. The team, which is expected to be deployed early next week, will comprise doctors and technicians specialised in amputations and physiotherapy, according to JMA President Zuhair Abu Fares. "The decision was taken due to the large number of citizens who lost body parts due to the Israeli bombardment of Gaza in addition to the shortage of such specialities in the Palestinian medical sector," Abu Fares told According to Palestinian figures quoted by the UN, the three-week Israeli offensive has left 1,340 Palestinians dead, including 460 children and 106 women. Approximately 5,320 Gazans were wounded in the attacks, 1,855 of them children and 795 women, with a large portion of injuries consisting of severe burns and loss of limbs. The association urged interested doctors to register at JMA headquarters in order to arrange for their travel and entrance into Gaza. The team's dispatch to the Palestinian territories is being carried out in coordination with the Arab Medical Union and the Jordanian embassy in Egypt, he said, expecting the team to be compiled this week and consist of around 10 medical workers. Meanwhile, the Jordan Hashemite Charity Organisation (JHCO) on Wednesday received five tonnes of assistance for Gaza donated by the Belgian people, JHCO Spokesperson Mohammad Kilani told The Jordan Times yesterday. However, the humanitarian agency noted that once its final assessment of damage is complete, this figure might double or triple. With over 10,000 staff operating in Gaza, UNRWA is responsible for running 214 schools in the coastal strip, in which 8,400 teachers are educating 200,000 students, in addition to administering 19 major health centres.

BUSINESS & POLITICS IN THE MUSLIM WORLD
GCC (Gulf Cooperation Council)
NEWS MONITORING REPORT
(9th JAN, 2009 – 23rd JAN, 2009)
MADIHA KAUKAB
Presentation January 28, 2009

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Bahrain's lower house has called for the reopening of the Israel boycott office, the use of the oil as a weapon and the closure of US bases in the country to protest the Israeli aggression on Gaza and the perceived US support.

The boycott office was shut down in 2005 as a US condition to sign a free trade agreement with Bahrain and the decision was then endorsed by the bicameral parliament.

However, the Israeli war on Gaza, today in its twentieth day, has prompted the MPs to press for the reopening of the office and for the boycott of US products.

Health ministers touched by tales of Gaza wounded

The broken words of Jameela Al Hayashi, a wounded Palestinian girl brought to Riyadh for treatment, at the opening session of an emergency meeting of Arab health ministers, were more than enough to draw the attention to the pathetic conditions of children in Gaza.

Twenty-two ministers or their representatives from Arab countries listened to the girl, who lost her legs, about the barbaric Israeli attack on her and her family members.

Kuwait summit to take up Gaza

The first Arab Economic Summit was inaugurated yesterday in Kuwait where His Highness the Amir Sheikh Sabah Al-Ahmed Al-Sabah hosted his Arab counterparts under the slogan of solidarity with Gaza. The Liberation Hall at Bayan Palace was far from liberated by the political splits that we recently witnessed over the Palestinian issue and which summit to attend. However, the Amir was sincere and optimistic that the summit in Kuwait will bring Arabs back on the same page and he has worked hard to achieve this.

The Arab League economic summit in Kuwait will take up the Gaza crisis after Qatar yesterday failed to persuade its Gulf neighbors to back a separate meeting on the issue. The Gulf Cooperation Council (GCC) concluded their emergency summit yesterday in Riyadh and agreed to fully address the Israeli aggression in Gaza in the upcoming summit in Kuwait on Monday. In a joint press conference with GCC Secretary General Abdul Rahman Al-Attiyah, Saudi Foreign Minister Prince Saud Al-Faisal said that the emergency Arab summit in Doha today does not have the quorum to take place.

Qatar calls for severing all relations with Israel

Qatar renewed its call to host an emergency Arab summit to discuss the Gaza crisis and urged Arab states to create a fund for Gaza's reconstruction following three weeks of Israeli attacks that have left much of the Strip in ruins.

But the gathering today is in doubt as Arab states are divided over how to deal with the conflict. mir Shaikh Hamad Bin Khalifa Al Thani said Qatar first got two-thirds of the 22 Arab League members to agree to the summit, then lost the needed quorum. Addressing the Arab world on Qatari television late on Wednesday, he also pledged $250 million (Dh912 million) for Gaza's reconstruction. Arab League Chief Amr Mousa said in Kuwait that only 13 Arab countries agreed to go to Doha. Egypt and Saudi Arabia are against holding the summit, believing it could scuttle Egyptian efforts to broker a truce between Israel and Hamas.

Food aid for Palestinians stopped at Rafah border

Medical supplies dispatched by Bahrainis and expatriate donors living in Bahrain have been delivered to recipients in blockaded Gaza, but other basic requirements have not been allowed through the Rafah border point, an activist has said.

"The crossing remained closed for days, but when it was opened for a short period of time, we were able to deliver the medical supplies to the people. Unfortunately, the foodstuff and much-needed blankets have been blocked," said Khalid Ameen Abdul Kareem, an activist with Al Eslah Society, a local NGO.

Saudis to donate $1b to rebuild Gaza

The Saudi king said on Monday his country will donate $1 billion to help rebuild the Gaza Strip after the devastating Israeli offensive and told Israel that an Arab initiative offering peace will not remain on the table forever.

Arabs hope for Obama change, Israelis expect more of same

Arabs were hopeful yesterday that President Barack Obama will amend US policy on the Middle East, while Israel expects little change in the wake of the Jewish state's deadly assault on Gaza.

Gulf Arab observers welcomed Obama's inauguration with hopes for change, but said they do not expect him to compromise Washington's strategic alliance with Israel. Those who think US policy will reverse 180 degrees are mistaken because they raise the ceiling of hope too much," said Kuwaiti political analyst Sami al-Nasef.

KD30,000 donated for Gazans

More than KD 30,000 has been donated by the people of Kuwait for the people of Gaza through the Women's Cultural Society, Kuwaitis for Jerusalem and the Graduates' Society.

Demonstrators for Gaza demand action, not words

For the second consecutive week, thousands of Kuwaiti nationals and expats flocked to the Determination Square in front of the National Assembly yesterday to protest against the Israeli attacks on Gaza. The demonstration began shortly after Friday prayers at the Grand Mosque, where protestors started marching from the Mosque to the Determination Square carrying Palestinian and Kuwaiti flags, wearing the Palestinian black and white checkered scarf around their necks and shouting anti-Israel slogans.

Palestinians in Kuwait speak about Gaza events

Watching the last three weeks' horrific Israeli attacks on Gaza has been harrowing and distressing for everyone. For Palestinians around the world, though, the distress is obviously infinitely greater; this is their nation, their people being terrorized, with over 1,070 killed (with almost one third of that number being children) and 4,900 maimed and injured in Israel's constant, non-stop brutal attack - and for many this is their family and friends. Kuwait's Palestinian population of around 80,000 has been watching horrified and helpless as the ongoing massacre continues. The Kuwait Times spoke to some Palestinian residents of Kuwait to assess their feelings about events there and regional and international reactions to them.

MPs demand Abbas' exclusion from Arab economic summit

Following the announcement by 20 Kuwaiti MPs that Palestinian Authority President Mahmoud Abbas is not welcome in Kuwait, several political blocs have issued a statement calling for his invitation to the forthcoming economic summit set to begin tomorrow to be withdrawn.

The statement continued, saying that people did not expect their leaders to gloat over their misery and pain and conspire against their right to resist occupation. The blocs also appealed to His Highness the Amir Sheikh Sabah Al-Ahmad to withdraw Abbas' invitation because "his term as president expired on Jan 8, 2009 according to Palestinian law.

KUWAIT

Labor Front

New labor law before NA next week: Duwailah

Minister of Social Affairs and Labor, Bader Al-Duwailah stressed that many unsolved issues were present at various sectors of this ministry and that they would need immediate action, reported Al-Rai.

Duwailah added that one of the major issues to be tended to was the appointment of a new assistant undersecretary for labor and concluding the work of the committee entrusted with checking expatriates' dossiers. 'Field checking is over and the committee is now working on its report and making relevant recommendations', he added.

Social Desk

Kuwaitization budget approved

Despite implementing cost-cutting measures across government departments, the government has approved a KD70 million budget for recruiting Kuwaiti staff in the public sector. A government official said that the new budget would allow the appointment of 13,300 male and female personnel in the various governmental and public sector bodies, reported Al-Qabas. The government's Kuwaiti staff recruitment policy has been unaffected by the global financial crisis and the steep fall in oil prices, said a Civil Service Commission (CSC) official, with no reductions in the numbers of Kuwaiti public sector employees planned. The CSC has officially adopted the new budget plan, the official explained, adding that the government would also support the appointment of Kuwaiti citizens in private sector jobs.

Young Kuwaitis angry at high dowry costs

Young Kuwaitis are very disgruntled at surging dowry costs and wedding expenses amid an economic and social about-turn in society due to the current economic downturn, according to a recent academic survey. Dowry is always a bone of contention among the families of brides and bridegrooms, said a survey, carried out by the Kuwait University. Young men are more critical of rising dowry costs than their female peers, the study entitled "The Social Value of Dowries in Kuwaiti Society" showed.

Political Desk

MP wishes the best for new govt

MP Khalid Al-Sultan recently released a statement that said he wished to see more change in the new government by changing more ministers. The statement also maintained that he wished all the best for the new government. He added that parliamentary groups that did not participate in negotiations toward the formation of the new government had given up their right of contribution, Al-Watan reported. He then said that MPs would support the new Cabinet in order to achieve the desired developmental projects and fight corruption while maintaining justice for all people, whether they were normal Kuwaiti citizens or senior members of society.

BAHRAIN

IR Desk

Bahrain to open embassy in Kuala Lumpur

Bahrain is set to open an embassy in Kuala Lumpur, Malaysia's national news agency *Bernama* quoted Malaysian Prime Minister Datuk Seri Abdullah Ahmad Badawi as saying.

Malaysian and Bahraini leaders held two days of talks in Manama which ended on Monday night, *Bernama* reported. Malaysia is hopeful that the Malaysia-Bahrain joint commission meeting will also take place during the visit to discuss ways to further expand our bilateral relations.

Energy Sector

Making a media presentation here on Thursday on the ensuing Power-Gen Middle East conference-cum exhibition in Bahrain the Independent Power Producers Forum (IPPF) officials said there was no alternative to relying on the conventional power generating units including the nuclear reactors and fossil fuel-based plants for some more decades, as the renewables were yet to establish as commercially viable electricity sources for the growing global population.

"It is important to do a reality check and assess what is the level of development in the renewable energy sector. Renewables are getting good push in several countries including the UAE. They may account for a significant share in the future global energy mix." "But as of today the renewables account only about one per cent of the global power generation. And the electricity requirements are set to increase drastically across the world. As per the projections the power generation even in this region set to grow by 100 gigawatts by ten years and this might call investments to the tune of 100 billion pounds. Almost 100 per cent of this projected growth was likely to be accounted by conventional power plants." According to them steps could be taken in the interim to reduce the pollution levels from the fossil fuel based power plants.

UAE

IR Desk

Mohammad (UAE) and Qaboos (Oman) hold talks to boost ties

His Highness Shaikh Mohammad Bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, on Wednesday held talks with Sultan Qaboos Bin Saeed of Oman on bilateral ties and ways to enhance them.

Shaikh Mohammad arrived in Muscat on Wednesday. Shaikh Mohammad and Sultan Qaboos discussed relations between the two nations and ways of strengthening the bridges of social and economic cooperation. They also reviewed a number of other issues, including political and economic developments in the region.

Dubai US consulate closes after threat

The US consulate in Dubai was closed yesterday to public business after an alert from local authorities making a rare acknowledgment of possible security risks in the Gulf's commercial hub. A US Embassy spokesman, Steven Pike, said the decision to temporarily scale back operations at the consulate was based on "information from Dubai authorities", but declined to give further details about the warning.

Kuwait, Jordan sign marine transportation agreement

Kuwait and Jordan yesterday signed a bilateral cooperation agreement in the field of commercial marine transportation and sea ports. The agreement was signed by Kuwait's Minister of Communications and Minister of Electricity and Water Nabil Khalaf Bin Salama and Jordan's Minister of Commerce and Industry Dr Amer Al-Hadidi, who is in Kuwait to participate in the Arab Economic Summit "In Solidarity with Palestinians in Gaza." Speaking after signing the agreement, Dr Al-Hadidi said the agreement would boost cooperation, coordination and the exchange of expertise between the two sides in this area.

Economic Desk

State expected to achieve low growth

The United Arab Emirates is not headed into a recession for now, the Gulf state's central bank governor said yesterday, saying the oil producer expected to achieve low economic growth this year.

An economic boom in the UAE, the world's fifth-largest oil exporter, came to an end late last year as oil prices collapsed more than $100 a barrel, regional credit markets froze and a building boom in the emirate of Dubai started to unravel. Asked whether a recession

was in store, Sultan Nasser Al-Suweidi said, "At this point in time, no. The economy will only see low single-digit growth in 2009," he said in the UAE capital.

The Pioneers of Islamic Banking

The people who brought Islamic banking back to life at a time when it was on the verge of collapse when conventional economies dominated finance in the Islamic world will go down in the history books forever. They shouldered the risks of a new venture in a hostile and alien environment. Everybody waited for it to fail to be part of forgotten history.

These individuals strongly believed in the potential success of the Islamic finance experiment and spared no effort to achieve their goal in faith of their religion and its validity for every time and place.

At the forefront of this project was a pearl trader from Dubai. At that time, boats used to sail to the Gulf waters and divers would swim in search of pearls. However, the boat that sailed from the shores of Dubai in 1975 under the leadership of that pearl trader was different from other boats lining the shores of that charming state.

It was the Islamic Banking boat that sailed in that year to establish the first private Islamic bank in history. It was named Dubai Islamic Bank, established by Sheikh Saeed Al Loutah. Like other Muslims, Sheikh Saeed believed in Islamic Shariaa, in its validity for every time and place. But it was his spirit and ability to turn faith into reality, regardless of any expenses that distinguished him from others.

Nuclear Energy Desk

US, UAE sign nuclear deal

With just five days left in office, the Bush administration signed a nuclear deal with the United Arab Emirates on Thursday.

US Secretary of State Condoleezza Rice hailed the nuclear energy cooperation deal, which she signed at the State Department with UAE Foreign Minister Sheikh Abdullah Bin Zayed Al-Nahyan. “We applaud the UAE’s commitment to the highest standards of safety and security on nonproliferation in its pursuit of nuclear power,” said Rice, who said she believed Congress would support the deal.

The UAE minister said his government had been “transparent” about the nuclear arrangement, which establishes a legal framework for commerce in civilian nuclear energy between the two

countries. “This agreement will give US businesses a better and a newer way of cooperation between our two countries,” he said.

A spokeswoman for the incoming administration of President-elect Barack Obama had no comment on the UAE deal or whether it would have the support of the new White House.

OMAN

Social Desk

Rain and hailstorms lash northern parts of Oman

Hailstorms lashed the northern parts of Omani capital for almost 30 minutes on Tuesday night. "It was like small cubes of ice but not in definite shape," Saeed Masood, an Omani resident of Seeb, 45-km north of central Ruwi, told Gulf News.

Muscat festival kicks off with a bang

The 25-day Muscat Festival kicked off on a cool Monday night with a colourful opening ceremony that showcased the rich cultural heritage of Oman at the Floating Lakeside Theatre at the Qurum Nature Park.

The annual festival has its own place among similar events held in the region as it highlights Oman's rich culture and strong heritage along with a host of entertaining modern events. Over a period of time it has become one of the biggest attractions for tourists from the region as well as from Europe and other parts of the world.

100 new HIV and Aids cases in Oman every year

Oman's Ministry of Health (MoH) is launching a two-year National Aids Community Awareness Campaign on Wednesday to address the issue of HIV/Aids in the community.

"Almost 100 new cases HIV infection are diagnosed annually," said Dr Ali Ahmad Salim Baomer, Head of Aids Section at the MoH.He said the new campaign, called Let's Talk About Aids, was aimed at reducing discrimination to people living with HIV/Aids in the country.

KUWAIT

Social Sector

Kuwait human resource development gets praise

Kuwait ranks first among Arab states in the development of human resources, according to a study conducted by the World Bank (WB) between 2004 and 2008.

The study, distributed on the sidelines of the Arab Economic Summit, showed that Kuwait was followed by Bahrain, Qatar, then the United Arab Emirates (UAE). It added that Kuwait came third in terms of fluctuations in the growth process in the medium and long term after Djibouti and Lebanon, pointing out that Palestine and Iraq, which suffer from political conflicts, made the least development in human resources, which means they will not be able to achieve most of their development goals by 2015.

In memory of Kuwait''s POWs

January 9, 2009 It is now over 17 years after the brutal Saddam invasion and occupation of Kuwait and the fate of most of the 236 Kuwaiti and other POWs is still unknown. The POWs, men, women, children, and elderly, were snatched from Kuwait's streets and homes by the Iraqi forces when they invaded the country on August 2, 1990. All calls and appeals by Kuwait and other states, as well as world organizations, have so far failed to establish their whereabouts or ascertain their fate.

Since the invasion, the families of the Kuwaiti POWs have been suffering and yearning to lay their loved ones to rest, since they could not be reunited with them.

Kuwait Economy

Layoffs hit Kuwait financial sector

Employees in Kuwait's financial sector are facing an uncertain future, with more layoffs and lower salaries expected as banks and investment firms try to weather the global financial meltdown. "They no longer recruit people anymore in the bank where I work," said a female employee at one of Kuwait's main banks. "Certain departments are being closed, and the employees are being shifted to other departments," she adds, explaining that tardy employees and employees who have received warnings are the ones with the most probability of being laid off. "But you never know," she says, adding that there is extreme fear among the staff nowadays.

SAUDI ARAB

IR Desk

Saudi advice ignored as Zardari, Nawaz trade barbs

President Asif Ali Zardari and former Prime Minister Nawaz Sharif are said to have ignored last week’s “friendly advice” from Saudi rulers, delivered through their intelligent chief.

The nub of the message was that it was in the supreme interest of all that current political arrangement between the PPP and the PML-N should stay intact at least for a year and a half. Sources confided to our sources on Wednesday that the message was discounted by both the recipients, who continued to indulge in settling scores, much to the

disappointment of those trying to bridge the yawning gap between the two major political parties.

Support youth participation'

A call to "sustain an open and honest dialogue" between the young peoples of the Kingdom and Britain was made by the second Saudi-British Youth Forum, which concluded its weeklong proactive deliberations here yesterday.

Social Desk

Saudi Religious Police Get Tough on Black Magic

Sources close to the Committee for the Promotion of Virtue and Prevention of Vice [CPVPV] leadership in the Saudi capital of Riyadh revealed that a number of legal consultancies were studying the draft version and procedural guidelines of this project. Asharq Al-Awsat managed to obtain a copy of this draft which gives the police the right to deal with witches and sorcerers, and the means to identify and convict them.

A study of this project [to combat witchcraft and sorcery] was carried out by the Center for Research and Study which is affiliated to the CPVPV and which put a number of legal opinions on the table including; a definition of magic, witchcraft, divination, fortune-telling and other similar practices, a scientific definition to magical practices, and a model in order to help uncover such practices.

The study, also clarified the signs and symbols that can be used in the practice of magic, as well as the tools used to control magic, while also advising that a system of cooperation be initiated between the various authorities involved in this fight against such practices and those who perform them.

Saudi Businessman to Sue President Bush

Jeddah, Asharq Al-Awsat- Saudi Businessman Yasin Al-Qadi began filing a lawsuit in Washington earlier this month (16 January 2008) against US President George Bush. Yasin Al-Qadi's assets were frozen for 7 years and he was banned from doing business with American citizens after he was, he claims, wrongfully accused of financing terrorism on the basis of false information on 12 October 2001 by the Bush administration. Al-Qadi's assets were unfrozen by the European Court of Justice in September 2008, clearing him of these charges, however Al-Qadi has yet to be acquitted by the US government.

Al-Qadi revealed to Asharq Al-Awsat via telephone that the case deals with "the clear injustice and the great suspicion that I endure at the places that I visit, these have greatly affected my reputation in doing business with foreign companies and are based on false accusations."

SCTA to prioritize employment of Saudis

The Supreme Commission for Tourism and Antiquities has set new rules and regulations concerning hotel rating. It has also come up with strategies to boost investment and meet requirements for a skilled national labor force in the tourism industry through a sustained program of training.

The commission's latest moves follow the Kingdom's $38 billion tourism strategy approved by the Council of Ministers. Sites in Madinah and Jeddah are set to be the first of up to 19 development projects aimed at attracting domestic tourists. The Kingdom is investing in resorts along the Red Sea coast to attract visitors and create jobs.

Women's campaign for right to sell lingerie fails

A campaign by Saudi women to win the right to sell lingerie has resulted in shop owners not taking notice and thus forcing women to begin a boycott later this month.

"We sent letters to leading lingerie shop owners stating the importance of complying with the Labor Ministry's guidelines to employ saleswomen, along with the signatures we collected online over the last four months ... But we haven't received any response," said Reem Asaad, head of the campaign "Ban Men from Selling Lingerie."

The Jeddah Chamber of Commerce and Industry (JCCI) gave organizers of the campaign the green light to put pressure on shops to hire women. The JCCI also provided the campaign's organizers with lists of the heads of the Kingdom's top five lingerie stores so that they can persuade them to comply with a labor law that requires them to employ women in jobs related to advertising and sale of lingerie. Asaad, a lecturer in finance and investment at Dar Al-Hekmah College in Jeddah, said letters have been sent to the companies threatening a boycott. "Even that wasn't enough for them to understand our feelings when we buy lingerie from men," she said.

We want to make Makkah a model city, says Al-Bar

How to transform Makkah into an intelligent city with the aim of improving facilities and services being rendered to the millions of pilgrims who come for Haj and Umrah, will top the agenda of an international conference that opens at Umm Al-Qura University tomorrow.

Executives of leading international IT companies, including Wim Elfrink of Cisco, Marwan Al-Ahmadi of Zain Saudi Arabia, Charles Savage of KEE International, Siavash Alamouti of Intel, and Charlie Kindel of Microsoft, are expected to attend the conference.

Fatwa is not the sole factor guiding society: Al-Oudah

Prominent Saudi scholar Sheikh Salman Al-Oudah said yesterday that fatwas were not the sole guideline for Muslim societies, and factors such as the media and cultural pressures influence

their thinking and action. “The fatwa should work side by side with the leaders of thought, politics and media in complete harmony for the creation of a better society,” he said.

Protect society from chaotic fatwa-givers: King Abdullah

Custodian of the Two Holy Mosques King Abdullah has promised to support religious scholars and researchers in their efforts to lay down guidelines for issuing fatwas (religious edicts) on various issues.

“The Kingdom will support all your efforts to lay down guidelines for issuing fatwas and to evolve an effective mechanism to counter extraneous interpolations of religious texts,” King Abdullah told scholars attending the International Conference on Fatwa and its Regulations, which began in Makkah yesterday. The king’s speech was read out by Makkah Gov. Prince Khaled Al-Faisal.

HRC welcomes Justice Ministry move to stop child marriages

The Human Rights Commission (HRC) has taken steps to end marriages involving minors following the high-profile coverage of such matrimonies in the Kingdom.

According to the HRC, the Ministry of Justice has begun studying ways to set a minimum age for marriage. It is expected that the minimum age will be set at 16. “The Justice Ministry’s initiative is a good sign and we absolutely welcome and support it. We will join all efforts to eliminate this phenomenon,” said Zuhair Al-Harithy, the HRC’s official spokesman and a member of its board.

Education fails to meet needs of labor market

About 90 percent of education output in Saudi Arabia is not linked to the needs of the labor market, Minister of Education Abdullah Al-Obaid said yesterday.

“The function of general education in any country is to prepare students for the labor market or for university education. This is what our current education system is trying to achieve,” Al-Obaid told reporters after attending the formal opening of a forum on secondary education. He said the problem lies with the Kingdom’s education system, vocational training and other sectors responsible for training the youth once they finish their education. “Our teachers, both male and female, need more training and skills development. Problems arise also because some schools have only a few students while others are crowded,” the minister said.

Modalities of national health care plan beingworked out

The Kingdom has drawn up a national health plan on the instructions of Custodian of the Two Holy Mosques King Abdullah, said Health Minister Hamad Al-Manie while inaugurating a symposium on the role of Saudi doctors in the health system.

"The ministry has approved the health plan and it has been forwarded to a committee of experts to work out the modalities," said Al-Manie. He added that the new plan is designed to coordinate the work among service providers, financiers and beneficiaries. The minister said that it took two years for the ministry officials to prepare the plan.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH EAST ASIA

Tatheer Zahra Sherazi

Monitoring Report

From 16 January to 23January

Presentation: January 28, 2008

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- Indonesia to dispatch troops to Lebanon
- Obama's nominee defends US work in Indonesia

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- Thailand mortgages 8 million tonnes rice for 2009; production drops by half

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- Singapore exports falling more than expected as NODX tumbles 20.8%
- Indian Muslim groups have role to play in tough economic times

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- Religious groups raise funds for relief efforts in Gaza
- Singapore government to tighten laws against protests

- Vietnam

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- Vietnam’s policies pursue peace and disarmament, says ambassador
- Vietnam supports UN’s role in Nepalese situation

Strategic Front

- Gov’t approves int’l maritime rescue convention plan

Economic Front

- Huge investment in power projects planned for 2009
- Vietnam, UK boost trade, investment cooperation
- Import tax on petrol reduced by 5 percent

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- Laos

Political Front

- Vietnam congratulates new US President

Strategic Front

Economic Front

- Thai PM begins first official visit to Lao PDR
- Vietnam, Laos agree on preferential tariff

    - More Thai baht for building third bridge

Environmental

Social Front

- Unexploded ordinances kills 33 people in Laos
- 13 die of dengue fever and malaria in Champasak
- Danger of emergence of bird flu during cool weather season

Political Front

- Vietnam treasures ties with Cambodia
    - Cambodia: Thai foreign minister to seek bilateral talks on border: statement

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- Cambodia announces new armed forces commander

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- Protection of mangrove forests: a nascent idea in Cambodia

Social Front

- Cambodia publishes first book on ethnic minority groups
- Cambodia to tighten drug controls

Summary

This week the situation prevailing in this region was with some positive changes because most of countries heads are near to complete their tenure so new elections in different countries are drawing nearer. In this regard

At political front Indonesian General Elections Commission has decided to hold Indonesia's next presidential election on July 8.While in Malaysia PAS candidate Mohd Abdul Wahid Endut won the Kuala Terengganu parliamentary seat, defeating Barisan National's Datuk Wan Ahmad Farid Wan Salleh by 2,631 votes

While on ongoing situation of in Gaza most of Muslim countries are becoming more concerned over the situation. Like one of Indonesia's famous imams urged Muslims from the world's fourth most populous Muslim country Sunday to take up jihad in Gaza as Pope Benedict urged people around the world to pray to "end the tragedy" that has killed hundreds of "innocent victims. While Singapore has welcomed Israel's declaration of a ceasefire in Gaza

At economic front this region is trying to bear the effects of financial cricks that has effected the whole world. In this regad diffeteft stataregies have been made to face the teco turmoil. The deputy prime minister said Malaysia must safeguard the qualities that appeal to investors and remedy their criticisms and complaints,

While it is reported by world bank that the Philippine economy will likely grow by only three per cent this year as the country feels the full effects of the global financial crisis Malaysia must safeguard the qualities that appeal to investors and remedy their criticisms and complaints, the deputy prime minister said.

While at social front besides the deaths in different countries there are also other issues like Malaysia will reduce foreign workers population in stages so as not to jeopardize the country's economic sector, local media reported. hailand's Prime Minister Abhisit

Vejjajiva, on his first visit to the countries restive south, said that rights abuses against insurgents do occur but he said anyone committing such acts will be punished.

Summary of news items is as below:

- # Indonesia

Political Front

- **Indonesia's presidential election set for July 8**

Indonesia's General Elections Commission (KPU) has decided to hold Indonesia's next presidential election on July 8, according to Antara news agency.

- **Indonesia to dispatch troops to Lebanon**

Indonesia will send some 110 naval staff to Lebanon in early February to join the UN Peace Mission there, local media reported.

- **Obama's nominee defends US work in Indonesia**

Translate President Barack Obama's choice to lead 16 U.S. intelligence agencies is defending his efforts to rein in the Indonesian military as it brutally cracked down on civilians in East Timor a decade ago.

Strategic Front

Economic Front

- **Banned firms under scrutiny**

The Philippine Government said yesterday that three local companies blacklisted by the World Bank would face charges if investigations found they had won a road contract through corruption, according to agencies.

Environmental

Social Front

- **4 killed in mine landslide**

A landslide at a gold mine killed four workers and left 11 missing on the Indonesian island of Lombok, a Health Ministry official said today.At least 20 people were buried under mud and rock on Saturday night, but five managed to get out alive, said Rustam Pakaya, the head of the ministry's Crisis Centre.

- **Indonesian imam calls for jihad, Pope for prayer**

One of Indonesia's famous imams urged Muslims from the world's fourth most populous Muslim country Sunday to take up jihad in Gaza as Pope Benedict urged people around the world to pray to "end the tragedy" that has killed hundreds of "innocent victims."Abu Bakar Bashir, preached to about 500 people at a mosque in Bekasi, east of Jakarta, urging them to join a jihad in the Gaza Strip.

- **Fisheries accord with Indonesia**

Malaysia and Indonesia will sign a memorandum of understanding on fisheries before May. Agriculture and Agro-based Industry Minister Datuk Mustapa Mohamed said the MoU would contribute to the development of the industry in Malaysia.

- **Indon floods kill at least 14**

Tens of thousands of houses had been inundated as the floods struck several cities and districts in West Nusa Tenggara, Sumatra, Java, Bali, Borneo and Sulawesi provinces. .

- **Indonesia: Gaza protesters target synagogue**

Some 100 Islamist protesters in Indonesia rallied outside the country's only synagogue Jan. 7, demanding its closure and expulsion of the Jewish community in response to Israel's offensive in the Gaza Strip.

• Malaysia

Political Front

- **What voters want MP Wahid to tackle...**

As the excitement of the day wore off and weariness set in, the people of this laid-back coastal city are hopeful that change is on the way. Despite their political differences, the ordinary folk are optimistic that their newly elected member of parliament Mohd Abdul Wahid Endut will address several long-standing issues.

- **Wahid is new MP for KT**

PAS candidate Mohd Abdul Wahid Endut won the Kuala Terengganu parliamentary seat, defeating Barisan Nasional's Datuk Wan Ahmad Farid Wan Salleh by 2,631 votes.

- **PAS wins KT**

PAS candidate Mohd Abdul Wahid Endut is the new Kuala Terengganu MP.He defeated Barisan Nasional's Datuk Wan Farid Wan Salleh and independent candidate Azharuddin MamatClose to 80% of the 80,229 registered voters cast their ballots yesterday.

- **Abdullah begins first official visit to Gulf states**

Prime Minister Datuk Seri Abdullah Ahmad Badawi is making his first official visit to three Gulf countries beginning with Bahrain today.

- **Najib: Enhance our competitiveness**

Malaysia must safeguard the qualities that appeal to investors and remedy their criticisms and complaints, the deputy prime minister said.

Strategic Front

Economic Front

- **Qatari, Malaysian firms exchange two accords**

Badawi and Sheikh Faisal with Qatari business leaders TWO sets of documents were exchanged yesterday at a Malaysia-Qatar Business Forum meeting, attended by Malaysian Prime Minister Abdullah Ahmad Badawi, and chairman of the Qatari Businessmen Association, Sheikh Faisal bin Qassim al-Thani.

- **Envoy: No date set yet to resume US-M'sia FTA talks**

There is no date set yet for when negotiations will resume on the US-Malaysia free trade agreement (FTA), which stalled in early 2007 after five rounds.

- **Malaysian firms put on hold Vietnam projects**

But analysts and players still optimistic of the opportunities that lie ahead:W ITH the economic situation in Vietnam deteriorating by the day, it is only natural that investors have concerns over the fate of Malaysian businesses in the country.

Similarly, against the backdrop of such uncertainty, even Malaysian c

Environmental

Social Front

- **Malaysian woman charged with smuggling drug in bra**

Digg Facebook Newsvine del.icio.us Reddit StumbleUpon Technorati Yahoo! Bookmarks Print Fri Jan 23, 4:43 am ETMELBOURNE, Australia – Australia has charged a Malaysian woman with attempting to smuggle heroin into Melbourne by hiding the drug in her bra.

- **Malaysia to reduce foreign workers in stages**

Malaysia will reduce foreign workers population in stages so as not to jeopardise the country's economic sector, local media reported.

• Philippine

Political Front

- **B. Hussein Obama brings hope to Filipino Muslims**

FILIPINO Muslims welcome with hope that President-elect Barack Hussein Obama will bring justice and peace to Mindanao. .

- **Moro guerrillas see no deal with Manila**

A peace deal between the Philippine government and the country's largest Muslim guerrilla group is highly unlikely this year, a negotiator for the rebels and a regional security analyst said yesterday.

- **Why Puno should not run for president**

It will do well for Chief Justice Reynato Puno to stop entertaining thoughts about running for president of the Philippines. He should concentrate on what he does best—being a jurist and trying to dispense justice.

- **President Reshuffles Cabinet**

President Gloria Arroyo's revamp of her Cabinet would take effect on February 1, Executive Secretary Eduardo Ermita announced Wednesday.

Strategic Front

Economic Front

- **Philippines economy to grow 3%**

THE Philippine economy will likely grow by only three per cent this year as the country feels the full effects of the global financial crisis, the World Bank said on Monday.

- **Experts rule out MILF talks in ’09**

There is no chance for an early peace deal between the Philippine government and Muslim rebels because of renewed fighting and a breakdown in talks, a peace negotiator and a foreign analyst said Monday.

- **shuts facilities in Malaysia, Philippines and the US, affects 6000 jobs**

INTEL, the world's biggest computer chip maker, announced plans on Wednesday to close facilities in Malaysia, the Philippines and the United States.The Santa Clara, California-based company said the moves were expected to affect between 5000 and 6000 employees worldwide.

- **Economy to slow significantly**

After that, the economy is expected to post a weak recovery or an expansion of 3 percent by 2010. The SCB executive said this is "a good growth."

Environmental

Social Front

- **Philippine military keeps mum on Red Cross staff kidnapping**

The Philippine military kept mum on Saturday on the continuing efforts to rescue three International Committee of the Red Cross (ICRC) workers seized by Islamist militants earlier in the week. First Lieutenant Esteffani Cacho, spokeswoman for the armed forces' Western Mindanao Command, said the military will no longer provide updates regarding the kidnappings of Swiss Andreas Notter, 38; Eugenio Vagni, 62; and Filipino Mary Jean Lacaba, 44.

- **Filipino maids report abuse in Arab states**

Jordan passes laws to protect workers; critics want more Frances, 30, a Filipino maid who fled her Jordanian employer for a shelter, says her arm was branded with a hot iron.

- **Kidnappers demand halt in rescue operations for abducted ICRC staff unconditional release of hostages in grafs 10-**

Muslim militants holding captive three staff of the International Committee of the Red Cross (ICRC) on a southern Philippine island have demanded that the military halt rescue operations, a Philippine Red Cross official said Monday.

- **MILF unsure peace talks**

Moro Islamic Liberation Front (MILF) on Friday issued a statement casting doubt on the sincerity of the government to pursue real peace for the affected provinces of Mindanao. The statement was issued following announcements that government was to resume peace talks with the MILF with the release of the composition of the peace panel to media headed by Foreign Affairs Undersecretary Rafael Seguis.

- **Philippine court convicts 3 Muslim militants for bombings - Summary**

A Philippine court convicted three Muslim militants Friday in the deadly bombing of an overhead train in Manila more than eight years ago and sentenced them to more than 20 years in prison. Manila Regional Trial Court Judge Cielito Mendaro-Grulla found Mukhlis Hadji Yunus, Abdul Fatak Paute and Mamasao Naga guilty of multiple counts of murder and attempted murder.

• Thailand

Political Front

- **Thai PM vows to end emergency rule**

Thai prime minister Abhisit Vejjajiva made his first visit to the country's restive south on Saturday, promising to end emergency rule there and investigate claims of human rights abuses by the military.

- **Thai PM: Rights abuses do happen**

Thailand's Prime Minister Abhisit Vejjajiva, on his first visit to the country's restive south, said that rights abuses against insurgents do occur but he said anyone committing such acts will be punished.

- **Thailand: Thai King gets top U.N. intellectual property award**

King Bhumibol Adulyadej of Thailand has received an award from the United Nations for his commitment to promoting intellectual property rights and his contribution to society as a prolific inventor.

Strategic Front

Economic Front

- **SE Asia Stocks-Lower as financials, energy come under pressure**

Stocks in Southeast Asia extended falls on Wednesday as signs of trouble in global financial sector continued to hold back appetite for equities, pushing down blue chips in the region such as Singapore's DBS and Thailand's PTT.

- **Thailand mortgages 8 million tonnes rice for 2009; production drops by half**

Thailand was named the world`s largest rice exporter by the Guinness World Records in 2008 as the country exported 8.094 million tonnes of rice in 2007, capturing 27 per cent of the world market share.

Environmental

Social Front

- **Thailand accused of mistreating Muslim refugees**

Nearly 1,000 refugees were detained on a remote island in December before being towed out to sea and abandoned with little food or water, rights group says. Hundreds of Muslim refugees from Burma (Myanmar) are feared missing or dead after Thai troops forced them onto boats without engines and cut them adrift in international waters, according to human rights activists and authorities in India who rescued survivors.

- **Thai military probes migrant push-back accusations**

Thailand's military has agreed to investigate reports that its navy pushed hundreds of Rohingya boat people back out to sea last month, leaving as estimated 500 missing and feared drowned, the army commander-in-chief confirmed. Prime Minister Abhisit Vejjajiva requested the investigation after meeting with human rights groups at a meeting Monday at which the Rohingya refugee situation was raised.

- **Thaksin allies to resume Thai protests**

Supporters of former Thai leader Thaksin Shinawatra will resume a street campaign in 10 days to try to force the "illegitimate" new government to call fresh elections, protest leaders said.

After weeks of relative calm in Thailand's long-running political crisis, the planned Jan. 31 rally in Bangkok threatens to distract Prime Minister Abhisit Vejjajiva's government as it tries to avoid a looming economic recession.

• Singapore

Political Front

- **Singapore welcomes Israel's declaration of ceasefire in Gaza**

Singapore has welcomed Israel's declaration of a ceasefire in Gaza. Responding to media queries, Singapore's Ministry of Foreign Affairs (MFA) said this was a "positive

development" and urged all parties to ensure an end to all hostilities. It also expressed deep concern over the humanitarian situation in the Gaza Strip.

Strategic Front

Economic Front

- **Financial institutions will gain investors' confidence after payout**

More than half of investors who have filed complaints about their investments in Lehman-linked structured products will receive some form of compensation.

- **Singapore exports falling more than expected as NODX tumbles 20.8%**

Singapore's key exports fell more than expected in December from a year ago, as recession-hit US and European consumers bought fewer goods from the city-state, the government said Friday.

- **Indian Muslim groups have role to play in tough economic times**

Indian Muslim associations have played an active role in reaching out to the needy by working with other community groups.

Environmental

Social Front

- **Religious groups raise funds for relief efforts in Gaza**

Forward to jointly raise funds for relief efforts in Gaza.

They are from the Spiritual Assembly of Baha'is of Singapore, Singapore Buddhist Federation, The Catholic Archdiocese of Singapore, National Council of Churches of Singapore, Hindu Endowments Board, Sikh Advisory Board, Singapore Taoist Federation and Harmony Centre.

- **Singapore government to tighten laws against protests**

Singapore's deputy prime minister said the island state, which is hosting a summit of Asia Pacific leaders this year, may further tighten laws against public protests, according to reports.

• Vietnam

Political Front

- **Vietnam's policies pursue peace and disarmament, says ambassador**

Vietnam has a consistent policy of striving for peace, international security and disarmament in accordance with UN regulations and international law, said a Vietnamese diplomat. Ambassador Le Hoai Trung, President of the UN Conference on Disarmament (CD), informed a Vietnam News Agency that the country's consistent policy is represented by its participation in almost all of the major international conventions on disarmament, including the Southeast Asian Nuclear Weapon-Free Zone Treaty in 1996, the Comprehensive Nuclear Test Ban Treaty in 2006 and the Aditional Protocol (AP) on Nuclear Security in 2007.

- **Vietnam supports UN's role in Nepalese situation**

A Vietnamese representative to the United Nations Security Council (UNSC) has voiced the country's support for the UN's central role in coordinating international development assistance to Nepal .

Strategic Front

- **Gov't approves int'l maritime rescue convention plan**

The Prime Minister approved a plan on implementing the International Convention on Maritime Search and Rescue (SAR 79) on January 15, fulfilling the country's obligations as a Convention member.

Economic Front

- **Huge investment in power projects planned for 2009**

The Vietnam Electricity Group (EVN) has reported that it is to invest almost 50 trillion VND in electricity generation sources during 2009, including nuclear power plants.

- **Vietnam, UK boost trade, investment cooperation**

Vietnam and the UK have agreed to strengthen their businesses cooperation through a series of trade and investment promotion activities.

- **Import tax on petrol reduced by 5 percent**

The Government has decided to cut preferential tax rates on imported petroleum to 35 percent from 40 percent.

Environmental

Social Front

• Laos

Political Front

- **Vietnam congratulates new US President**

Vietnam has congratulated US President Barack Obama and the American people on the occasion of his assumption of office, officially becoming the 44 th President of the US.

Strategic Front

Economic Front

- **Thai PM begins first official visit to Lao PDR**

Before departing Bangkok Mr. Abhisit said that he hoped his visit will help foster improved bilateral relations and cooperation.

- **Vietnam, Laos agree on preferential tariff**

Vietnam and Laos signed an agreement detailing the items of import goods that will enjoy preferential tax treatment in 2009 and the following years in a bid to achieve their set trade target of 1 billion USD in 2010.

- **More Thai baht for building third bridge**

Mr Saysana Phasavath, Managing Director of Third Lao-Thai Friendship Mekong River Bridge Construction Project said that the Thai government is funding its construction with 1.7 billion baht and on its completion it will provide a seamless road connection between Khammouane province of Laos and Nakhonphanom province of Thailand.

Environmental

Social Front

- **Unexploded ordinances kills 33 people in Laos**

UXO or unexploded ordinances in Laos killed 33 people and injured 117 others in Laos for a period of 11 months in 2008.

- **13 die of dengue fever and malaria in Champasak**

(KPL) Last year thirteen people in Champassak province succumbed to malaria and dengue fever and the total number of people who were stricken by these two diseases was 1,636.
Laos needs to develop labour skills

The ASEAN-Japan Collaboration Programme for Human Resource Development in cooperation with the Ministry of Labour and Social Welfare yesterday held a national seminar on vocational ability evaluation methods with skill testing and certification system in Vientiane.

- **Danger of emergence of bird flu during cool weather season**

The Department of Livestock and Fisheries has ordered the authorities of livestock services in Laos to step up their surveillance on of bird flu as it thrives in cold weather and it is prone to emerge during the present cool season.

• Cambodia

Political Front

- **Vietnam treasures ties with Cambodia**

Vietnam has a long-standing policy of respecting its traditional relationship and multifaceted cooperation with Cambodia, and considers the rapport it enjoys with its neighbour as an invaluable possession of the two nations, said a government official.

- **Cambodia: Thai foreign minister to seek bilateral talks on border: statement**

Foreign Minister Kasit Piromya will lead a state visit beginning Monday to spearhead renewed negotiations over border dispute.A meeting between Hor Namhong and then-Thai Foreign Minister Sompong Amornvivat in November last year saw a reduction in troop levels along both sides of the border. Since then, political instability in Thailand has hindered further negotiations.

Strategic Front

- **Cambodia announces new armed forces commander**

General Ke Kim Yan, Commander-in-chief of the Royal Cambodian Armed Forces has been removed from his post and replaced with his deputy, General Pol Sareoun, the Phnom Penh Post reported.

Economic Front

Environmental

- **Protection of mangrove forests: a nascent idea in Cambodia**

Mangroves typically form buffer zones between sea and land and can be specifically found in tropical regions. The Cambodian Research Centre for Development predicts they will be the first to suffer the effects of climate change in Cambodia.

Social Front

- **Cambodia publishes first book on ethnic minority groups**

The Centre for Advanced Study (CAS) has announced a release of the first book about the history of ethnic minority groups in Cambodia.

- **Cambodia to tighten drug controls**

Cambodia will introduce draft legislation to better control the use and trafficking of illicit drugs, Cambodian officials announced.

Detailed Monitoring Report

- # Indonesia

Political Front

- **Indonesia's presidential election set for July 8**

Indonesia's General Elections Commission (KPU) has decided to hold Indonesia's next presidential election on July 8, according to Antara news agency.

At a KPU plenary meeting in Jakarta on Jan. 22, members also agreed that, should there need be a runoff, it would be conducted on Sept. 8, KPU member Syamsulbahri said.

He said that the KPU had also drawn up schedules for the different stages of the presidential elections, such as updating voters' data, preparing related regulations, registration, verification, campaigning and logistical preparations.

The KPU has set May 9, 2009, the date when the result of the legislative elections would be officially confirmed, as the date for beginning the registration of presidential and vice presidential candidates by parties that meet the requirements.

- **Indonesia to dispatch troops to Lebanon**

Indonesia will send some 110 naval staff to Lebanon in early February to join the UN Peace Mission there, local media reported.

The troops, from the Indonesian Navy's Eastern Fleet Command (Koarmatim), are undergoing a one-month training course, designed to teach them about the latest developments regarding Lebanon and Palestinian issues, Lt Col Toni Syaiful, a Koarmatim spokesman, was quoted by Antara news agency as saying on Jan. 20. The Indonesian Navy will also dispatch a military helicopter to Lebanon, the spokesman added.

- **Obama's nominee defends US work in Indonesia**

.TranslatePresident Barack Obama's choice to lead 16 U.S. intelligence agencies is defending his efforts to rein in the Indonesian military as it brutally cracked down on civilians in East Timor a decade ago.

Retired Adm. Dennis Blair told lawmakers Thursday at his confirmation hearing that he diligently worked to carry out U.S. efforts to make sure Indonesia stopped violence in East Timor.

Blair was head of the U.S. Pacific Command at the time.Blair says he told both military and civilian Indonesian leaders that torture and killing had to stop for the U.S. and Indonesia to have improved ties.

Strategic Front

Economic Front

- **Banned firms under scrutiny**

The Philippine Government said yesterday that three local companies blacklisted by the World Bank would face charges if investigations found they had won a road contract through corruption, according to agencies.

Meanwhile, the World Bank said on Thursday it had evidence of collusion among four Chinese and three Filipino construction companies in the bidding for a road project in the Philippines.

"The government is willing to charge those involved once it can be proven they engaged in irregularities," deputy presidential spokesman Anthony Golez told local radio.

The bank subsequently cancelled the tender for contracts worth a total of $33 million (Dh121.1m), and banned the firms from future tenders. "No Philippine Government

agency was linked to the mess. Besides, this was based on the World Bank's own criteria," Golez said.

The World Bank barred China Road and Bridge for eight years, China State Construction and China Wu Yi for six years, and China Geo-Engineering for five years.

Philippine firm EC de Luna Construction and its sole proprietor, Eduardo de Luna, were both barred indefinitely. The other Philippine firms, Philip-Cavite Ideal International Construction and Development and CM Pancho Construction, were each banned for four years.

Environmental

Social Front

- **4 killed in mine landslide**

A landslide at a gold mine killed four workers and left 11 missing on the Indonesian island of Lombok, a Health Ministry official said today.At least 20 people were buried under mud and rock on Saturday night, but five managed to get out alive, said Rustam Pakaya, the head of the ministry's Crisis Centre.The slide was triggered by several days of severe rainfall around the village of Buwung Mas Sekotong, about 660 miles east of the capital, Jakarta, he said.A lack of heavy digging equipment was hampering the rescue effort, he said.

- **Indonesian imam calls for jihad, Pope for prayer**

One of Indonesia's famous imams urged Muslims from the world's fourth most populous Muslim country Sunday to take up jihad in Gaza as Pope Benedict urged people around the world to pray to "end the tragedy" that has killed hundreds of "innocent victims."Abu Bakar Bashir, preached to about 500 people at a mosque in Bekasi, east of Jakarta, urging them to join a jihad in the Gaza Strip.

Indonesian imam Abu Bakar Bashir"The war in Palestine isn't a war between one country and another, it is a religious war. The Jews try to destroy Islam, and so Muslims must join, to fight in their own capacity," he was quoted as saying.

President Susilo Bambang Yudhoyono urged Israel to put an end to the three weeks of violence, and has sent humanitarian aid for the victims in Palestine.The government has tried to discourage calls from more Islamist groups to send civilian fighters, and has offered to dispatch a peacekeeping mission to the Gaza Strip.

- **Fisheries accord with Indonesia**

Malaysia and Indonesia will sign a memorandum of understanding on fisheries before May. Agriculture and Agro-based Industry Minister Datuk Mustapa Mohamed said the MoU would contribute to the development of the industry in Malaysia. "We want to learn Indonesia's experience in capacity-building and the export of fish," he said after a courtesy call on Indonesian Minister of Marine Affairs and Fisheries Freddy Numberi here yesterday.

- **Indon floods kill at least 14**

Tens of thousands of houses had been inundated as the floods struck several cities and districts in West Nusa Tenggara, Sumatra, Java, Bali, Borneo and Sulawesi provinces.

AT LEAST 14 people died and three others were missing after floods hit 13 Indonesian provinces in the past week, an official said on Friday.

The floods, which struck several cities and districts in West Nusa Tenggara, Sumatra, Java, Bali, Borneo and Sulawesi provinces, also forced the evacuation of some 50,000 people, the head of the Health Ministry's crisis centre, Rustam Pakaya said. 'The worst hit areas are in West Sulawesi, West Nusa Tenggara and West Kalimantan,' he said. 'The height of flood waters in West Kalimantan reached 2.5 metres while in West Sulawesi they reached 1.5 metres,' he said. Tens of thousands of houses had been inundated, he said, and aid including food was on the way. The weather bureau has predicted further heavy rain this month.

- **Indonesia: Gaza protesters target synagogue**

Some 100 Islamist protesters in Indonesia rallied outside the country's only synagogue Jan. 7, demanding its closure and expulsion of the Jewish community in response to Israel's offensive in the Gaza Strip. Protesters marched to the synagogue's gates chanting, "Go to hell, Israel!" The only Jewish religious site in the world's most populous Muslim state—which has no rabbi and only a few followers—closed its doors as the march approached and protesters burned an Israeli flag.

"This is the way to show our solidarity for the Palestinian people and to condemn the Israeli attacks," said Abdusshomad Buchori, local leader of the Ulema Council, which is pushing for the permanent closure of Beth Hashem synagogue in Surabaya, Indonesia's second-largest city. "If Israel refuses to stop its attacks and oppression of the Palestinian people, we don't need to defend [the synagogue's] presence here."

The woman who has run the synagogue since the 1970s went underground after the incident, in which Buchori threatened to drive any remaining Jews out of town. "The Israeli attacks against Palestine and Lebanon have resulted in increased anti-Semitism," said Hendardi, chairman of the Setara Institute for Democracy and Peace

• Malaysia

Political Front

- **What voters want MP Wahid to tackle...**

As the excitement of the day wore off and weariness set in, the people of this laid-back coastal city are hopeful that change is on the way. Despite their political differences, the ordinary folk are optimistic that their newly elected member of parliament Mohd Abdul Wahid Endut will address several long-standing issues.

Topping their concerns are the teaching of Science and Mathematics in English and the adoption of Islamic principlesHe also felt that free religious classes should be held for the elderly. The hudud issue was brought up by Abdul Manah Mohamad Diah, who said it should apply equally to Muslims and non-Muslims. A Wakaf Mempelam constituent, Lan, 48, hoped the new MP would pay more attention to the youths. Taxi driver Alias Ghazali said the most important thing for the new leader was the people's welfare.

- **Wahid is new MP for KT**

PAS candidate Mohd Abdul Wahid Endut won the Kuala Terengganu parliamentary seat, defeating Barisan Nasional's Datuk Wan Ahmad Farid Wan Salleh by 2,631 votes.

Mohd Abdul Wahid garnered 32,883 votes while Wan Ahmad Farid had 30,252 votes. Independent candidate Azharudin Mamat had 193 votes and lost his deposit.

With this win, the Opposition now has 82 seats in the Dewan Rakyat, of which belong to PAS.Barisan, which held the seat before the previous MP Datuk Razali Ismail died last month triggering the by-election, now has 137 seats. There are also three Independent MPs.

The results were announced by returning officer Wan Mustafa Wan Hassan at 9.30pm atStadium Negeri which was the tallying centre yesterday.The first ballot box was brought to the tallying centre at 6.30pm and the first result was announced 30 minutes later.Results were then announced stream by stream and Wan Farid initially led until at 8.20pm when the 81st box was announced.Mohd Abdul Wahid then led till the final result was announced.The atmosphere in and around Stadium Negeri was calm. There were shouts of *Allahuakbar* when Mohd Abdul Wahid was declared the winner.There were 143 voting streams in 36 polling stations in the constituency.A total of 63,993 of the 80,229 registered voters cast their votes. The constituency has 1,302 postal voters.Mohd Abdul Wahid, when met after the results were announced, said he was only focused on doing his best.

He paid tribute to the voters for giving him a chance to serve them.He attributed his win to the fact that he knew many voters because he was a five-term Wakaf Mempelam assemblyman.Mohd Abdul Wahid voted at SK Pusat Chabang Tiga at 8.07am while Wan Farid

cast his ballot at SK Pusat Bukit Besar polling centre at 8.02am.Azharudin did not vote as he is registered as a voter in Petaling Jaya Utara.

- **PAS wins KT**

PAS candidate Mohd Abdul Wahid Endut is the new Kuala Terengganu MP.He defeated Barisan Nasional's Datuk Wan Farid Wan Salleh and independent candidate Azharuddin MamatClose to 80% of the 80,229 registered voters cast their ballots yesterday.

Deputy Prime Minister Datuk Seri Najib Tun Razak said the result was merely a setback and would not have any bearing on the national political landscape.MCA president Datuk Seri Ong Tee Keat thanked the Chinese voters for staying with the Barisan despite the overall unfavourable results.With the results, Barisan now has 137 seats in the Dewan Rakyat while the Opposition holds 82. There are also three independent MPs.

- **Abdullah begins first official visit to Gulf states**

Prime Minister Datuk Seri Abdullah Ahmad Badawi is making his first official visit to three Gulf countries beginning with Bahrain today.

After Bahrain, Abdullah will visit Qatar and the United Arab Emirates (UAE), in a move to further strengthen Malaysia's ties with these countries.His entourage includes several Cabinet ministers, senior government officials and corporate leaders.

According to a statement released by Foreign Minister Datuk Seri Dr Rais Yatim yesterday, the possible areas for expanding bilateral ties include trade, investment, finance and banking, Islamic finance, tourism, higher education, technical assistance and capacity building and science, technology and information.In Bahrain, Abdullah is scheduled to have an audience with the King of Bahrain, Sheikh Hamad Isa Al-Khalifa, and is also expected to have a meeting with its Prime Minister, Shaikh Khalifa Salman Al-Khalifa.

He will deliver a keynote address at a business seminar while delegation meetings will also be held with Malaysia's Bahrain counterparts.In Qatar, Abdullah will meet with the Emir, Sheikh Hamad Khalifa Al-Thani, and Qatar Prime Minister Sheikh Hamad Jasim Jabir Al-Thani.

Abdullah is also scheduled to visit several project sites currently being developed by Malaysian companies there.In the UAE, Abdullah is scheduled to meet Prime Minister Sheikh Mohammed Rashid Al Maktoum and the Abu Dhabi Crown Prince General Sheikh Mohamed Zayed Al Nahyan.Dr Rais said UAE was Malaysia's largest Middle East trading partner in 2007 and total trade recorded from January to November last year hit RM19.5bil.Abdullah will return home on Friday

- **Najib: Enhance our competitiveness**

Malaysia must safeguard the qualities that appeal to investors and remedy their criticisms and complaints, the deputy prime minister said.

Najib said given the global financial crisis, foreign direct investment was expected to become scarce. But he said Malaysia's economic position was still tenable.He said Malaysia's fundamentals were strong, with healthy trade surpluses and international reserves of more than RM316.8 billion.

Najib reiterated that the government could introduce another fiscal package to stimulate the economy. The government announced a RM7 billion stimulus package in November.On the automotive sector, Najib said it was still doing relatively well, although some decline in sales and volumes are forecasted given the uncertain economic environment.

Strategic Front

Economic Front

- **Qatari, Malaysian firms exchange two accords**

Badawi and Sheikh Faisal with Qatari business leaders TWO sets of documents were exchanged yesterday at a Malaysia-Qatar Business Forum meeting, attended by Malaysian Prime Minister Abdullah Ahmad Badawi, and chairman of the Qatari Businessmen Association, Sheikh Faisal bin Qassim al-Thani.

Speaking at the function, Sheikh Faisal said the Malaysia-Qatari Business Forum aims to increase economic integration and exchange of investments between the two countries.

Under the joint agreement, Zecon would provide services related to Qatari Diar's construction projects..The agreement provides for tapping business opportunities in property, health care, construction and oil and gas, an official said.

The Malaysia-Qatari Business Forum meeting was attended by the visiting Malaysian delegation, local business leaders and ambassadors.The Malaysian official delegation, accompanying the Premier, included five cabinet ministers, three chief ministers, two junior ministers, more than 40 business leaders and a number of officials.

- **Envoy: No date set yet to resume US-M'sia FTA talks**

There is no date set yet for when negotiations will resume on the US-Malaysia free trade agreement (FTA), which stalled in early 2007 after five rounds.

US ambassador to Malaysia James R. Keith said the nominations of Senator Hillary Rodham Clinton and other key officials by President Barack Obama to the State Department would have to be first approved by the Senate before trade talks could be

held.Keith said this at a media briefing yesterday after an event to commemorate the inauguration of Obama as US president.

According to the US Census Bureau's foreign trade statistics, Malaysian exports totalled US$28.8bil as at end-November while imports to Malaysia totalled US$12.21bil.When FTA talks broke down in 2007, the main contentious issues were the US insistence on greater access to the local financial services industry and Malaysia's refusal to budge on government procurement contracts favouring bumiputra companies.Other unresolved issues involved intellectual property rights, investment as well as greater access to the local distribution (logistics) and services industry.Keith also said the Obama administration would prioritise the stalled Doha round of the World Trade Organisation talks, which broke down over disagreements on agriculture, industrial tariffs and non-tariff barriers.Foreign investment in Malaysia up 53.4% in 2008 Foreign direct investment (FDI) in Malaysia totaled 12.9 billion U.S. dollars in 2008, up 53.4 percent against the previous year. "This makes Malaysia the country with the highest regional growth in FDI, outperforming other investment destinations such Singapore, Thailand, Indonesia...," the Malaysian Ministry of International Trade and Industry said on Friday.

The sectors recorded the highest FDI inflows were those of basic metal products, electrical and electronic products, chemical and chemical products, and foodmanufacturing, the ministry said in a press release available here on Friday. This growth was remarkable since FDI flows had dropped by 21 percent on average worldwide, said Abdul Rahman Mamat, secretary general of the ministry.

- **Malaysian firms put on hold Vietnam projects**

But analysts and players still optimistic of the opportunities that lie ahead:W ITH the economic situation in Vietnam deteriorating by the day, it is only natural that investors have concerns over the fate of Malaysian businesses in the country.

Similarly, against the backdrop of such uncertainty, even Malaysian companies are holding back on their projects in Vietnam, says an analyst with TA Securities. Vietnam's economic growth slowed to 6.2% for 2008, its weakest since 1999 largely attributed to lower demand for exports as recession hit the US, Europe and Japan last year.

The analyst, who covers WCT Bhd, SP Setia Bhd and Gamuda, also points out that many Malaysian companies have not begun work on any projects in Vietnam as they are held back by the global economic crisis.Last month, Gamuda announced that it would maintain the total value of its projects in Vietnam at RM10bil. However, it added that the financial crisis and investors' difficulty in getting funding might delay the development of the retail mall, office block and hotel parcels for one or two years. It pointed out that although the project was scheduled to run for 12 years, the delay would not be significant.

Main board-listed Ireka Corp Bhd's exposure to the Vietnam market is mainly through its 19.6% stake in London-listed Aseana Properties Ltd as well as the appointment of wholly-owned subsidiary Ireka Development Management Sdn Bhd as the exclusive development manager for Aseana. The successful London-listing of Aseana in April 2007 was initiated by Ireka.

In mid-2008, Aseana received investment licences for Queen's Place (formerly known as Horizon Place) and International Hi-Tech Healthcare Park in Vietnam; both are mixed developments with residential component.

On the company's outlook for Vietnam, he says: "Vietnam is frequently compared to China of a decade ago and therefore is thought that the current challenging environment mirrors that of China in the mid-1990s. This is as a result of rapid growth, in which there is bound to be a reactionary correction but eventually will be followed by stabilisation and growth.

That pretty much sums up most Malaysian companies' aspirations in their Vietnam ventures.

Environmental

Social Front

- **Malaysian woman charged with smuggling drug in bra**

Digg Facebook Newsvine del.icio.us Reddit StumbleUpon Technorati Yahoo! Bookmarks Print Fri Jan 23, 4:43 am ETMELBOURNE, Australia – Australia has charged a Malaysian woman with attempting to smuggle heroin into Melbourne by hiding the drug in her bra.Customs Department officials say they suspected the woman may have been carrying drugs when she arrived Thursday at Melbourne International Airport on a flight from Bangkok.

A female officer conducted a frisk search and found "inconsistencies" around her bra, which turned out to be a package of white powder, customs officials said in a statementFriday.The statement said the package contained approximately 14 ounces (400 grams) of heroin.The 20-year-old woman will appear in court in April. She faces a maximum penalty of 25 years imprisonment and/or fine of 550,000 Australian dollars ($356,000).

- **Malaysia to reduce foreign workers in stages**

Malaysia will reduce foreign workers population in stages so as not to jeopardise the country's economic sector, local media reported.

The Malaysian government wanted employers to give priority to the locals, Deputy Prime Minister Najib Tun Razak was quoted by Bernama news agency as saying on Jan. 22.

He said that the cabinet had also issued directives to the related agencies to step up enforcement against foreigners working illegally. Meanwhile, Home Minister Syed Hamid Albar said that it was time to stop the intake of foreign workers particularly in the manufacturing and service sector in the wake of the ongoing global economic crisis.

Asked on the Home Ministry's decision, Deputy PM Najib said that the cabinet is looking at the numbers, but there have to be gradual reduction of foreign workers. There are about 2 million foreign workers in Malaysia, mainly from Indonesia, India, Sri Lanka, Bangladesh and Vietnam. At the 4th quarter of 2008, 13,000 labourers lost jobs, 75 percent of which are Malaysians.

- # Philippine

Political Front

- **B. Hussein Obama brings hope to Filipino Muslims**

FILIPINO Muslims welcome with hope that President-elect Barack Hussein Obama will bring justice and peace to Mindanao.

Obama in all his pronouncements during the campaign period and even after winning the presidency appeared to be more diplomatic in his stance, Eid Kabalu, spokesman of the Moro Islamic Liberation Front (MILF), told The Manila Times.

He seems to prefer diplomacy rather than force in the resolution of conflict, Kabalu added. Considering that Filipino Muslims were always victims of force and repression, certainly they will, to some extent, benefit from the Obama administration, the MILF spokesman said. “That is why we welcome with much hope and optimism the presidency of Barack Obama, believing that he will deliver the necessary formula for world peace, justice and stability,” Kabalu said.

Dr. Parouk Hussin, chairman of the Committee on Foreign Relations of the Moro National Liberation Front (MNLF), doubts any changes in American foreign policy even when as Obama takes his post as the 44th American president. Hussin said US global policy, including that toward the Philippines, will not change much as it is not dictated by one person and not even by the US president.

Still, the former governor of the Autonomous Region in Muslim Mindanao, is optimistic of an Obama presidency. Just like Hussin, Sultan Fuad Kiram 1st doubts US policies will change much as they are dictated by its vested interests. However, Sultan Kiram, the 35th de jure reigning Sultan of the Sultanate of Sulu and North Borneo, is optimistic that Obama “may bring closer understanding between the US and Muslims in many parts of the world since he has better knowledge of Islam.”

A signal

On a policy level, Obama, who has Muslim roots and who has spent part of his life in Asia, will be sensitive to the concerns of Asian Muslims, says lawyer and United Nationalist Opposition spokesman Adel Tamano.And this will definitely be beneficial to Muslims, he added.

On a spiritual level, Tamano said, it is a signal to Filipino Muslims that their minority status need not be an insurmountable obstacle to success. “If a black son of a Kenyan Muslim can become the president of the United States, then perhaps we Moros in the Philippines can aspire for the pinnacle of success in any field as well,” emphasized Tamano, the first Muslim president of the Pamantasan ng Lungsod ng Maynila. Not only Filipino Muslims but also those in the Middle East in particular should be glad that Obama won the presidency, said Shariff Ibrahim Albani, chairman of the Unity for Revival Foundation.

He hopes the Obama foreign policy towards Muslim countries is not anchored on US interests butrather on a policy of friendship and not force. Filipino Muslims and others in many parts of the world stand to benefit from Obama’s administration, said Undersecretary Nabil Tan of the Office of Presidential Adviser on Peace Process.

- **Moro guerrillas see no deal with Manila**

A peace deal between the Philippine government and the country’s largest Muslim guerrilla group is highly unlikely this year, a negotiator for the rebels and a regional security analyst said yesterday.

But they believed that fighting in the Muslim south of the mainly Roman Catholic state would not escalate, as the global economic downturn exacerbates both sides’ logistical problems.President Gloria Macapagal Arroyo, whose popularity has tumbled due to allegations of corruption against her and members of her family, is set to step down in mid-2010 after nine years in power.

Mastura said the two sides would not be able to strike any deal to end a rebellion that has killed more than 120,000 people and displaced 2mn unless they go back to a territory deal that was scrapped by the Supreme Court in August 2008.

Sidney Jones of the security think-tank International Crisis Group (ICG), shared Mastura’s views, saying the separatist problem in Indonesia’s Banda Aceh was easier and simpler to resolve than 40 years of conflict on the southern island of Mindanao.

But the conflict would remain low-level because the two sides had inadequate resources, including of munitions and petrol, to keep offensive operations going, particularly during the current economic crisis, she said.Rafael Seguis, a retired diplomat and veteran negotiator, said there are new plans aimed at striking a peace deal with the MILF within the next 18 months.–Reuters

- **Why Puno should not run for president**

It will do well for Chief Justice Reynato Puno to stop entertaining thoughts about running for president of the Philippines. He should concentrate on what he does best—being a jurist and trying to dispense justice.

Note that the epitome of moral force itself, Corazon Aquino became president, not by election (there is no record she won the 1986 snap presidential election), but by People Power. Despite her aura of moral invincibility, I do not think Cory's presidency was a success, contrary to what Time Magazine thinks.

Few, if any, jurists have done well as politicians.

This is because jurists, like most topnotch lawyers, have a certain intellectual conceit that makes them aloof to most people and are impatient with people with unwashed hands and feet. Jurists and topnotch lawyers make good senators and Senate presidents, but not as CEOs of the land. Typical examples of such people are the late Sen. Jose Diokno and the legendary Jovito Salonga.

Does Chief Justice Puno have that talent? I am not sure. The nation will be better served by him if he remains simply as the chief justice. He has done a lot of innovations, the best among which are his writ of amparo and the writ of habeas data. These two remedies against human rights abuses have helped put the military and police in check from committing abuses. During Puno's watch, however, fees and charges in seeking legal and judicial remedies rose to their highest. Rates became so prohibitive one would think justice today is only for the rich, never for the poor. Try to file a suit to seek redress of grievance. It will cost you at least P20,000.

I remember the late Chief Justice Marcelo Fernan. He was a very good lawyer. He was a very good politician. He would have been a very good jurist but he couldn't resist the call of higher ambition. He sought the presidency. He lost out, first to Ramon Mitra. He settled to run for vice president. Then he lost to Joseph Estrada for the vice presidency in the election. Estrada did not finish college. But he had a very high emotional intelligence. Despite being convicted for plunder, he remains very popular. He will again run for president—in 2010.

- **President Reshuffles Cabinet**

President Gloria Arroyo's revamp of her Cabinet would take effect on February 1, Executive Secretary Eduardo Ermita announced Wednesday.

The shake-up was dismissed by Senator Miriam Defensor-Santiago, calling it strange because President Arroyo is just months away from the end of her term.It was the usual changing of the guard that would simply carry out the President's wishes, according to Sen. Alan Peter Cayetano.

Not thrilled

Santiago sounded indifferent to the reshuffle. "That means that the old team is not working, that is logic. So why is it not working? She should have done that [shake-up] during the earlier part of her term. It speaks of troubled waters. They can't get along with each other there," the senator said. Mrs. Arroyo became President in 2001. Santiago, a former Cabinet member as secretary of Agrarian Reform, said that because Malacañang is the nerve center, Cabinet members could not go along with each other and are always fighting little turf wars.

Strategic Front

Economic Front

- **Philippines economy to grow 3%**

THE Philippine economy will likely grow by only three per cent this year as the country feels the full effects of the global financial crisis, the World Bank said on Monday.

'The economy suffered a steep decline in its growth rate in 2008 and further decline is already visible from the latest economic indicators,' the World Bank said in its quarterly economic update.

It estimated expansion in 2008 of 4.3 per cent with growth hitting only three percent in 2009 following a three-decade high figure of 7.2 per cent in 2007. 'Economic growth has held up relatively well up to now but there are signs that the severe global slowdown will further and significantly impact the economy,' the World Bank warned.

Production costs had remained high, squeezing corporate profits and even the remittances of the eight million Filipinos working overseas, which have long supported the economy, had slowed down since October, the World Bank said.

It forecast that such remittances would grow by only four per cent this year compared to 13 percent in 2008. Exports would decline by one per cent in 2009, especially since 60 per cent of them were in the electronics components sector, which was extremely vulnerable to the downturn in developed countries, the World Bank said.

Philippine economic officials have previously said that the economy grew by at least 4.6 per cent in 2008 and is forecast to grow by 3.7 and 4.7 per cent this year. The government hopes to sustain growth this year through increased spending on infrastructure and social services.

Six Filipino families exiting Gaza Six families, composed of Philippine nationals, their Palestinian spouses and children, are leaving war-torn Gaza Strip under Manila's evacuation plan, the Philippine government said Monday. Bayani Mangibin, a spokesman of the Department of Foreign Affairs, said the evacuees will exit through Rafa, the Gaza-Egypt border, being reopened on humanitarianconsiderations. He said the evacuees will then proceed to Cairo and meet Embassy officials there. Mangibin said as a

progress compared with the past evacuation, the Palestinian spouses of the Filipinos in Gaza are now allowed to leave. Out of the 108 Filipino residents in Gaza, 17 have joined the government's evacuation plan and returned to Manila in early January.

- **Experts rule out MILF talks in ’09**

There is no chance for an early peace deal between the Philippine government and Muslim rebels because of renewed fighting and a breakdown in talks, a peace negotiator and a foreign analyst said Monday.

The 12,000-member Moro Islamic Liberation Front (MILF) has been fighting for a Muslim homeland in southern Mindanao since 1978. Peace talks have been suspended since August, when the MILF launched deadly raids after a court stopped a proposed agreement giving them control over an expanded autonomous region.

Speaking at the same forum, Sidney Jones of the Brussels-based International Crisis Group think-tank agreed that “there seems to be no central personality to dispense political capital in Mindanao,” that would convince both sides to reach an agreement.

Progress derailed

Manila and the rebels were nearing a breakthrough in peace talks last year but this was derailed after the Supreme Court in August suspended a draft agreement that would have paved the way for a final peace accord. Despite a ceasefire with the MILF signed in 2003, some MILF commanders responded with attacks on Christian communities, leaving scores dead and displacing more than half a million people.

Mrs. Arroyo has since called off the peace talks and said she would negotiate with local community leaders instead while seeking the disarmament of the rebels.

But Mastura said the President’s new policy “appears more and more a cosmetic cover.” She agreed with Mastura that there would be no conclusion of peace talks in 2009 but said neither side had the resources to escalate the fighting.

- **shuts facilities in Malaysia, Philippines and the US, affects 6000 jobs**

INTEL, the world's biggest computer chip maker, announced plans on Wednesday to close facilities in Malaysia, the Philippines and the United States.The Santa Clara, California-based company said the moves were expected to affect between 5000 and 6000 employees worldwide.

Intel said it will close two assembly test facilities in Penang, Malaysia, and one in Cavite, Philippines, in addition to wafer production facilities in Santa Clara and Hillsboro, Oregon.It said net profit in the last three months of the year plunged to $US234 million ($353 million), down 90 per cent from a year ago.Intel has also warned that it expects

even worse results this quarter than the previous three months, with an expected revenue of $US7 billion.

- **Economy to slow significantly**

After that, the economy is expected to post a weak recovery or an expansion of 3 percent by 2010. The SCB executive said this is "a good growth."

Kwan said the business process outsourcing (BPO) sector will not be spared as it would also be affected by the global economic slowdown while domestic consumption and investments will weaken.

Despite this, the bank executive said that "the Philippines should be relatively better than the other countries in the region.One of the bright spots that Kwan sees is the country's increasing young population would bolster the productivity, especially in the information technology sector.In addition, the country's level of foreign reserves is expected to be higher and manageable this year. Last year, the country's foreign reserves reached $37.1 billion.

On the other hand, inflation is expected to decelerate to 2.6 percent this year from 9.3 percent last year. Inflation is the rate at which general level of prices for goods and services is rising.Deflation is the general decline in prices, caused by a reduction in the supply of money or credit or people are not buying as much goods and services. If deflation persists, this would trigger lower production then it would snowball to falling profits, closing factories, job cuts and lower incomes.Kwan said deflation only gives incentive to consumers but not is attractive to investors.

By the end of the year, the bank executive said the peso would be P48 to a dollar with the expected higher inflow of overseas remittances during the holiday season.To see more of The Manila Times, or to subscribe to the newspaper, go to

Environmental

Social Front

- **Philippine military keeps mum on Red Cross staff kidnapping**

The Philippine military kept mum on Saturday on the continuing efforts to rescue three International Committee of the Red Cross (ICRC) workers seized by Islamist militants earlier in the week. First Lieutenant Esteffani Cacho, spokeswoman for the armed forces' Western Mindanao Command, said the military will no longer provide updates regarding the kidnappings of Swiss Andreas Notter, 38; Eugenio Vagni, 62; and Filipino Mary Jean Lacaba, 44.

The three had just visited the provincial jail on Jolo island, 1,000 kilometres south of Manila on Thursday when suspected Abu Sayyaf rebels blocked the path of their vehicle and seized them.

Cacho, however, assured that the military will release information about major developments in the rescue operations. More than 1,500 government troops have scoured the mountains of Jolo island, a known lair of the al-Qaeda-linked Abu Sayyaf rebels, in a bid to rescue the abducted ICRC personnel. Police said it has taken into custody a witness who can help identify the kidnappers. On Friday, Cacho said that based on initial field reports, it Abu Sayyaf Commander Alpader Parad's group had seized the ICRC staff.

ICRC spokesman Roland Bigler said the three victims were visiting the provincial jail where they have been carrying out a water and sanitation project to improve the conditions of detainees. Bigler said that despite the abductions, the ICRC will continue its various humanitarian work in the strife-torn southern region of Mindanao. The Abu Sayyaf has been responsible for deadly terrorist attacks in the country.

It is also notorious for high-profile kidnapping-for-ransom cases, including the abduction of 21 European tourists and Asian workers from a Malaysian resort island in 2000. The hostages were ransomed off for millions of dollars before they were freed months later.

- **Filipino maids report abuse in Arab states**

Jordan passes laws to protect workers; critics want more Frances, 30, a Filipino maid who fled her Jordanian employer for a shelter, says her arm was branded with a hot iron.

Forty narrow mattresses line the carpeted floor of the basement at the Philippines Embassy, a damp and dimly lighted room where 20 women have sought refuge from abusive employers.

The room is one of two shelters run by the embassy for citizens of the Philippines in Jordan, a country that human-rights groups accuse of not doing enough to protect about 500,000 foreigners, including 30,000 Filipinos, who are here working as maids and servants or in construction.

Jordan, as with other Middle East countries, offers little legal protection for foreign workers, forcing governments including that of the Philippines to operate shelters. Many of the victims are women who accuse their employers of beating them, refusing to pay wages and forcing them to convert to Islam..Recently, the government in Manila decided to stand up for its citizens working in Jordan and elsewhere in the Mideast, saying the money sent home isn't worth the cost of shelters and court cases against workers who flee their employers.

Almost a year ago, the Philippines imposed a ban on sending more workers to Jordan unless the government enacted regulations protecting them. The demands included blacklisting abusive employers, setting maximum hours, guaranteeing one day off a week and quadrupling the minimum monthly wage to $400.

While abuse of maids from poor countries by employers in richer ones is not limited to the Middle East, officials in the Philippines say it's particularly widespread in the region, including in wealthy states like the United Arab Emirates and Saudi Arabia.

The bans in Jordan and elsewhere also have not prevented Filipinos from slipping into the countries for work. More than 5,000 Filipinos have defied the ban in Jordan since January, said Julius Torres, the Philippines' ambassador to Amman.The ban on exporting domestic workers could be dropped once the protocol is in place, Torres said.Meanwhile, Jordan has changed its labor laws to give foreign workers some rights, including compensation for being fired without a valid reason.

Labor Ministry Undersecretary Ghazi Shbeikat said the government has ordered prosecutors to actively prosecute abusive employers and is considering expanding police-

The new regulations have not dampened the criticism. Amnesty International issued a scathing report in November, saying about 10 foreign workers are thought to commit suicide in Jordan each year.

It accused employers of abusing workers and recruitment agencies of routinely beating newly arriving workers to "frighten and discourage them from running away or from making complaints about their employers."

- **Kidnappers demand halt in rescue operations for abducted ICRC staff unconditional release of hostages in grafs 10-**

Muslim militants holding captive three staff of the International Committee of the Red Cross (ICRC) on a southern Philippine island have demanded that the military halt rescue operations, a Philippine Red Cross official said Monday.

Gordon said the ICRC staff also said they were unharmed. Police said initial investigation showed that the three ICRC staff were seized by gunmen led by a sacked jail guard, who then turned them over to al-Qaeda-linked Abu Sayyaf rebels in the jungles of Indanan town.

According to military intelligence sources, the kidnappers were led by commanders Albader Parad and Akmad Jumdail, who were planning to demand 5 million dollars in ransom for the safe release of the hostages. The sources added that the militants were also discussing a political demand. The Philippine military, police and local officials have refused to give official updates on the kidnapping in a bid to avoid jeopardizing rescue operations.

But he added that the ICRC were not disregarding all reports about the kidnapping.. Defence Secretary Gilberto Teodoro said it was important to follow a no-ransom policy in such kidnapping cases to discourage more abduction in the future. Teodoro also appealed to residents of Jolo to help authorities put a stop to kidnappings in the area in

the wake of the latest abduction, which he noted has again marred the image of the area and reputation of the residents.

The al-Qaeda-linked Muslim Abu Sayyaf rebel group has been blamed for some of the worst terrorist attacks in the Philippines. It is also notorious for high-profile kidnapping-for-ransom cases, including the abduction of 21 European tourists and Asian workers from a Malaysian resort island in 2000. The hostages were ransomed for millions of dollars before they were freed months later.

- **MILF unsure peace talks**

Moro Islamic Liberation Front (MILF) on Friday issued a statement casting doubt on the sincerity of the government to pursue real peace for the affected provinces of Mindanao. The statement was issued following announcements that government was to resume peace talks with the MILF with the release of the composition of the peace panel to media headed by Foreign Affairs Undersecretary Rafael Seguis.

After the botched memorandum of agreement on ancestral domain (MOA-AD), the MILF hierarchy posed this question to the government: "Is your peace initiative now a national agenda and not a part of your dribbling knowing that the negotiated peace settlement of the Moro problem and the armed conflict is not possible within 2010?"

1.President Arroyo lacked political will when she abandoned the MOA-AD and completely distanced herself from it to the point of disowning her negotiating team, who completely did their job on the basis of her policy and instructions;

2. The President has no political capital or is a political lame duck, because even ordinary local executives can stand on her way. She should have exercised her vast powers and influence over those who opposed the government position to support her peace agenda; after all, she once "boasted" in one of her State of the Nation speeches that a president can be as powerful as he or she wants it to be; and

3. Only barely a year and half is remaining of her term, because in June 2010 she would step down.

He cited the central role of former British Prime Minister Tony Blair in the forging of the Good Friday Agreement between the Unionist who are Protestants and the Republicans who are Catholics that settled the centuries-old in Northern Ireland.

Blair did not waiver despite the stiff opposition from both sides and more importantly, he showed objectivity and fairness throughout the negotiation, according to Musa.

But on the contrary according to Musa, President Arroyo did not only show her indecisiveness during the defining moment of the negotiations, but sided completely with the settlers in Mindanao and the Filipinos in general thereby once again sacrificing the Moros.It can be recalled that in December last year, the MILF had come out with a five-

point declaration for the resumption of the stalled peace talks with the government. Al Haj Murad Ebrahim, chairman of the MILF central committee, signed the document, which contained the following:

1. For the peace talks to continue, there must be an international guarantee composed of states or group of states that both government and MILF honor and comply with agreement forged by the parties;

2. The status of the MOA-AD must be settled first, because to the MILF it is a "done deal," but to the government, it is "no deal" and "unconstitutional";

3. The International Monitoring Team must lead the investigation of all violations of the ceasefire from July 1, 2008 to date;

4. The government to stop its offensive in Mindanao even against so-called rogue commanders of the MILF; and

5. Malaysia will stay as facilitator of the peace talks

- **Philippine court convicts 3 Muslim militants for bombings - Summary**

A Philippine court convicted three Muslim militants Friday in the deadly bombing of an overhead train in Manila more than eight years ago and sentenced them to more than 20 years in prison. Manila Regional Trial Court Judge Cielito Mendaro-Grulla found Mukhlis Hadji Yunus, Abdul Fatak Paute and Mamasao Naga guilty of multiple counts of murder and attempted murder.

The attack on the Light Railway Transit train in Manila's suburban district of Blumentritt was one of five near-simultaneous bombings on December 30, 2000, which killed 22 people.

More than 100 people were injured in the attacks, which also included bombings near the US embassy, at a petrol station and on a passenger bus. Deputy presidential spokeswoman Lorelie Fajardo said the conviction of the three Muslim militants should boost people's faith in the country's justice system. Versoza said that he has alerted police officers in some areas in the country for possible retaliatory attacks that might be launched by Islamist militants.

An Indonesian terrorist suspect was also arrested for allegedly financing the bombings, but he escaped detention. He was eventually killed in a firefight with government troops.

• Thailand

Political Front

- **Thai PM vows to end emergency rule**

Thai prime minister Abhisit Vejjajiva made his first visit to the country's restive south on Saturday, promising to end emergency rule there and investigate claims of human rights abuses by the military.

The premier, who took up his post last month, was joined by a newly-formed special commission of ministers charged with drafting a new law to replace the emergency decree. "(We) come today to learn about the situation and problems in the South and hold discussions with all the authorities involved," Abhisit told reporters following a meeting at Sirindhorn military base in Pattani province. More than 3,500 people have been killed since separatist unrest erupted in early 2004 in southern Thailand, where emergency rule was first imposed in 2005.

Thailand's cabinet agreed on Tuesday to extend the emergency decree for another three months to April – the 14th extension since it was first imposed.-After speaking to reporters the premier visited two communities by helicopter. At the first, 1,000 people turned out to welcome him as he visited a village Buddhist temple and a mosque.Tensions have simmered in the southern provinces of Pattani, Yala and Narathiwat since Thailand annexed the mainly Malay sultanate in 1902. There was no violence in Pattani during the prime minister's visit but in neighbouring Yala province authorities detonated a small roadside bomb. No one was hurt.

- **Thai PM: Rights abuses do happen**

Thailand's Prime Minister Abhisit Vejjajiva, on his first visit to the country's restive south, said that rights abuses against insurgents do occur but he said anyone committing such acts will be punished.

Abhisit, however, rejected allegations in a report released last week by Amnesty International that Thailand's security forces engage in systematic torture as part of a campaign to defeat Islamic insurgents in the country's southernmost provinces.

Survivors told the human rights group that the most common torture techniques included beatings and having plastic bags placed over their heads until they nearly suffocated, according to a new report released by the London-based group. Others said they were burned with candles, subjected to electric shocks and buried up to their necks in the groundIslamic militants in the deep south - the overwhelmingly Buddhist country's only Muslim-majority area - have waged a decades-long insurgency.

The insurgents have not announced their goals, but they are believed to be fighting for a separate Islamic state. Muslims in Thailand - which is 90 per cent Buddhist - say they are treated like second-class citizens.More than 3,300 people have died since early 2004, when fighting flared after a lull of more than two decades.

Amnesty's report said it had documented the alleged torture of 34 people between March 2007 to May 2008. The group directly interviewed 13 torture survivors while the rest of

the accounts came from several witnesses and relatives of victims, four of whom died in detention from their treatment.

Among the most widely publicised cases was that of Yapa Kaseng, a 56-year-old Muslim religious leader, who died in March 2008 after interrogation at an army camp.

A Thai court ruling last month said military personnel were responsible for causing Yapa's fatal injuries by beating. The findings said Yapa, who sustained broken ribs and a ruptured lung, was roughly interrogated three times over two days and was dragged by his ankles because he could not stand up.

- **Thailand: Thai King gets top U.N. intellectual property award**

King Bhumibol Adulyadej of Thailand has received an award from the United Nations for his commitment to promoting intellectual property rights and his contribution to society as a prolific inventor.

The UN World Intellectual Property Organization (WIPO) presented King Adulyadej, an acclaimed artist and accomplished inventor holding over 20 patents and 19 trademarks, with its Global Leader Award in a ceremony last Wednesday

“In sharing the fruits of your creativity in the form of invention and musical and artistic works, Your Majesty has not only demonstrated the power of intellectual property to enrich and enhance the quality of daily life and work but has also encouraged people everywhere to create, respect and protect it,” said WIPO Director General, Francis Gurry.

Many of the King’s inventions, which include a water aerator and artificial rainmaking technology, have generated concrete and practical benefits for rural communities in Thailand.

Strategic Front

Economic Front

- **SE Asia Stocks-Lower as financials, energy come under pressure**

Stocks in Southeast Asia extended falls on Wednesday as signs of trouble in global financial sector continued to hold back appetite for equities, pushing down blue chips in the region such as Singapore's DBS and Thailand's PTT.

Singapore's benchmark index dropped for a second straight day to end down 1.1 percent, with lender DBS off 1.3 percent. The index sank to its lowest in more than one month in early trading after the government said the city-state was in its worst recession

everMalaysian shares fell for a seventh day running, ending 0.8 percent lower, while Thai stocks fell 0.5 percent

Indonesian shares dropped 1.7 percent, the Philippines was down 3.1 percent and Vietnam ended 0.9 percent lower.In Singapore, some big caps recouped early losses, with United Overseas Bank rising 2.1 percent and oil refining firm Singapore Petroleum Corporation up 2.2 percent as investors saw value after the stock fell as much as 12 percent in January

In Kuala Lumpur, banking shares were pulled into the global selloff ahead of the central bank rate cut of 75 basis points coming after the market close.Public Bank ended down 1.2 percent and CIMB closed 3.2 percent lower.

- **Thailand mortgages 8 million tonnes rice for 2009; production drops by half**

Thailand was named the world`s largest rice exporter by the Guinness World Records in 2008 as the country exported 8.094 million tonnes of rice in 2007, capturing 27 per cent of the world market share.

Paddy rice production in Thailand, the world's largest rice exporter, in 2009 is projected to decline by about half due to an unexpectedly long cool season, but the government has targeted mortgaging eight million tonnes of milled rice from farmers during the 2008/2009 growing season, senior officials said Friday.

The Agriculture and Cooperatives Ministry has forecast total paddy production this year at some 23 million tonnes but Banjong Tangjitwatthanakun, vice president of the Thai Rice Mills Association, argued that he believed paddy rice production would tumble about 50 per cent due to an unusually long winter season.

Thailand was named the world's largest rice exporter by the Guinness World Records in 2008 as the country exported 8.094 million tonnes of rice in 2007, capturing 27 per cent of the world market share.

In an attempt to help Thai farmers, Yanyong Phuangrach, director-general of the Commerce Ministry's Internal Trade Department, said at a seminar on Friday that farmers had already mortgaged about 4 million tonnes of rice with the government, representing about half of the total mortgage allotment the government planned to receive from farmers this year.

Environmental

Social Front

- **Thailand accused of mistreating Muslim refugees**

Nearly 1,000 refugees were detained on a remote island in December before being towed out to sea and abandoned with little food or water, rights group says. Hundreds of Muslim refugees from Burma (Myanmar) are feared missing or dead after Thai troops forced them onto boats without engines and cut them adrift in international waters, according to human rights activists and authorities in India who rescued survivors. The revelations have shone a spotlight on the Thai military's expulsion policy toward Muslims it sees as a security threat.

Nearly 1,000 refugees were detained on a remote island in December before being towed out to sea in two batches and abandoned with little food or water, according to a tally by a migrant-rights group based on survivors' accounts and media reports. The detainees, mostly members of Burma's oppressed Rohingya minority, then drifted for weeks. One group was later rescued by Indonesia's Navy, and two others made landfall in India's Andaman Islands.

Amid accusations of a military cover-up, the Thai government has promised a full accounting. He says there's no evidence that the Rohingya, who speak a Bengali dialect, have joined insurgents in the Malay-speaking south, where more than 3,500 people have died since 2004.

Thailand has long been a magnet for millions of economic migrants as well as refugees escaping persecution in Burma, Laos, Cambodia, and Vietnam. Human traffickers often play a role in transporting both groups, exposing those on the run to egregious abuses. Thailand has a mixed record on hosting refugees.

- **Thai military probes migrant push-back accusations**

Thailand’s military has agreed to investigate reports that its navy pushed hundreds of Rohingya boat people back out to sea last month, leaving as estimated 500 missing and feared drowned, the army commander-in-chief confirmed. Prime Minister Abhisit Vejjajiva requested the investigation after meeting with human rights groups at a meeting Monday at which the Rohingya refugee situation was raised.

Thai Army Commander-in-Chief General Anupong Paochinda, while confirming Tuesday that the military will conduct the investigation, at the same time said he was confident no abuses had been committed against the Rohingyas, a Muslim minority group from Myanmar’s Arakan State who have been denied citizenship by the ruling junta. The Arakan Project, a non-governmental organization that monitors treatment of the Rohingyas, has claimed that Thai authorities on at least two occasions last month forced almost 1,000 Rohingyas back to sea in boats without engines and with scant supplies of food and water.

News that the Thai military was pushing Rohingya refugees out to sea came to light last month when the Indian Navy on December 18 rescued 107 people from a boat who

claimed that they had been put to sea in the engineless craft by the Thai Navy and set adrift.

According to the survivors, about 300 of the 412 refugees had drowned when they jumped overboard to try to swim to shore. Another group of 580 Rohingyas was allegedly shoved back to sea on December 30 in five boats after the engines were removed, said Lewa. Of this group, some 193 onboard were rescued near Indonesia's Sabang Island in Aceh province on January 7 and another boat with 150 onboard was rescued off Tillanchang Island, India, on January 10. On January 6, another 81 Rohingyas were rescued by Thai fishermen, and have since been put under Thai military custody again, said Lewa.

The Thai miliary has denied the accusations, although officials acknowledge that they see the Myanmar-Muslims as a security threat, suspecting them of coming to Thailand to join Thai-Muslim insurgents in southern Thailand's Pattani area.The Rohingyas, numbering about 750,000 in Arakan, are stateless people, having been denied citizenship in Myanmar and Bangladesh. Thai Foreign Minister Kasit Piromya has said he planned to meet with the ambassadors of Bangladesh, India, Indonesia, Malaysia and Myanmar to discuss the issue, should the allegations against the Thai navy prove true.

- **Thaksin allies to resume Thai protests**

Supporters of former Thai leader Thaksin Shinawatra will resume a street campaign in 10 days to try to force the "illegitimate" new government to call fresh elections, protest leaders said.

After weeks of relative calm in Thailand's long-running political crisis, the planned Jan. 31 rally in Bangkok threatens to distract Prime Minister Abhisit Vejjajiva's government as it tries to avoid a looming economic recession.The red-shirted DAAD have copied the playbook of the yellow-clad People's Alliance for Democracy (PAD), which led a months-long street campaign against the pro-Thaksin government thrown out by the courts last month.

The previous administration fell after the crisis peaked in late November when the PAD seized Bangkok's main airport for eight days, stranding thousands of tourists and badly damaging Thailand's travel image.

The DAAD accuse Abhisit, who became the country's fourth prime minister in 2008 after winning a parliamentary vote, of being in an alliance with the army and PAD -- a charge he denies. They besieged parliament for two days last month, forcing Abhisit to change the venue of his maiden policy speech to the nearby Foreign Ministry.

It was not clear how far the red shirts will go when their protest resumes later this month, but DAAD leaders said they would not try to disrupt a regional summit in February.Analysts say the outlook for political stability remained bleak as long as the rift between Bangkok's royalist and business elite, who accuse Thaksin of corruption, and rural voters who loved his populist policies, remains unresolved.

• Singapore

Political Front

- **Singapore welcomes Israel's declaration of ceasefire in Gaza**

Singapore has welcomed Israel's declaration of a ceasefire in Gaza.

Responding to media queries, Singapore's Ministry of Foreign Affairs (MFA) said this was a "positive development" and urged all parties to ensure an end to all hostilities. It also expressed deep concern over the humanitarian situation in the Gaza Strip.

MFA said it hoped the ceasefire would be the first step towards implementing the January 8 UN Security Council resolution, which called for an immediate ceasefire, leading to the full withdrawal of Israeli forces from Gaza. It added that it would continue to support all international efforts at reaching a "durable resolution that would be in the best long-term interests of both the Palestinian and Israeli people".

Strategic Front

Economic Front

- **Financial institutions will gain investors' confidence after payout**

More than half of investors who have filed complaints about their investments in Lehman-linked structured products will receive some form of compensation.

This is a relief to the investors. But what does it mean for the financial institutions involved?

The compensation money will come out of the pockets of the financial institutions. They are not saying how much they will be paying out.

But for DBS, it is setting aside about S$80 million to settle claims in both Singapore and Hong Kong. Analysts note that while the compensation may hurt financial institutions in the short term, the institutions will gain the confidence of investors in the longer run.

Of those who filed complaints, three quarters who had bought Lehman Minibonds directly from banks and finance companies will get partial or full compensation.

But only 24 per cent of those who bought DBS High Notes 5 and 11 per cent of those who bought Merrill Lynch Jubilee Series 3 Linkearner Notes will be compensated.

The Monetary Authority of Singapore (MAS) said this difference is due to the different investor profiles. The settlements also set precedence for similar situations, if any, in the future.

MAS has also been looking into the selling practices and policies of the financial institutions involved. It will soon present its preliminary findings to them and give the institutions time to respond.

However, DBS said it had tightened the way such products are sold to ensure that customers understand the products before deciding to buy it.

- **Singapore exports falling more than expected as NODX tumbles 20.8%**

Singapore's key exports fell more than expected in December from a year ago, as recession-hit US and European consumers bought fewer goods from the city-state, the government said Friday.

Non-oil domestic exports tumbled 20.8 per cent, faster than the 17.5 per cent decline in November and worse than the average 20 per cent slide tipped by analysts in a Dow Jones Newswires poll.

It was the eighth straight month of contraction for the NODX, a closely watched barometer of the health of Singapore's open, trade-driven economy.

Key exports were worth S$10.47 billion in December. Exports to all of Singapore's top 10 markets declined, with the exception of Japan.

Exports to the European Union fell 34 per cent while those to neighbouring Malaysia dropped 26 per cent. Shipments to the United States fell 24 per cent. On a month-on-month seasonally adjusted basis, key exports declined 13 per cent in December.

Total trade dropped 18.7 per cent to S$58.93 billion.David Cohen, of research house Action Economics, said exports are likely to fall further as the global economy worsens. Standard Chartered economist Alvin Liew said: "This is likely to be the most painful year in terms of external demand collapsing."

Singapore became the first Asian economy to fall into recession in the third quarter of last year. The government has said the economy could contract by as much as two per cent this year after growing 1.5 per cent last year, sharply down from the 7.7 per cent expansion in 2007.

- **Indian Muslim groups have role to play in tough economic times**

Indian Muslim associations have played an active role in reaching out to the needy by working with other community groups.

That cooperation is even more crucial in these tough economic times, said Minister-in-charge of Muslim Affairs Yaacob Ibrahim. About 17 per cent of Muslims in Singapore are of Indian origin, and Dr Yaacob said there are niche areas where Indian Muslim groups can offer their services.

These include religious classes in the various Indian languages and providing social services to the community. Dr Yaacob said that they can also leverage on the resources of existing national social service networks and community self-help groups such as SINDA, MENDAKI and MUIS. He added that any new programmes initiated should provide value-add, rather than duplicate current efforts. Dr Yaacob was speaking at the launch of the Community Education, Welfare and Development Lecture Series - a joint initiative by Muslim organisation Jamiyah Singapore and several Indian Muslim associations.

Environmental

Social Front

- **Religious groups raise funds for relief efforts in Gaza**

Forward to jointly raise funds for relief efforts in Gaza.

They are from the Spiritual Assembly of Baha'is of Singapore, Singapore Buddhist Federation, The Catholic Archdiocese of Singapore, National Council of Churches of Singapore, Hindu Endowments Board, Sikh Advisory Board, Singapore Taoist Federation and Harmony Centre.

Donations can be made through the various religious organisations. All the funds raised will be channelled to Mercy Relief, which will be working with United Nation agencies in Gaza to deliver much-needed supplies and assistance. The various religious groups said they are also jointly offering prayers for peace and harmony.

Sister Theresa Seow, Catholic Archdiocese of Singapore, said: "We know that harmony and peace is something we take for granted. So we hope in doing this, people of different races, different religions will collaborate for this effort."

- **Singapore government to tighten laws against protests**

Singapore's deputy prime minister said the island state, which is hosting a summit of Asia Pacific leaders this year, may further tighten laws against public protests, according to reports.
Wong Kan Seng, who is also Home Affairs Minister, said the government is reviewing

public order laws and may pass legislation to deal more effectively with illegal protests and other acts of civil disobedience.

The legislation is expected to be passed in time for the Asia Pacific Economic Cooperation (APEC) forum in November which could attract both local and overseas protesters, he said.

US president-elect Barack Obama, due to take office next week, is among the 21 leaders scheduled to attend the summit. Public order laws are already tight in Singapore, where protests require a police permit if held outside a designated free-speech zone and gatherings of five or more people are illegal.

• Vietnam

Political Front

- **Vietnam's policies pursue peace and disarmament, says ambassador**

Vietnam has a consistent policy of striving for peace, international security and disarmament in accordance with UN regulations and international law, said a Vietnamese diplomat. Ambassador Le Hoai Trung, President of the UN Conference on Disarmament (CD), informed a Vietnam News Agency that the country's consistent policy is represented by its participation in almost all of the major international conventions on disarmament, including the Southeast Asian Nuclear Weapon-Free Zone Treaty in 1996, the Comprehensive Nuclear Test Ban Treaty in 2006 and the Aditional Protocol (AP) on Nuclear Security in 2007. He said that Vietnam will assume the role of rotating President of the CD for 2009's first session, scheduled to convene on January 20. The session will run until February 15.

To prepare for this important task, Trung said that Vietnam has studied the participating countries' views regarding the CD's agenda and operations. The country has also conducted consultations with almost all of the CD member countries to ascertain their concerns and proposals for the organisation's operations, he added.

That Vietnam is both a UN Security Council member and the CD's President during 2009 is a significant factor in the implementation of its foreign policy of independence, self-determination, peace, cooperation and development, helping to strengthen cooperation and accelerate its international integration, he noted. The 65-member CD was established in 1979 under an agreement signed by UN members, including Vietnam , at the UN

General Assembly's first special session on disarmament in 1978. Vietnam joined the CD in 1983 and officially gained membership in 1996.

- **Vietnam supports UN's role in Nepalese situation**

A Vietnamese representative to the United Nations Security Council (UNSC) has voiced the country's support for the UN's central role in coordinating international development assistance to Nepal .

Ambassador Bui The Giang delivered the national viewpoint whilst addressing the UNSC's consultancy session regarding the three-month situation in Nepal in New York on January 16.The diplomat said that Vietnam supports an extension of the current mandate of UNMIN by another six months from January 23, 2009 for fulfilling activities it has not yet completed.

He expressed concerns about LRA insurgents' killing of a number of innocent civilians and kidnapping of children and women and condemned those inhuman deeds.The LRA insurgents need to stop using violence to return to the peace process and sign with the Ugandan Government a forever peace agreement (FPA), the Vietnamese diplomat said

Strategic Front

- **Gov't approves int'l maritime rescue convention plan**

The Prime Minister approved a plan on implementing the International Convention on Maritime Search and Rescue (SAR 79) on January 15, fulfilling the country's obligations as a Convention member.

The scheme will enact an action programme regarding instant search and rescue operations at sea and boost cooperation between relevant forces and responsible organizations. The country is also to supervise the execution of regulations governing safety and search and rescue operations at sea to meet SAR 79 requirements and improve the capacity of its coastal search and rescue forces.

Efforts should be made to develop support and rescue services to render timely assistance to individuals or vessels in distress or at risk at sea within Vietnamese territorial waters. Maritime environmental protection and international cooperation are also areas of focus of the action programme.

The Prime Minister has assigned the National Committee on Search and Rescue, the Ministry of Transport, the Foreign Ministry, the Ministry of Natural Resources and Environment, the Ministry of Agriculture and Rural Development and the Ministry of Information and Communication to assume responsibility for the scheme during the 2009-15 period

Economic Front

- **Huge investment in power projects planned for 2009**

The Vietnam Electricity Group (EVN) has reported that it is to invest almost 50 trillion VND in electricity generation sources during 2009, including nuclear power plants.

The State-run business revealed that it has raised 44.39 trillion VND so far and is actively seeking the remaining 5.6 trillion VND.

To make up the shortfall, the national group said that it would make full use of official development assistance (ODA) and preferential credit sources, seek commercial loans, and ensure the smooth progress of an approved plan to issue 4 trillion VND worth of bonds.

With the planned investment, EVN will strive to put into operation nine electricity plants with a combined capacity of 2,696 MW and commence construction of four thermal-electricity plants, capable of producing 3,800 MW in total, this year.

- **Vietnam, UK boost trade, investment cooperation**

Vietnam and the UK have agreed to strengthen their businesses cooperation through a series of trade and investment promotion activities.

A cooperative agreement was signed by Director of the Ministry of Industry and Trade's Trade Promotion Department Do Thang Hai and the UK Department for International Development's Minister of State, Gareth Thomas, in Hanoi on Jan. 19. The two sides agreed to share information regarding market, economic and trade policies while speeding up the implementation of trade and investment promotion activities such as the organisation of fact-finding tours, exhibitions and fairs.

The agreement also covers activities to work towards the removal of trade and investment barriers between the two sides, including those within the framework of the Vietnam-UK Joint Economic and Trade Committee (Jetco).

Vietnam and the UK have developed steadily over recent years. The UK 's provision of aid to Vietnam totaled 274 million USD between 2000 and 2008.Vietnam is also named in a list of 16 countries that are prioritised for investment by the UK .

- **Import tax on petrol reduced by 5 percent**

The Government has decided to cut preferential tax rates on imported petroleum to 35 percent from 40 percent.

The new rate will be applied to imported petrol from January 24.The Ministry of Finance (MoF) issued Circular No 15/2009/TT-BTC on Jan. 22 as an implementation guide for the new tax level for items belonging to group 2710 on the General Department of Taxation's import list.

Under the circular, import taxes on some items, mostly leaded and non-leaded petrol, petrol for airplanes, naptha and reformatic petrol will drop to 35 percent.

The move to reduce taxes was made to support petrol importers at a time when world oil prices are slowly increasing. According to the MoF, the tax cut was based on the stability of current global oil prices. Petrol importers make net profits of 3-4 percent when imported petrol prices are 40 USD per barrel.

Environmental

Social Front

• Laos

Political Front

- **Vietnam congratulates new US President**

Vietnam has congratulated US President Barack Obama and the American people on the occasion of his assumption of office, officially becoming the 44 th President of the US.

The congratulations were announced by the Foreign Ministry's Spokesman Le Dung on Jan. 21 while answering reporters' questions regarding the eventHe informed the press that State President Nguyen Minh Triet and Prime Minster Nguyen Tan Dung had sent messages of congratulations to President Obama.-Enditem

Philippines launches national global warming programmes.President of the Philippines, Gloria Macapagal-Arroyo launched the government's 14-pronged national programme on sustainable development on Jan 23. as a contribution to a worldwide campaign to curb global warming.

The main objectives of the project include the reduction of solid waste generation by 50 percent in the next six months to two years, establishment of a rainwater collection system and a reduction in fossil fuel consumption, the Philippine News Agency said

Strategic Front

Economic Front

- **Thai PM begins first official visit to Lao PDR**

Before departing Bangkok Mr. Abhisit said that he hoped his visit will help foster improved bilateral relations and cooperation.

Thailand's Prime Minister Abhisit Vejjajiva on Friday kicked off an official visit to the Lao Peoples' Democratic Republic (Lao PDR), his first official visit since assuming office last December, aiming at strengthening bilateral relations and cooperation, according to a statement issued by the Thai Foreign Ministry.Before departing Bangkok Mr. Abhisit said that he hoped his visit will help foster improved bilateral relations and cooperation. His aircraft was expected to touch down in Vientiane. the Lao capital, at 10:30am.

High on the agenda of the two leaders' bilateral talks are cooperation on energy and electricity, trade and investment, transport network development and Lao labour to be employed in Thailand.

The talks will focus on securing further cooperation for tangible results that will bring benefits to people of the two countries and the region, the statement said.

Thailand is presently Lao PDR's leading trading partner with bilateral trade reaching Bt 60 billion in 2007. Thailand is also a major foreign investor in Laos, investing US$1.3 billion in 169 projects during the period 2001-2008, according to the ministry.The Thai premier will also pay a courtesy call on Thongsing Thammavong, President of the Lao National Assembly.Mr. Abhisit is scheduled to lay the foundation stone at the Thai-Lao Friendship Sports Arena funded with Thai government financial support of Bt90 million. It will be the primary venue for the 25th Southeast Asian Games (SEA Games) hosted by Laos this year.The Thai prime minister will meet Thai investors in Vientiane before returning to Bangkok Friday evening.

- **Vietnam, Laos agree on preferential tariff**

Vietnam and Laos signed an agreement detailing the items of import goods that will enjoy preferential tax treatment in 2009 and the following years in a bid to achieve their set trade target of 1 billion USD in 2010.

The agreement was inked by Vietnamese Minister of Industry and Trade Vu Huy Hoang and his Lao counterpart Nam Viyaketh in Hanoi on January 17.

Under the agreement, Vietnam will grant zero tax rate to additional 16 items of Lao commodities belonging to the groups of car and motorbike engines and components.

Vietnam , particularly, will give preferential quota to its import of commodities with Lao origin, including cigarette and tobacco blades (3,000 tonnes per year) and rice (40,000 tonnes a year).Meanwhile, Laos will levy the tax rate of zero on an additional 87 items of Vietnamese commodities that are from the groups of vegetable raw materials, processed fruit, cigarette, apparel, motorbike, and home furniture.

The Ministry of Industry and Trade estimated that the two countries' import-export value reached 450 million USD in 2008, a surge of around 44 percent over 2007.

- **More Thai baht for building third bridge**

Mr Saysana Phasavath, Managing Director of Third Lao-Thai Friendship Mekong River Bridge Construction Project said that the Thai government is funding its construction with 1.7 billion baht and on its completion it will provide a seamless road connection between Khammouane province of Laos and Nakhonphanom province of Thailand.

Lao and Thai officials believe this decision has generated confidence between the two governments as it was made against the backdrop of the Thai government's temporary suspension of the commencement of the construction of the bridge due to the high price of construction materials prior to the onset of the global financial tsunami.

Initially, the Thai government wanted to start the construction in early 2008, immediately after the completion of the survey and design work on the bridge.
He said that an Italian-Thai company will be carrying out the construction work as it won the tender from 22 companies in July 2008

He also said construction work could not commence four months ago as none of the bidders had the courage to accept the offer as they feared the prospect of monetary loss. On its completion this bridge can act as a linkage for the three neighboring countries, Thailand, Laos and Vietnam and this will ultimately spill over into other related areas, a leading to more trade, investment and tourism for all three.

Environmental

Social Front

- **Unexploded ordinances kills 33 people in Laos**

UXO or unexploded ordinances in Laos killed 33 people and injured 117 others in Laos for a period of 11 months in 2008.

The figures were revealed during the meeting of National Regulatory Authority (NRA) at the International Cooperation and Training Centre or ICTC and it was chaired by the Minister of Labour and Social Welfare, Ms Onchanh Thammavong on 14 January.At this meeting, NRA said it would strengthen capacity building for their officials this year and recruit state or private sectors to contribute to the UXO programme.This is aimed at limiting the number of bomb accidents and thereby reduce the number of deaths.
It also stated that for the mine clearance programme from the period, January to November of 2008, 4,380 ha of land had been cleared of mines and 126,598 UXOs were destroyed.
The National Regulatory Authority (NRA) said it is now in the process of carrying out its ten-year plan, 2003-2013, to reduce the number of UXO victims. Part of this plan is to raise the level of awareness of the presence and dangers of UXOs in the country to the general public.

- **13 die of dengue fever and malaria in Champasak**

(KPL) Last year thirteen people in Champassak province succumbed to malaria and dengue fever and the total number of people who were stricken by these two diseases was 1,636.
Head of Insect Science Division of the Malaria Station of the province, Ms. Phonsay Vannapaseut said in 2006 there were 1,665 malaria and dengue patients but there were only two deaths. Ms Phonsay also said that the increase in the number of deaths last year was due to the fact that some patients decided to self-medicate themselves and sought treatment from traditional medical practitioners.

- **Laos needs to develop labour skills**

The ASEAN-Japan Collaboration Programme for Human Resource Development in cooperation with the Ministry of Labour and Social Welfare yesterday held a national seminar on vocational ability evaluation methods with skill testing and certification system in Vientiane.

Over 30 participants will learn and share experiences in labour skill testing and issuing certification between Japan and ASEAN member countries so as to bring useful knowledge to upgrade official skills in Cambodia, Laos, Myanmar and Vietnam (CLMV).
The seminar was supported by Japanese government through the ASEAN-Japan Collaboration Programme for Human Resource Development, which commenced in 2004 and now it is on the second phase and complete in 2012.Mr. Phouvanh Chanthavong, Director General of Skill Development and Employment Department said that, ?this seminar was very significant in the implementation of action plan of Initiative for ASEAN Integration (IAI) among CLMV countries and in line with the implementation of human resource development plan of the Lao government.

The Lao government always holds human resource development plan as important key and a part of national strategy for socio-economic development for now till 2020, aiming at leaving nation out of list of least developed country. Mr. Jin Sugiyama, Second Secretary of the Embassy of Japan to Laos, Masaharu Tanaka Director of Overseas Cooperation Division Human Resources Development Bureau and representatives various sectors were present at the event.

- **Danger of emergence of bird flu during cool weather season**

The Department of Livestock and Fisheries has ordered the authorities of livestock services in Laos to step up their surveillance on of bird flu as it thrives in cold weather and it is prone to emerge during the present cool season.

According to a notice issued by the Department of Livestock and Fisheries on 21 January, whenever there is a high demand for poultry, such as during festive seasons

there could be smuggling of poultry across borders and such an illicit activity increases the risk of the spread of bird flu.

This notice also stated that the Food and Agriculture Organisation of Laos found out that the veterinary authorities stationed in the Vietnam-China border detected bird flu virus early this month from poultry which originated in China and in the process of being smuggled to Vietnam.Based on reports from the veterinarians the percentage of H5N1infection was 50 per cent out of a total of 16 parts of poultry. The Department of Livestock and Fisheries stated in 2008 that in the past the H5N1 virus was found in poultry in Laos on eight occasions and these were brought about by the smuggling of poultry to Laos.

• Cambodia

Political Front

- **Vietnam treasures ties with Cambodia**

Vietnam has a long-standing policy of respecting its traditional relationship and multifaceted cooperation with Cambodia, and considers the rapport it enjoys with its neighbour as an invaluable possession of the two nations, said a government official. Vietnamese National Assembly (NA) Chairman Nguyen Phu Trong made this remark during talks with his Cambodian counterpart, Heng Samrin, in Hanoi on Jan. 16.

NA Chairman Trong said that Vietnam has a keen interest in Cambodia's achievements and firmly supports the Cambodian Government's policies for developing the country, for the prosperity and happiness of the people, and for peace and stability in the region. He also said that the two countries' NAs should adopt more concrete measures to ensure their own development, as well as their bilateral relations. He welcomed the two countries' ratification of a supplementary treaty to the Vietnam-Cambodia Treaty on Border Delimitation and the initial results of the two countries' landmark plantation scheme. He stressed that the two sides should be determined to implement high-level agreements and work together in preventing hostile forces from using their territories to oppose the other and harming their bilateral relationship. He suggested that the two agencies intensify their exchange of information, experiences and visits, and work together in implementing previously-signed cooperation agreements.

He affirmed that the Cambodian NA and people have always supported their traditional rapport with Vietnam and place great importance on developing this in the future. He praised the results of a high-level meeting of Cambodia, Vietnam and Laos to seek measures to boost trade and tourism, and develop transport and irrigation works with the aim of ensuring that the three countries' border area is one of peace, stability and development, alleviating poverty and improving living conditions for local inhabitants.

- **Cambodia: Thai foreign minister to seek bilateral talks on border: statement**

Foreign Minister Kasit Piromya will lead a state visit beginning Monday to spearhead renewed negotiations over border dispute.A meeting between Hor Namhong and then-Thai Foreign Minister Sompong Amornvivat in November last year saw a reduction in troop levels along both sides of the border. Since then, political instability in Thailand has hindered further negotiations.

Kasit will meet King Norodom Sihamoni and leaders of the ruling Cambodian People's Party in advance of border discussions with Deputy Prime The foreign ministers are expected to address ongoing border conflicts ahead of future discussions between Prime Minister Hun Sen and his Thai counterpart Abhisit Vejjajiva in Thailand during the forthcoming Asean Summit, which runs from February 27 to March 1.

Foreign Ministry spokesman Koy Khuong told the Post Thursday that the Thai delegation's visit aimed to strengthen cooperation between the two countries, as well as to address border concerns and other issues of mutual concern.

.Opposition leader Sam Rainsy questioned whether discussions between the heads of state would produce any tangible results.

Heang Rithy, president of the Cambodian National Research Organisation, said bilateral negotiations could succeed only if Thailand initiates them and says the country has acted as an invader.

Foreign Ministry spokesman Koy Khuong said Cambodia will continue to pursue a bilateral solution to the conflict.

Strategic Front

- **Cambodia announces new armed forces commander**

General Ke Kim Yan, Commander-in-chief of the Royal Cambodian Armed Forces has been removed from his post and replaced with his deputy, General Pol Sareoun, the Phnom Penh Post reported.

Pol Saroeun is a member of the Cambodia’s People Party (CPP).According to a royal decree broadcast on Jan. 22 on Apsara Television, this reshuffle of the royal military leadership has seen seven other officers promoted to the post of deputy commander-in-chief.No reason was given for the move. Information Minister Khieu Kanharith explained that it was a normal reshuffle, initiated by the government.

Economic Front

Environmental

- **Protection of mangrove forests: a nascent idea in Cambodia**

Mangroves typically form buffer zones between sea and land and can be specifically found in tropical regions. The Cambodian Research Centre for Development predicts they will be the first to suffer the effects of climate change in Cambodia. They will be the largest area to go under water, in particular in Koh Kong, in the Southwest of the country... by 2100. But the most unrealistic in this scenario would be for mangroves to survive until then. According to Jos Stieks, who is attempting to preserve about a thousand hectares of mangrove forests situated in Prey Nup, province of Preah Sihanouk, "if men continue to kill the mangrove at this rate, there will be nothing left in ten years."

Social Front

- **Cambodia publishes first book on ethnic minority groups**

The Centre for Advanced Study (CAS) has announced a release of the first book about the history of ethnic minority groups in Cambodia.

The 664-page book examines the lifestyles and cultures of Cambodian residents of Chinese, Vietnamese, Thai and Lao descent, as well as members of Muslim and other minority communities, CAS director Hun Sokhom was quoted by the Phnom Penh Post as saying on Jan. 16. The book is based on two separate studies carried out by Khmer and foreign experts - a three-month study by the United Nations in 1996 and a 12-month study in 2006 paid for by the Rockefeller Foundation, according to the newspaper.

- **Cambodia to tighten drug controls**

Cambodia will introduce draft legislation to better control the use and trafficking of illicit drugs, Cambodian officials announced.

If a new draft law is introduced in March, as expected, drug traffickers will receive harsher punishments for possessing smaller quantities of illegal substances, the Phom Penh Post said on Jan. 21. Under the proposed law, drafted by the National Authority for Combating Drugs (NACD) at the Ministry of Interior, individuals found to be in possession of 80 grams of heroin will be given a sentence of life imprisonment. Currently, life sentences are only given to those who are found to be in possession of 100 grams or more. The draft legislation, formulated with the advice of the UN Office on Drugs and Crime (UNODC), will also strive to comply with international drug control laws, including those that apply to prescription drugs that can be purchased over the counter in Cambodia, officials said

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Political front:

Sukhbir Badal sworn in as (Punjab) chief minister father's deputy

In an event unprecedented in India's political history, a father and son on Wednesday began their rule over Punjab as chief minister and deputy chief minister, with Sukhbir Singh Badal being sworn in as Parkash Singh Badal's second in command. The oath-taking ceremony was attended by thousands of ruling Akali Dal supporters, many of them ferried to this Sikh holy city for the event. A visibly happy Chief Minister Badal, 83, said it was important to bring in more young blood into the government. Sukhbir Badal's elevation as deputy chief minister is seen as the Akali Dal's attempt to target the young ahead of parliamentary elections April-May this year. Badal senior brushed aside any resentment in alliance partner Bharatiya Janata Party (BJP) over the elevation of his son as deputy chief minister.

SP-Kalyan ties won't hit alliance: Congress

The Congress is confident that the new-found bonhomie between the Samajwadi Party and the former Bharatiya Janata Party leader, Kalyan Singh, will not affect its alliance with the SP. At a routine briefing, Congress spokesperson Jayanthi Natarajan instead sought to point out the rate of attrition within the BJP. "First, the BJP's allies left it one by one; recently, we saw the deterioration of its ties with the Shiromani Akali Dal; and now two of its senior leaders – Bhairon Singh Shekhawat and Mr. Singh – are speaking out against the party." The BJP had always been a party devoid of values and it was now a sinking ship, she said. Asked about Mr. Singh's association with the sangh parivar – particularly the fact that he was the Uttar Pradesh Chief Minister at the time of Babri Masjid demolition, she said there could be no denying the historical fact. "We have to reckon with it." The Congress is of the view that there is no need for knee-jerk reactions to the budding relationship between the SP and Mr. Kalyan Singh. What party leaders are pointing out is that the only commitment that Mr. Singh has made till now is to campaign for the SP in three constituencies. Also, even if Mr. Singh allies with the SP with which the Congress is already having trouble in seat adjustments the fact remains that the party has in recent years taken on board several leaders from the sangh parivar; prominent among them being Narayan Rane and Sanjay Nirupam from the Shiv Sena.

Mamata ready to contest polls alone

In an indirect reference to the Congress, Trinamool Congress chief Mamata Banerjee said here on Monday that her party was ready to contest alone in the coming Lok Sabha elections though she welcomed the option of forming an alliance with any party who "wants to come along with us to fight the Communist Party of India (Marxist)." Ms. Banerjee said that sharing of anti-CPI(M) votes is not desirable but those parties, which contest the elections solely with this intention in mind, will not be accepted by her party as an ally. "Some political parties become active before the elections. They are funded by the CPI (M), call themselves 'the opposition' and eat into the anti-CPI (M) vote share, thus benefiting the CPI (M). We are ready to pay any price to dethrone the Left government," she said. As for Minister of External Affairs Pranab Mukherjee, endorsing the State government's industrialisation drive on Saturday, Ms. Banerjee advised Chief Minister Buddhadeb Bhattacharjee not to be "too excited" over it. "I do not want to put Mr. Bhattacharjee and Mr. Mukherjee on the same platform. That goes against my ethics. Whatever Mr. Mukherjee has said are his personal views." She also demanded that for the coming polls ballot papers be brought back in place of electronic voting machines, which she said, could be "easily manipulated." "We have asked the State Election Commission to prepare an authentic voters' list and also appoint role observers from outside the State at each booth," Ms. Banerjee added.

Court: Election Commission can issue fresh guidelines on exit poll

The Supreme Court on Monday said the Election Commission was free to issue fresh guidelines for exit/insta polls telecast or published by the media. A Bench consisting of Chief Justice K.G. Balakrishnan and Justice P. Sathasivam passed this brief order after Additional Solicitor-General Amarendra Saran said a Bill to regulate exit polls was pending before Parliament. The Bench, while adjourning the hearing of the petition filed by advocate D.K. Thakur, said: "We make it clear that the Election Commission will be at liberty to issue any other appropriate guidelines." Senior counsel P.S. Narasimha, appearing for the petitioner, said there was a vacuum after the Commission withdrew its earlier guidelines. Until the law was passed by Parliament, proper guidelines must be put in place to regulate exit polls. Counsel for the Commission Meenakshi Arora said the guidelines, viz. the media should be prevented from telecasting or publishing an

exit poll 48 hours before an election and till the completion of all its phases, were withdrawn after the court, during an earlier hearing, orally observed that the Commission had no power to frame guidelines on exit polls. She said it was prepared to implement the guidelines evolved by the Press Council of India. K.V. Viswanathan, counsel for *The Hindu*, one of the respondents, said the proposed law should be tested whether it violated the right to freedom of speech and expression, and that the Commission had no power to impose any regulation on the media. The petitioner said telecasting or publication of opinion/exit polls had a deleterious effect and influence on the electors when they were in the process of making up their minds to vote or not to vote for a certain party or a candidate. The methodology followed in conducting opinion/exit polls varied from organisation to organisation. As a result, these were always off the mark and affected free and fair elections. The petitioner said the voters generally were influenced by such poll results and this was nothing but undue influence as it affected their psyche. It placed a particular party in an advantageous position and simultaneously rendered its opponent demoralized. Interfering with free and fair elections was an attack on democracy itself. The Press Council said it had laid down certain guidelines; viz. exit polls could be permitted only after the completion of all phases of an election. But the media were not following the guidelines.

CBI move against Pinarayi Vijayan politically motivated, says CPI(M)

The Communist Party of India (Marxist) on Thursday described the CBI move to prosecute its Kerala State secretary Pinarayi Vijayan in the SNC Lavalin case as "politically motivated." In a statement, the Polit Bureau said the Oomen Chandy government in 2006 referred the case to the Central Bureau of Investigation after a vigilance inquiry cleared Mr. Vijayan of any wrongdoing. The CPI (M) condemned that move on the eve of the Assembly elections, stating the intentions were partisan. "Now, with the advent of the Lok Sabha polls, once again the case is being proceeded with." It said the use of Central investigating agencies by the ruling party for political purposes should be a matter of serious public concern. The party would take this issue to the people and expose the political game plan. Earlier, Chief Minister V.S. Achuthanandan arrived here to discuss the matter with party general secretary Prakash Karat. Mr. Karat said all Polit Bureau members were consulted before the body took the formal position late in the evening.

We'll contest as part of UPA: Congress

The Congress on Thursday emphasised its intent to contest the Lok Sabha election as part of the United Progressive Alliance. This reiteration by Congress spokesman Manish Tewari came a day after the Nationalist Congress Party (NCP) asked the Congress to call a meeting of the UPA Coordination Committee to discuss a poll strategy. Mr. Tewari also asserted that Manmohan Singh was the Prime Minister of the UPA government. And, the alliance would contest the election under the leadership of Congress president Sonia Gandhi and Dr. Singh. On Wednesday, during a briefing on the NCP working committee meeting, party general secretary D.P. Tripathi said his party president Sharad Pawar was eligible to be Prime Minister. However, he said the question who would occupy that office depended on the election result and the prevailing situation. "Politics is always pregnant with possibilities; the question is when it delivers."

By-elections on February 26

By-elections to fill vacancies in the Umroi (ST), Bhadohi (SC) and Bishnupur (West) Assembly constituencies in Meghalaya, Uttar Pradesh and West Bengal respectively will be held on February 26.

Narendra Modi backs Advani as next PM

Rubbishing speculation that he was involved in a leadership tussle in the BJP, Gujarat chief minister Mr Narendra Modi (above) today said Mr LK Advani "will be the Prime Minister" after the next Lok Sabha elections. Mr Modi, addressing a gathering in Halol, accused a "tolki sitting in Delhi" of deliberately raising a controversy on the issue to divert attention from the success of the Vibrant Gujarat investors summit. "Mr Advani will be the Prime Minister and under his leadership, the whole country will witness rapid growth," Mr Modi said.

Mumbai Attacks and Aftermath:

Pak must be brought to discipline: Pranab

External affairs minister Pranab Mukherjee said that Pakistan is still sponsoring terrorism. Speaking at a conference in New Delhi, Pranab Mukherjee said, "Pakistan must be brought to discipline." "The magnitude of terrorism attack in 9/11 has once again been manifested in the Mumbai attack...it is high time for the international community to bring states that allow the use of their territory for terror purposes to be brought to discipline."

Pakistan need not be concerned about Purohit, says Antony

Defence Minister A.K. Antony on Tuesday wondered how Pakistan could be concerned with Malegaon blast accused Lt. Col. Shrikant Purohit by seeking his extradition in the Samjhauta Express blast case. The Maharashtra Anti-Terrorism Squad was conducting investigations. "It is our internal matter, we are investigating it. How can Pakistan be concerned with that," Mr. Antony told journalists on the sidelines of a National Cadet Corps function here. The Minister described as "baseless" reports that the Army was not being prepared for a war following the Mumbai terror attacks. The armed forces were ready to meet any challenge from any quarter. Referring to reports of military build-up by Pakistan on the border, Mr. Antony said that while the government of India was making all efforts on the diplomatic front, there was no question of the armed forces lowering their guard. However, the troops movement was not something which could create panic. On Pakistan-based terror groups seeking resolution of the Kashmir issue for them to stop violence against India, the Minster said terror acts against India had nothing to do with the Kashmir issue. "Kashmir is an integral part of India and we will not entertain any kind of interference from any source and any quarter." As for the anomalies in the pay of the armed forces, Mr. Antony said the government was making a sincere effort to remove it. A decision would be taken soon on pending issues relating to the Sixth Pay Commission. Even after the implementation of the pay panel report; the government was addressing the "genuine grievances" of the armed forces. It should be clear to everyone that the government was sincere in resolving the pay issues. The government was clear that the forces should get the best available equipment and it was willing to consider their genuine demands regarding pay and welfare. Addressing the cadets, Mr. Antony said the government had decided to increase the NCC cadre intake strength from 13 lakh to 15 lakh. A proposal to induct more cadets from the NCC pool to the officers' cadet was under consideration.

Pakistan 'peace' team's arrival

A 'Peace Delegation,' comprising well-known educationists, human rights activists, judges and journalists will cross the international border from Pakistan into India on Wednesday. The delegation will arrive here the same evening and call upon personalities such as the former Prime Minister, I. K. Gujral. They will attend a function organised by the South Asia Free Media Association (SAFMA) the next day. On Friday, there will an interaction at the Press Club of India. The delegation includes political activist Ramesh Lal, Chair of the Human Rights Commission of Pakistan (HRCP) Asma Jahangir, *Daily Times* Editor Najam Sethi, *Friday Times* Editor Jugnu Mohsin, SAFMA Executive Director Imtiaz Alam, co-Chair of HRCP Iqbal Haider, Awami National Party's Haji Muhammad Adeel, journalists I. A. Rehman, Mustansar Javed and Ghazi Salahuddin and peace activists Brig. (Retd.) Rao Abid and Salima Hashmi.

Pakistan briefs Indian envoy

Pakistan on Friday officially conveyed to India the steps taken by it against those linked to the Mumbai attacks, urging that the two countries should go back to the peace process that New Delhi says it has put on "pause" mode. Pakistan said it had conveyed to Indian High Commissioner Satyabrata Pal the "sequence and series of actions initiated by the government in pursuance of its international obligations as well as relating to the Mumbai attacks." Mr. Pal met Pakistan Foreign Secretary Salman Bashir at the Foreign Ministry where he was given the information. The Indian envoy was also given a letter from Prime Minister Yusuf Raza Gilani described by the Pakistani media as a "message of goodwill" responding to Prime Minister Manmohan Singh's New Year greetings to him. According to an official present at the meeting, the information handed over by Pakistan was a "recapitulation" of what Rehman Malik, who heads the Interior Ministry, told journalists on Thursday. Responding to Mr. Malik's announcement, External Affairs Minister Pranab Mukherjee said Pakistan should have conveyed this information "direct" to India through "existing diplomatic channels." It would appear that it was in response to this that Pakistan handed over the same information to Mr. Pal. A statement from the Foreign Ministry said Mr. Bashir referred to Mr. Gilani's statement in the National Assembly earlier this week that the government had launched an official inquiry. "The Foreign Secretary mentioned that it was important for Pakistan and India to chart the way forward on anti-terrorism cooperation as well as the imperative need for an across-the-board constructive bilateral engagement," the Foreign Ministry said without specifically referring to currently "paused" composite dialogue process.

Pakistan gives probe team 10 days

A three-man team of Pakistan's Federal Investigation Agency tasked with conducting an investigation on the basis of the Indian dossier on the Mumbai attacks has been given 10 days to report back with its findings. Rehman Malik, who heads the Interior Ministry, told journalists that the government would also try to "convert" the information given by India into evidence so that cases could be registered against the perpetrators in Pakistan, in order to bring them to trial in the country. He asked India to come up with more information to help the Pakistani end of the investigations. As the Pakistani links of the Mumbai attacks begin to sink in, the government has been at pains to emphasise that "nothing is being done under foreign pressure." In different interactions with the media over the weekend, Mr. Malik said Pakistan had launched an investigation on its own and that "no country can dictate the country's policies."

We will act with speed and finality: Chidambaram

Home Minister P. Chidambaram said on Wednesday that nothing that Pakistan had done so far on India's dossier on the Mumbai terror attacks could be termed "satisfactory." But some "significant movement forward" had been made since January 4. He expressed the government's resolve to act against terror with speed, determination and finality in the next 150 days. "I keep my fingers crossed. We will have to wait and see and we should be prepared for any eventuality," Mr. Chidambaram said. "This terror can be defeated only by determined action," he said. As far as the government was concerned, it had to act with speed and determination.

Lashkar behind 26/11: Germany

Germany on Thursday held the Pakistan-based Lashkar-e-Taiba responsible for the 26/11 Mumbai terror attacks but refrained from hazarding a guess if other groups having Al-Qaeda links could also be involved. "Based on whatever investigations we have conducted till now, we feel it is Lashkar that is responsible for these attacks," Joerg Ziercke, president of Germany's Federal Police, told journalists here. He, however, said German investigators did not know whether the LeT had direct connections in the Mumbai attacks. The top police official, on a three-day visit to India, met National Security Adviser M.K. Narayanan, Home Secretary Madhukar Gupta and Intelligence Bureau Director Rajiv Mathur. Mr. Ziercke said his discussions with Indian officials did not focus on the evidence New Delhi had given to Pakistan. "We generally spoke about the incident, the German perspective and what we have to say about it," he said replying to a query. However, Ambassador Bernd Mutzelberg said his country expected Pakistani authorities to act on the leads given to them and also proceed on their own with the probe into the Mumbai attacks.

Navy chief calls for enhanced preparedness

The recent terror attacks in Mumbai, whose perpetrators breached Indian maritime borders to infiltrate the city, call for heightened vigilance and crisis preparedness from the Indian Navy, Admiral Sureesh Mehta, Chief of Naval Staff, said here on Thursday. He was speaking at a ceremony organised for the commissioning of a helicopter naval air station INS Shikra. "The fragile security environment in our neighbourhood requires the Navy to maintain a high state of preparedness to deal with any developing situation. INS Shikra has an important role to play towards enhancing the operational effectiveness of the fleet and also in augmenting local naval defence," Mr. Mehta said at a stately function. In terror-ridden times, the Navy has a key role to play using its capabilities in "heli-borne surveillance and deterrence," the naval chief said. He cited the example of the Indian Navy's anti-piracy operations in the Gulf of Aden. The naval air station in Colaba, Mumbai, previously known as Kunjali II, has been in existence since 1964. It would only handle operations which included maintenance of helicopters from ships landing at the base. Recently, it served as the landing point for the Indian Air Force helicopter used for the Nariman House operation, said a Defence spokesperson. With the government sanction for INS Shikra, the station will now look into the administrative and financial aspects of the base as well. The Navy is planning to commission two more air squadrons at Visakhapatnam and another naval air station at Ramnad, Mr. Mehta said.

Pak may seek access to Kasab

The Pakistani team probing the Mumbai attacks is likely to seek access to Ajmal Amir Kasab, the lone gunman caught in the 26/11 terror strikes, to question him on his suspected links with

Pakistan-based militant outfits, a senior official privy to the investigations said.The official said the three-member team has looked into the material provided by Indian authorities, Kasab's confessional statement, his letter to the Pakistan high commission in New Delhi, TV footage and his photographs sent by India and available with some news channels.The investigating panel has told authorities here that they would like to interrogate Kasab as "he is the only person who can give exact information if he had any links with any of the militant organisations in Pakistan".On the other hand, interior affairs chief Mr Rehman Malik said if India insisted on extradition of suspects of the Mumbai attacks, Pakistan can ask for handing over of Lt. Col. Srikant Prasad Purohit who is alleged to have links with the Samjhauta Express blasts in February 2006.In an interview with Geo television channel yesterday, Mr Malik added that there were suspicions as to how senior police officer Hemant Karkare was killed during the Mumbai attacks, saying that Karkare had found out the 'real story' behind the Samjhauta Express blast.Mr Malik said Pakistan was conducting investigations into the Mumbai attacks without any pressure or fear and will share the findings with friendly countries and India.He said the leads found in the investigation indicate involvement of foreigners. "So far, the leads shared with me by the investigators go out of the country."Meanwhile, New Delhi is reported to be considering giving more evidence on the Mumbai attacks to Pakistan, including DNA sample of Kasab. The second dossier is also likely to name Lashkar-e-Tayyaba leaders Zakiur Rehman Lakhvi and Zarar Shah as conspirators of the Mumbai carnage and furnish details as to how they planned the attacks and trained the attackers, sources in New Delhi said. The DNA sample of Kasab is likely to be given soon to enable Pakistani authorities to match the sample with his father and establish his identity, the sources said.Miliband 'open and honest'With British foreign secretary Mr David Miliband leaving a trail of controversies in India after his visit to the sub-continent, his office insisted that he had been "open and honest" in his views, even as the opposition in the UK described his trip as a "disaster".

Domestic Situation:

Godhra cases report to be submitted within deadline: SIT

The Special Investigation Team re-investigating nine post-Godhra riot cases will submit its report to the Supreme Court before the February 15 deadline, SIT chairman has said. The SIT chief, former CBI chief R K Ragahavan had long deliberations with the investigating officers of the nine cases to assess the progress made so far. He later told reporters that the final report in the cases would be submitted to the apex court by February 15. The SIT was constituted by the Supreme Court in March 2008, for reinvestigation of the Godhra train burning case and some post-Godhra riot cases of 2002. The SIT is taking a re-look at the role of several prominent BJP and VHP leaders named by witnesses including the state Minister for Women and Child Development Maya Kodnani of the BJP and former VHP leader Jaydeep Patel. SIT had recorded the statement of these two persons in the last week of December 2008. Both Patel and Kodnani

were summoned as many witnesses had named them in their statements in the Naroda Gam riot case as per the initial charge sheet filed in the case in 2002. The SIT has filed a 300-page supplementary charge sheet against 24 people in the Naroda Gam case, where 11 people belonging to the minority community were killed by a mob during the riots. The five-member SIT, formed by the Supreme Court, is headed by R Raghavan, and includes ex-DG of Uttar Pradesh C D Satpathy, three IPS officers from Gujarat - Geetha Johri, Shivanad Jha and Ashish Bhatia.

India is surrounded by hostile elements: Antony

Union Defence Minister A K Antony said India needs to modernise its defence forces as "the country is surrounded by inimical elements". "We know very well that what we have is not enough. This is less than 30 per cent of the capability we require," Antony said. The Government has now decided to modernise the forces and Coast Guard as quickly as possible because India is surrounded by so many elements inimical to the country, Antony said. "Our armed forces must be in the state of preparedness always," he added.

Rifts among Orissa Maoists?

Are the banned Maoists, who have struck terror at several places in Orissa, divided in the aftermath of the killing of VHP leader Laxmanananda Saraswati? This has been the topic of debate in police and political circles after an outfit, identifying itself as 'M2' came out in support of Hindus and tribals after the CPI (Maoist) claimed responsibility for the killing of the VHP leader and four of his associates in Kandhamal on August 23, last year.
While a Maoist leader, through an audio release to media, claimed the outfit in Orissa remained undivided, neither the state government nor the police had any information about any split among left wing extremist ranks. ''Though some posters and leaflets appeared in the name of M2, the government is yet to confirm whether it is a splinter group of the original outfit or a new organisation,'' Home secretary Aditya Padhi said adding the intelligence wing had been examining the development. While no one in the administration or police had any clue about M2 and its leaders, the mysterious body had already made its presence felt by enforcing a bandh in three districts on January 3. The bandh called by the organisation was unique as it evoked spontaneous response in violence-ravaged Kandhamal and was partial in two other adjoining districts, Gajapati and Ganjam. ''It was a successful bandh organised through posters and leaflets as no activist was seen picketing on streets to enforce the shutdown,'' a senior police officer said.
Meanwhile, the Kui Samaj Samanwyay Samiti (KSSS), a body of tribals in Kandhamal district, had announced its support to the new Maoist organisation. ‘‘We do not know who the leader of M2 is. But we support the outfit on the basis of the content of its posters. They have announced

plans to fight for the interest of tribals who are exploited by others," KSSS leader Lambodar Kanhar said. With confusion still gripping the people in Kandhamal and other Maoist-affected districts, the police was apprehensive of a battle between the two outfits on religious lines which could further worsen the situation in the riot-hit district. ''Tackling Maoist activities is a problem, but division on religious lines can have an adverse impact on society,'' a senior intelligence official said.

Jawan kills six Assam Rifles colleagues

Six Assam Rifles men, including a junior commissioned officer, were gunned down by a colleague in Manipur's Ukhrul district in one of the worst fratricidal killings involving security personnel. A massive manhunt has been launched for Shiny Medea of Nagaland, who, after the shooting on Wednesday evening, escaped with his service weapon, an Assam Rifles officer here said on Thursday. He said the incident occurred in the remote Awang Kasom Khullen area. Medea of the 17th Assam Rifles opened fire at his colleagues following a quarrel he had with the JCO. "The jawan, posted at Awang Kasom Khullen, which is a permanent vehicle checkpost, had some discussion with the JCO," said Lt. Col. Nirupam Bhargava, a defence spokesman posted in neighbouring Nagaland. "Apparently, after the discussion, he fired at the JCO, killing him on the spot. And in a bid to defend himself, he fired indiscriminately at others killing five more jawans," he said.

Karunanidhi's 'final request' to Centre

Tamil Nadu will on Friday make a "final request" to the Centre to save Sri Lankan Tamils. Chief Minister M. Karunanidhi will move a resolution titled 'In Sri Lanka, the Tamil race is being wiped out – a final request to the Indian government,' after the approval of Speaker R. Avudaiappan and the House, according to a press release from the ruling Dravida Munnetra Kazhagam. The context, according to a senior DMK leader, was the continued killings of Tamils in the name of the war against LTTE. While the DMK is aware that India has only a limited role in bringing the war in another sovereign country to an end, it believes that the Centre is not doing enough to protect the Tamils.

'Ethnic clash' worries CM

Chief minister Mr Buddhadeb Bhattacharjee has invited the leader of the Gorkha Jana Mukti Morcha (GJMM), Mr Bimal Gurung, to talks even as the state government expressed apprehension about "ethnic clash" in the Dooars. "We must avoid ethnic clash at all costs, otherwise what is the purpose of long-standing talks," said home secretary Mr Ardhendu Sen. Central forces have been deployed in the area. In stepped-up violence, GJMM activists attacked the house of Akhil Bharatiya Adivasi Bikas Parishad chief at Lakshipara tea estate in Banarhat today. The ABABP's Terai committee secretary has threatened to attack

houses of GJMM supporters tomorrow in retaliation. The Dooars-Terai Coordination Committee of the ABABP withdrew its bandh from several places in the Dooars.The GJMM president today said that their agitation in the Dooars would continue till the district administration withdrew the prohibitory orders and allowed them to hold meetings in the region. The police today restricted GJMM supporters from staging its proposed public convention at Malbazaar. Meanwhile, at least 20 people including three policemen were injured in a clash with Greater Cooch Behar People's Association supporters at Natunhaat on National Highway 34 in Raiganj of North Dinajpur district this morning.

Economic Front:

Punjab village shows way to counter economic problems

In the midst of a global meltdown, stagnating rural economy and paucity of development funds, a nondescript village, 20 km from Chandigarh, is witness to a silent revolution. Self-help groups with the help of micro-credit have not only improved their economic lot but also ushered in women empowerment and enhanced social cohesion, especially among socially and economically marginalised sections of society in Sahauran village. A 48-year-old frail-looking matriculate, Kamaljit Kaur, along with her husband runs a family of four that owns four marlas of land, a buffalo and a calf. Her husband sells milk and trades in seasonal vegetables in Chandigarh or Mohali. Things changed for her after she organised 20 women of her village into a self-help group called Mata Kalsi and sought finance from the Gramin Bank. The group now boasts of savings and a credit limit of Rs.2 lakh, which it extends to its members. Utilising a damaged manger and a short training course, she began to make vermi-compost from cattle-dung which was earlier wasted. The family earns as much by selling manure as it did from milk. With a beaming smile she says that earnings have doubled without any investment having been made. They have repaid all debts taken from the money lender. Nirmal Kaur cites her own example wherein she could ensure timely payment of tuition fees for her two daughters and son, who are pursuing various courses in prestigious institutions. Like other women of the village, she also makes sweets that are based on seasonal vegetables. “For the last couple of years we have never gone to the market to purchase sweets for Diwali or any social function,” she adds. Two years ago, 35-year-old Darshan Singh, a landless labourer, was struggling to make both ends meet. Then he formed the Sahauran Self-Help Group, comprising 13 youths, some of whom were earlier addicted to either liquor or drugs. With their spades and *khurpas* (weeding hoe) they now manage a farm on six acres, rented out to them by another village landlord. Darshan Singh says the members get an assured return through wages by working on their own project, for which finance is made available by the Gramin Bank. They do not have to depend on others to grow vegetables, which are sold in the urban market. Their farm now has sarson, palak, methi, tomato, chilly, garlic, turmeric and marigold as crops on smaller plots, while three acres have been dedicated to wheat, which like the maize in the last season, is expected to bring the group a good profit, part of which would be distributed after one portion is reinvested into a diversified economic activity. Darshan’s wife, Manjit Kaur, who leads another group, is quite satisfied that her children get fresh and quality vegetables, which are a luxury even for many well-offs in the cities. Through her own group’s help she managed to organise a makeshift shop in her house to sell “crisp pakoras” and varied sauces that she prepares. Another woman, Bhupinder Kaur runs a small business of ready-made garments. Daljit Singh and Gurjant Singh were contract drivers who now own their commercial transport vehicles. Kulwinder Singh, who lost his job after

suffering a disability while working at a factory, runs a business of bulk supplies of vegetables and Gurmail Singh manages government contracts.

CID: Raju inflated employee numbers

The Crime Investigation Department (CID) of Andhra Pradesh Police told a court on Thursday that the former Satyam Computer Services chairman, B. Ramalinga Raju, manipulated records to inflate the strength of the company's employees to 53,000 when only 40,000 were actually working. Mr. Raju drew Rs. 20 crore a month from banks to meet what he claimed to be the salaries for the 13,000 non-existing staff, the prosecution argued in the court while seeking extension of the police custody of Mr. Raju and the former Chief Financial Officer, Srinivas Vadlamani. The prosecution said that in view of the "enormity of the offence" and its "multi-dimensional" nature, the two had to be interrogated. The fraud involved several land and bank transactions, including benami ones, manipulation of records, transfer of shares and fudging of accounts. Insider trading was also not ruled out, Senior Assistant Public Prosecutor K. Ajay Kumar argued. Referring to the outcome of the four-day custody of the Raju brothers and Mr. Srinivas which ended at 10 a.m. on Thursday, he said Mr. Ramalinga Raju was found to have diverted a huge amount of funds by transferring shares in the names of his brother B. Suryanarayana Raju and mother Appala Narsamma. The value of such diversions was estimated at Rs. 7,400 crore. Mr. Kumar said the interrogation of Mr. Ramalinga Raju also helped detect purchase of land in 400 benami transactions. One Akula Rajaiah was instrumental in land transactions worth Rs. 125 crore. Besides, banks confirmed that the company's accounts reflected fictitious deposits to the tune of Rs. 3,300 crore. Confirmation letters purportedly given to auditors by banks were forged. The CID wanted to interrogate the accused further to identify persons responsible for the forgery. "We also want to know the identity of the masterminds behind the fictitious cash reserves," Mr. Kumar said. The CID possessed a letter from the HDFC Bank's Basheerbagh branch here, stating that it had not issued the document found on the files of the auditors. Though the police sought custody for two more days, Sixth Additional Chief Metropolitan Magistrate D. Ramakrishna granted only one day till 4 p.m. on Friday.

Unrest will only impede development: Buddhadeb

Lawlessness and unrest which some political parties are trying to incite in the State will only impede development and generation of employment opportunities. It is time to create jobs now; we have got to move ahead, there is no way back," West Bengal Chief Minister Buddhadeb Bhattacharjee said in Burdwan on Thursday. Reiterating the need for greater industrialisation that will create additional jobs as well as for consolidating the gains achieved in the agricultural sector, he regretted that the Opposition in the State is trying to reverse the logic of all social development "from village to town, from agriculture to industry." "What sort of an Opposition are they, who neither understand the needs of the people nor the requirements of the country?" he asked. The Chief Minister cautioned against the divisive forces that were at work in different parts of the State as well as those of communalism like the "Bharatiya Janata Party that is trying to rear its head like a cobra, thus imperilling the country." Neither did he spare the Manmohan Singh government for its policies "which have resulted in spiralling costs of essential

commodities" and its failure in the agricultural front "resulting in thousands of farmers, unable to cope with the distress, committing suicide." On industrialisation in the State, he said it is not a question of "the Trinamool Congress and we being at odds [on the issue]" but that of "the future of thousands of our youths. How can jobs be generated without more industries? That is why we are repeatedly telling the Opposition not to take the path of confrontation," Mr. Bhattacharjee said. Despite the State's success in the agricultural sector, "there is need to raise productivity to higher levels. But what is also imperative to ensure 100 days of work under the National Rural Employment Guarantee Act for the entire rural population, more self-help women groups and school education for all children "for which the panchayats and the government will have to work together."

India Inc's choice: Singh not Modi

Notwithstanding the declaration by some top industrialists that Mr Narendra Modi is Prime Minister material, the Gujarat chief minister is not India Inc's chosen one for the top job. They repose faith in Prime Minister Dr Manmohan Singh.According to a poll of senior business executives across the country by Hindustan Times-Cfore, mr Modi comes fourth in their list of preferences. He loses out to even young Congress MP Mr Rahul Gandhi.Bharatiya Janata Party's (BJP) prime ministerial candidate Mr LK Advani comes a close second to Dr Manmohan Singh in the poll, while Mr Rahul Gandhi, Congress general secretary, is third. The poll was held through Thursday and Friday ~ after two top industrialists backed Mr Modi as prime ministerial candidate during the Vibrant Gujarat Investor's meet in Ahmedabad on Wednesday. The HT-Cfore poll that covered 226 senior executives across Delhi, Mumbai, Kolkata, Bangalore, Chennai and Hyderabad found that a majority of business leaders preferred to trade enthusiasm for experience, especially in times of crisis. India's 76-year-old Prime Minister, Dr Manmohan Singh, won 25 per cent votes, while 81-year-old BJP stalwart Mr Advani got 23 per cent votes. Modi, 58, bagged 12 percent votes, while Mr Rahul Gandhi, who is 20 years his junior at 38, was the choice of 14 per cent of the business executives surveyed. "Industry looks for values, leadership qualities and the ability to guide the country through the tough times that we are experiencing now," said Chandrajit Banerjee, director general of the Confederation of Indian Industry. When it comes to the prime minister's job, Banerjee said: "We look for the same attributes as every citizen does." Industrialists Mr Anil Ambani and Mr Sunil Bharti Mittal had, while heaping praise on Mr Modi, said Wednesday that he had the qualities to be Prime Minister.

The BJP went out of its way to downplay the statements, reasserting that Mr Advani was the party's and the National Democratic Alliance's (NDA) prime ministerial candidate. Yesterday, Mr Modi put all speculation to rest, saying that he wasn't in the race. "After the Lok Sabha elections, the BJP will come to power and LK Advani will be the prime minister," Mr Modi said at a meeting in Halol, Gujarat.

Another stimulus package in Feb likely

Continuing its fight to minimise the meltdown impact and put the nation's economy back on its robust growth path, the government is going to announce another stimulus package sometime

in February, the commerce and industry minister, Mr Kamal Nath, has indicated. Maintaining that India would grow by at least seven per cent this financial year, he said, government was considering another stimulus package to fuel growth. Mr Kamal Nath said the consistent decline in inflation rate over the past several weeks had given the government cause for optimism, clearly indicating that the positive development had provided the elbow room to go in for another stimulus package. The inflation rate now is close to five per cent. “More stimulus measures may happen after 31 January,” he told media persons on the sidelines of the summit. ‘This will happen after the central bank reviews its monetary policy later this month”, he added.

Canada wants Broad trade ties

Minister for International Trade and for the Asia-Pacific Gateway, Stockwell B. Day, said Canadian officials were instructed to have discussions on having a broader and freer trade agreement with India. Ultimately, he would like see a Free Trade Agreement. “That’s why we have made a policy commitment to open ours doors for trade as wide as possible and see increase in relationship.” The two-way trade now stood at $3.7 billion and “over the next five years, we will like to see that triple to $10 billion.” Both governments were also finalising foreign investment protection agreements so that people investing back and forth would have the assurance of a legal apparatus.

Geo-strategic developments:

Russia indefinitely puts off delivery of nuke submarines to India

In what could be a major set back for India's defence preparedness, Russia has 'indefinitely' postponed the delivery of "Akula-II' class Nerpa nuclear submarine, citing that sea trials were still incomplete. "The pre-delivery trials have been postponed by the Amur Shipyard as it has no trial crew and is running short of cash," Far Eastern edition of Kommersant daily reported today. The Amur Shipyard is yet to constitute a new trial team for these class of nuclear submarines after November 8 accident in which 20 members of the trial team were killed during the subs sea trials in Sea of Japan, the paper said. It said the new team will not be ready before March and would have to undergo up to one year long refresher course before it could be authorized to resume pre-delivery trails. Under the larger Gorshkov package with Russia, the Indian Navy was to get first of the two Shchuka-B project nuclear submarines on lease last year. But later the Russians revised the delivery schedule to August 2009. The submarines are being acquired to train the Indian crews for the indigenous submarines being developed under Advanced Technology Vessel (ATV) project. "Some members of the trial team, which was on the submarine during last year's accident have died, some are medically unfit, while some others have refused to go to the sea due to psychological reasons," Gennady Bagin, Director of 'Vostok' a unit of the Amur shipyard, was quoted as saying by the daily.

Indian Navy's first helicopter base to commence from Thursday

The Indian Navy will commission its first helicopter base in the country, INS Shikra, in south Mumbai on Thursday. Chief of Naval Staff Admiral Sureesh Mehta will commission the helicopter base at a ceremony to be held there. The air station, which began operation in 1964 with a small helicopter maintenance unit, now provides support, maintenance and flying-related aid to helicopters operating from naval ships in Mumbai. Presently the Sea King, Kamov 28, Kamov 31 and Chetak helicopters operate from the air station which also provide air traffic control to civil and military helicopters operating in south Mumbai. The proximity of the base to the Mumbai High oil fields and Saurashtra region of Gujarat make it important in the defence of the vital installations, officials said.

Small hitches in BrahMos test: DRDO

A day after BrahMos missile was test fired, DRDO on Wednesday said there were some minor hitches during the trial which they were looking into. There were small hitches in the last stage of the missile during the test, which was conducted in the Pokhran ranges of Rajasthan on a new version of BrahMos missile yesterday, Defence Research and Development Organisation (DRDO) officials said. They indicated that the missile did not hit the target and scientists are looking into it, they said. The army yesterday test-fired a new version of the nuclear-capable BrahMos missile. The missile, with a 290-km range and capable of touching a speed 2.8 times that of sound, was launched during the trial in its vertical mode, DRDO officials said. BrahMos is a missile that India is developing in collaboration with Russia and is named after the river Brahmputra and Moscow. During the visit of Russian Defence Minister Anatoly Serdyukov to India late last year, an agreement was reached between the two countries for development of a hyper-sonic BrahMos missile, an improvement on the already-developed supersonic missile, termed as "the most advanced" in its category.

70 scientists to review Chandrayaan-1 data

Around 70 scientists including those from other countries will participate in the first meeting to review scientific findings from the data acquired from each instrument of the Chandrayaan-1 project at Bangaloreon January 29. Project Director Mayilsamy Annadurai said, “We expect something new about the moon to emerge during the first meeting of scientists associated with all the 11 instruments of Chandrayaan-1.” One of the instruments of Chandrayaan-1, MiniSAR, has the objective of detecting water ice in regions on the lunar surface not yet studied. “We see something unique and if during the meeting in Bangalore the scientific findings provide a breakthrough in detecting water ice in the moon, it will be a goldmine,” said Dr. Annadurai. Such a breakthrough will be a stepping stone to setting up a colony in the moon, he added. Apart from scientists from the country, eminent space scientists participating in the first meeting will include

Paul Spudis, Carle Pieters, Ben Bussey, Stas Barabash, Christian Erd and Manuel Grande. SARA, Sub keV Atom Reflecting Analyser, is the first ever such instrument to decipher what the planetary body contains. The data from SARA, Dr. Annadurai said, may also lead to new and interesting findings on the moon. The scientists participating in the deliberations in Bangalore on January 29 are from organisations such as NASA, Rutherford Appleton Laboratory, Brown University, Johns Hopkins University and Max Planck Institute. At the meeting, the findings of each instrument will be discussed by the scientists concerned in order to get a comprehensive picture of the preliminary results of the project, said Dr. Annadurai.

Canada offers reactors, uranium

Canada could meet whatever needs India identifies in the nuclear energy sector by offering reactors in the range of 250-1000 MWe, the visiting Minister for International Trade and for the Asia-Pacific Gateway, Stockwell B. Day, said on Wednesday. In an interview after opening a Canadian Trade Office here, he said his country was one of the leaders in the nuclear industry. With representatives of the Canadian nuclear industry accompanying him, he held discussions with Indian officials on the opportunities that would benefit India. “We have a proven technology that will work well with what India already has. It is heavy water technology.” Besides, Canada had the largest reserves and highest quality of uranium in the world, he said. On technology end, transfer of intellectual property and supply of uranium, there were great opportunities of trade that would benefit both countries. Referring to India’s plans to increase the number of reactors to 25- 30, Mr. Day said, “That is very significant investment” aimed at meeting long-term growth needs and protecting the environment. He did not foresee any problem in transfer of technology. Canada had already “put out” its side of Nuclear Cooperation Agreement, while India was finalising its part. Indian officials had indicated that there was no problem with the agreement, which would provide a legal framework for “this positive and productive transfer of technology.”

Kashmir:

Huge trade consignment sent to PoK

The biggest ever trade consignment was sent to traders of Pakistan occupied Kashmir (PoK) by their counterparts from Poonch district in Jammu and Kashmir. "This was for the first time when such large quantities of items were exported to PoK from Poonch yesterday," district officials said. Three trucks left Poonch to reach PoK from trade facilitation centre at Rangar. Along with them, a lorry also crossed over to PoK from Chakan-da-Bagh, they said. Two trucks carrying 145 quintal potatoes crossed over to PoK. While, another truck containing 600 boxes of tomatoes weighing 120 quintals reached PoK from Jammu via Poonch. The potatoes and tomatoes were exported by a trader Bansi Lal and Sons, Poonch. All items from Jammu as well as from Poonch were exported to Choudhary Mohd Akbar of Datta agencies in Hajeera, PoK.

British foreign secretary's J&K remarks irk PM

Prime Minister Manmohan Singh it is learnt has shot off a letter to British Prime Minister, Gordon Brown, expressing disappointment over British foreign secretary David Miliband's comment linking terrorism to resolution of the Kashmir issue. He has pointed out that Kashmir is a part of India and solving the Kashmir issue cannot be linked with terror attacks, even though India has been repeatedly talking with Pakistan on Kashmir. In the letter, the PM has also mentioned his disappointment at no serious effort being made, despite international pressure, to catch the perpetrators of the 26/11 Mumbai attacks. The British foreign secretary left a trail of controversies in his visit to the sub-continent, including India, after he tried to link terrorism to the Kashmir issue that was not been received well in political circles in India as well as the opposition Conservatives in Britain. However, his office insisted that he had been "open and honest" in his views, even as the opposition in the UK described his trip as a "disaster". A leading British newspaper also took potshots at the 43-year-old foreign secretary, saying, "Miliband was beginning to look as accident-prone as Mr Bean last night after yet another adventure backfired." "After ruining his chance of the Labour leadership by gurning (making faces) at the cameras while brandishing a banana, the foreign secretary's visit to India last week was labelled a 'disaster' by the country's leading politicians," the report said. Miliband was accused of being "aggressive in tone and manner" in a meeting with the Indian Prime Minister and External Affairs minister, and dismissed as a "young man" by senior officials, the report said. While out of the country last week, the Foreign Secretary was also under fire in the UK for writing an article in which he declared the "war on terror" had been a "mistake". The remarks, in the last days of George W Bush's presidency, were flayed for being ill-judged and ill-timed. In the same article, he wrote that resolution of the Kashmir issue would deny extremists in the region one of the main reasons for taking up arms. The Independent also quoted statements of Congress spokesman Manish Tiwari criticizing Miliband's attempts to link terrorism and Kashmir as also BJP leader Arun Jaitley's comments describing the visit as a "disaster".

Lashkar offers to end jihad

In a statement released to Srinagar-based journalists on Saturday, a Lashkar-e-Taiba spokesperson said it was willing to terminate its terror campaign in return for international intervention on the Kashmir issue. “If the world listens to our cries and plays its role in resolving the Kashmir issue, there is no point in continuing fighting,” said the spokesperson, who uses the code-name “Dr. Abdullah Ghaznavi.” “Our struggle is only confined to Kashmir,” he claimed, “and we have no relations or association with armed groups operating at international level. We have no global agenda. We just want freedom of Kashmir and if it comes peacefully we will welcome it. We don’t see armed struggle as the only way to achieve our goal. If the world listens to our cries and plays its role in resolving the Kashmir issue there would be no reason for us to fight.” “Dr. Ghaznavi” was responding to remarks of British Foreign Secretary David Miliband, who was reported to have called for India to work more closely with Pakistan in seeking a resolution to the conflict in Jammu and Kashmir. “Great Britain did not implement the agreed upon agenda of Partition,” ‘Dr. Ghaznavi’ said, “[and] due to this mistake committed by the British government, our nation is suffering. The Lashkar-e-Taiba was compelled to take up arms due to suffering of our Kashmiri nation. Since the world did not respond to our peaceful calls for

resolution of the Kashmir issue for almost 40 years, we had no choice to take arms for our freedom."

Social front:

A Kerala village says no to dowry

A village has pledged to neither ask for nor give any dowry to step up anti-dowry movement in India. Malappuram district's Nilambur village kicked off the campaign of being a "dowry free village" Monday after around 1,500 young men and women said no to dowry. The campaign was inaugurated by Congress leader Sachin Pilot, said Aryadan Shoukat, Nilambur Village Council president. "The whole idea came while we were conducting a survey to find out the number of people who had no house of their own. We were startled to find out that 25 percent of those belonging to the lower strata had no house of their own as they sold it to get their daughters married," he said. Shoukat said on an average about 15 marriages take place every week in the village. "On an average the dowry costs Rs.300,000 and this is a lot of money, especially for the weaker sections. During the inauguration we have formed different committees which include pre-marital counselling, entrepreneurship training for the young to do a small business of their own," Shoukat said. "The biggest surprise came when even religious leaders, the youth organisations, women's groups all came forward to support this initiative," added Shoukat.

Cancer patients to get confirmed train tickets

In a gesture towards cancer patients, Railway Ministry has decided to provide confirmed tickets to them whenever they go for a check-up. The ministry has issued instructions to all zonal railway offices to provide accommodation in trains to the cancer patients and their attendants travelling on concessional tickets issued in return for concession certificate. Railways provide 75 per cent concession in second class, sleeper class, chair car and 3 tier AC and 50 per cent in 2nd AC and 1st AC for cancer patients traveling alone or with an escort on being called by recognised hospitals for treatment. They can also avail the same facility in their return journey. The patient must have a certificate in a prescribed form issued by officer-in-charge of the concerned recognised hospital while availing this concession.

Blame Indian gene for cardiac attacks

An alteration in a gene in Indians has been identified as the cause for sudden heart attacks leading to death, a global study piloted by researchers of the Centre for Cellular and Molecular Biology here today revealed. Over 60 million in South Asia, majority being Indians, are destined to suffer because of this defective gene. This study offers a new glimmer of hope by way of new medical treatments. “This gene alteration seems to have originated in India some 33,000 years ago and later found its way to Pakistan, Sri Lanka, Malaysia and Indonesia. This alternation is not found anywhere in the world,” CCMD director Dr Lalji Singh said. The five-year exhaustive study conducted by researchers and clinicians in the UK, USA, Pakistan, Sri Lanka and Malaysia covered 2,085 individuals from 70 ethnic populations in 26 countries. In India 6,273 people from 107 ethnic populations were covered. “There are many causes for heart problems. In 2-5 per cent it’s because of sudden heart attack. Forty-five per cent of these cases can be explained with this gene. The deaths were a mystery till this discovery,” Mr Singh’s fellow researcher Mr K Thangaraj said. In some it hits in early childhood leading to death before the fifth birthday. In the rest the person survives till 40-45 years and suddenly collapses due to a sudden heart attack. “When we went into the frequency we found that this defective gene is found in four per cent of the population, which is hell of a lot,” Dr Singh said. He said among those families recording the defective gene, it is possible to have pre-natal tests. If it is found in the foetus, then abortion needs to be considered. The third option is having cardiac stem cell transplant to expand the lifespan. CCMB is working with the Nizam’s Institute of Medical Sciences and the facility would function by mid-2009. “It’s expensive and so CCMB, NIMS and Genome Foundation would take the benefits to the rural population. The first two centres would come up in UP and Karnataka,” he said.

Foreign Relations:

Obama's immigration policy may help Indians

In what could be seen as a boon to Indians wishing to come to the US, the new Obama administration's proposed immigration policy favours increase in the number of legal immigrants in the country. Governmental statistics in the past have indicated that Indians are mostly legal immigrants. "Fix the dysfunctional immigration bureaucracy and increase the number of legal immigrants to keep families together and meet the demand for jobs that employers cannot fill," according to the White House document that outlines the Immigration Agenda of the new Administration. "Our broken immigration system can only be fixed by putting politics aside and offering a complete solution that secures our border, enforces our laws, and

reaffirms our heritage as a nation of immigrants," Obama says in the paper. The agenda document also promises to remove incentives to enter the country illegally by cracking down on employers who hire undocumented immigrants. The Obama administration would also support a system that allows undocumented immigrants who are in good standing to pay a fine, learn English and go to the back of the line for the opportunity to become citizens. Delivering a speech on the floor of the Senate on May 23, 2007, then as the US Senator, Obama, who was sworn in as President yesterday, had said: "The time to fix our broken immigration system is now... We need stronger enforcement on the border and at the workplace. "But for reform to work, we also must respond to what pulls people to America... Where we can reunite families, we should. Where we can bring in more foreign-born workers with the skills our economy needs, we should."

India optimistic about Obama but doubts remain

The first African-American president of the United States, Barack Obama, is being widely hailed as a harbinger of change and, perhaps, not without reason. Even before he was sworn in as the 44th US president around 11.30am (local time) on Tuesday, Obama had come to signify hope and change for the better for millions cutting across country, race and religious divides. India is no exception as Obama's elevation to power has been largely met with optimism. The only sore note, if one can call it that, has been the new president's inclination to draw a link between the situation on Pak-Afghan border and the J&K dispute between India and Pakistan which many in the West believe can lead to a flare-up on Pakistan's eastern border. However, the good news for India is that Obama has already declared that the war on terror during his regime is going to focus on Afghanistan-Pakistan and not Iraq. This clearly authenticates India's stand that it is important to sort out these two countries to root out terrorism. India, of course, would want to ward off any attempt by the Obama administration to force a resolution of the J&K dispute on the pretext of ensuring more cooperation from Pakistan in the war against terror. However, Obama clearly understands that India looks upon J&K as a bilateral dispute, with the world community having little or no role in it, and is unlikely to disturb the balance. Another likely bone of contention between India and the US could be the Democrats' insistence on India signing the CTBT and NPT. However, India's stand on both the issues is so clearly spelled out that any attempt to force India could lead to an ugly situation which Washington may want to avoid. One of the first major challenges to confront Obama would be the tottering US economy and he has already outlined it as his main priority area. Any move to inject fresh life into the economy can only be good news not just for India but also the entire world as no other country has a more profound influence on the world economy. More than 90% of India's $50 billion IT exports goes to the US and a thriving US economy is almost imperative for India. As for his remarks on outsourcing in the past, that he wants to save American jobs, Indians are hopeful that as in the past it would not translate into any action that would impede US-India business relations.

China's relations with the US are also likely to have a bearing on India-US strategic ties as manifested in last year's nuclear deal between the two countries. It was fairly obvious during the last phase of Bush's tenure that Washington was following a policy of containment vis-à-vis China even though Bush himself maintained that relations between the two countries strengthened in the past few years. So far, Obama has kept his cards close to his chest as far as China is concerned.

US Congressmen to trace King's 1959 India journey

The Obama effect will be felt in India. And the strands of history are weaving together in a unique pattern, touched by a different kind of stardust. A journey from the US to India in 1959 by Martin Luther King in search of the incandescent spirit of Mahatma Gandhi will be recreated. Fifty years later, a group of African-American Congressmen and senators are getting ready to trace that famous journey. Led by Congressman from Georgia, John Lewis, these legislators will attempt to bind the US and India using an inspiration that Mahatma was for King. In February-March 1959, King and his wife Coretta Scott King travelled throughout India. King confessed to an intellectual debt to Gandhi. During that time, he delivered a message to India and Indians on All India Radio (AIR). That message was lost in AIR's voluminous but chaotic archives. After much searching, AIR finally retrieved what is actually a treasure. And last weekend, on Martin Luther King Day in the US, when the nation was preparing to install Barack Obama as the 44th US president, National Public Radio played that long lost message by King to Indians and the world. In his message, which rings just as true today, King says, "Since being in India, I am more convinced than ever before that the method of non-violent resistance is the most potent weapon available to oppressed people in their struggle for justice and human dignity. In a real sense, Mahatma Gandhi embodied in his life certain universal principles that are inherent in the moral structure of the universe, and these principles are as inescapable as the law of gravitation." King pushed disarmament with India, in much the same way that present-day governments do it too. But King drew a parallel between Gandhi and Abraham Lincoln (on whose bible Obama took oath on Tuesday). Lincoln, he said, was killed for the same reason that Gandhi was, trying to heal a divided nation. "When he was shot," said King, "Secretary Stanton stood by the dead body of the great leader and said these words: `now, he belongs to the ages'. And in a real sense, we can say the same thing about Mahatma Gandhi, and even in stronger terms: `now, he belongs to the ages'."

Miliband’s remarks a closed chapter: Pranab

India on Wednesday said it had made it clear to Britain through diplomatic channels that it did not share its Foreign Secretary David Miliband’s views linking resolution of the Kashmir issue with terrorism. External Affairs Minister Pranab Mukherjee said that India treated the matter as a closed chapter. “In our normal diplomatic channel, what is proper and just we have done it and now it is a closed chapter,” he told reporters when asked whether Prime Minister Manmohan

Singh had written to his British counterpart Gordon Brown over Mr. Miliband's observations. However, sources in the Prime Minister's Office said "no letter has been written." Mr. Mukherjee said Mr. Miliband, during his visit to India, had shared his perception about the situation with Mr. Mukherjee and the Indian delegation. "I told him and all the interlocutors that this is your perception and we do not share it," Mr. Mukherjee said, adding that there was no question of giving anyone a cold shoulder. In an article in a British newspaper, Mr. Miliband had written that resolution of the Kashmir issue would deny extremists in the region one of the main reasons for taking up arms, prompting the External Affairs Ministry to point out that it did not need any "unsolicited advice" on Kashmir.

Indian envoy in Sudan harassed at airport

Indian Ambassador to Sudan Deepak Vohra had to face harassment at an airport in a southern part of the African country with some Security and Customs officials speaking rudely to him and insisting on checking his baggage before being loaded on a plane. An embarrassed Sudanese government has reprimanded four officials for the incident that occurred at Juba Airport on Thursday last when Mr. Vohra was returning to Khartoum. Giving details of the incident, sources said Mr. Vohra's baggage was stopped at the airport by some officials who wanted to check it despite the immunity to Ambassadors from such measures. The baggage was clearly marked as 'Embassy of India, Khartoum.'

"Miliband was not off-message; he toed the U.K. line on Kashmir"

The British Foreign Office on Thursday said Foreign Secretary David Miliband's remarks on Kashmir, which infuriated the Indian government, were "fully consistent" with Britain's stated view that any conflict likely to be exploited by terrorists to "kill and maim" innocent people must be resolved quickly. Mr. Miliband had not been "off-message," nor did he deviate from the government line while calling upon India to resolve the Kashmir dispute urgently in order to blunt the edge of Pakistan-based terrorists. This contradicts the perception in New Delhi that Mr. Miliband made the remarks off his own bat. When the External Affairs Ministry first protested, its spokesman Vishnu Prakash said Mr. Miliband's views were "clearly his own and are evolving." "Mr. Miliband is entitled to his views, which are clearly his own and are evolving. We do not need unsolicited advice on the internal issues of India like Jammu and Kashmir," Mr. Prakash said. But the British Foreign Office sources are keen to emphasise that Mr. Miliband was simply articulating the British government's official line. "No, the Foreign Secretary was not off-message at all. It has always been our view that where there is conflict that could play into the hands of terrorists it is important to resolve it in order to deny them a pretext to perpetrate any atrocity. It is in this context that he emphasized the importance of resolving the Kashmir issue," one official said. The sources also expressed surprise at New Delhi's strong reaction, claiming that India was aware of the British position as it had come up "frequently" in discussions with the Indian government. "Mr. Miliband's remarks have been misinterpreted and blown out of all proportions," they said. They argued that his comments must be seen in the context of the Laskhar-e-Taiba's "narrative" that its violent activities were part of its "struggle" to "liberate" Kashmir. "What he meant was that once you resolve Kashmir, the LeT would be deprived of that narrative. But so long as the Kashmir issue remains it would continue to provide ammunition to terrorists," one source familiar with India-Pakistan relations said. Mr. Miliband sparked a diplomatic row when, writing in *The Guardian* on the eve of his recent visit to India, he called for New Delhi to settle the Kashmir issue as a way of dealing with cross-border terrorism. "Although I understand the current difficulties, resolution of the dispute over Kashmir would help deny extremists in the region one of their main calls to arms, and allow Pakistani authorities to focus

more effectively on tackling the threat on their western borders," he wrote. Natasha Khan, a Foreign Office spokesperson, said normalisation of India-Pakistan relations was "vital to regional security" and the British government continued to urge both countries to seek a "lasting resolution of the issue of Kashmir which takes into account the wishes of the Kashmiri people." However, it was not for the U.K. government to prescribe a solution and it was for the parties directly involved to decide how best to resolve it, she added. Meanwhile, there was concern that the row sparked by Mr. Miliband's remarks and the way he conducted himself during his visit might have "damaged" India-U.K. relations. William Hague, shadow foreign secretary, said: "Good relations with India are very important to Britain and must be handled with care and consistency. If David Miliband's comments caused a diplomatic storm in Delhi, then those relations will have been damaged by his visit." The Foreign Office said India and the U.K. enjoyed a "very strong strategic partnership" which covered a very broad agenda. "We are confident that the common interests we share and our strong relationship will continue," it said.

India hands over strategic highway to Afghanistan

Reflecting its determination to carry on development work in war-ravaged Afghanistan, India on Thursday handed over the strategic Delaram-Zaranj highway built by it braving Taliban attacks in which some Indians were killed. Built at a cost of Rs.600 crore, the 215-km long highway, a symbol of India's developmental work in this country, was handed over to the Afghan authorities by External Affairs Minister Pranab Mukherjee in the presence of Afghan President Hamid Karzai and Foreign Minister Rangin Dadfar Spanta. "The completion of the road reflects the determination of both India and Afghanistan that nothing can prevent or hinder collaboration between the two countries," Mr. Mukherjee said at a function to mark the handover of the highway. Mr. Karzai said the completion of the project, which opened a shorter alternative route connecting Kabul to Iran, was a message to those who want to stop cooperation between India and Afghanistan. "Our cooperation will not stop," he said. The highway provides India easy and alternate access for its goods to Afghanistan via Iran. This is significant because Pakistan has been denying transit facility to India for Afghanistan through its territory. Besides the highway, Mr. Mukherjee said, India constructed 58 km of inner city roads in Afghanistan. Compared to the cost of other roads built in Afghanistan, the total cost of the highway project was modest. The project was initially estimated to cost Rs. 740 crore but the Border Roads Organisation completed it in Rs 600 crore and six months ahead of schedule, general manager of the BRO project Brig. N R K Babu, said. The 339 engineers of the BRO completed the highway construction in three years. Due to construction of the black top road, the journey between Delaram and Zaranj will be reduced substantially from 12-14 hours to two hours. On Wednesday, Mr. Mukherjee discussed cooperation in the field of security and developmental projects with Mr. Karzai and Mr. Spanta. After the meetings, Mr. Spanta said both the countries faced "same terrorism from the same source," apparently referring to Pakistan which he did not name.