PROJECT ON BUSINESS AND POLITICS IN THE MUSLIM WORLD

ASIA REPORT

Second Quarterly Report on Asia

April to June 2008

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INTERNATIONAL ISLAMIC UNIVERSITY
ISLAMABAD

BUSINESS AND POLITICS IN THE MUSLIM WORLD

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April to June 2008

Department of Politics and International Relations
International Islamic University Islamabad

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150° E
15° S
1000 mi
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Coral Sea
AUSTRALIA
60° E
90° E
120° E
180°
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BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH & EAST ASIA

Nadia Tasleem

Weekly Report: from 31st March 2008 to 6th April 2008

Presentation: 8th April 2008

Monitoring Report

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- Bangladeshi Foreign Minister assures to start political dialogue soon
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- Sheikh Hasina's case is still on the way
- President Iajuddin explains political situation to Portugal Ambassador

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- Sir Lanka strikes Tamil rebel base
- Bomb kills Sri Lanka minister, 15 others

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- Nepal election commission disqualifies 280 candidates
- 80 Asian poll observers arrive in Kathmandu

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- Vietnam asks Nepal to avoid violence
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- Nepal tourist arrivals up by 16 per cent in first quarter of 2008

Social Front

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- Nepal Muslims call general strike to protest mosque bombing

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Social front

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- Reaction to Dutch film
- Indonesian separatist gets life in prison for waving flag in front of president

Thailand

Political front

- Thai army chief says army will not get involved in politics
- People's party spokesman condemned PM for his talks with media
- US senator calls on Thai foreign minister
- Thailand rice exporters warn of rice shortages

Philippines

Political Front

- Fake al-Qaeda man arrested in southern Philippines
- US Embassy warns of kidnapping threat in southern Philippine city
- Former hostage Italian priest to be reassigned to suburban Manila parish
- Leadership, funding problems hamper attacks by al-Qaida-linked group
- Moro region fears setback in peace process
- Philippine Moro group appoints new chairman
- Philippine Islamists maintain neutrality on Moro group's affairs

Economic Front

- 71% of Filipinos consider selves as poor
- Filipinos working abroad not sign of weak economy
- Philippine inflation rate surges to 6.4 per cent in April

Social Front

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Singapore

Political front

- Stance over foreign issues
- Singapore welcomes meeting between US and North Korean envoys

Social Front

- Four documentaries banned from Singapore film festival
- Islamic body condemns Dutch film
- Singapore Deputy PM also condemned Dutch released anti Islam film
- UN calls Beijing-Singapore road to be an environmental threat

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- Vietnamese diplomat appreciates Guinea Bissau
- Byelorussian President's visit to foster ties with Vietnam

Economic Front

- Vietnam PM urges businesses to fight inflation
- Finance Minister Ninh talks about reasons of inflation in Vietnam
- Vietnam’s plan to control inflation

Social Front

- 20,000 workers producing Nike shoes go on strike in Vietnam

Laos

Political Front

- Issue of Swedish embassy

Geo-strategic front

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- Vietnam, Laos agree to speed up development cooperation
- Laos-China trade reaches 241 mln USD

Cambodia

Political Front

- Cambodian government warns tough measures against protestors
- Jury selected in trial of Cambodian coup leader
- Cambodian PM attributes government's success to CPP leadership
- Cambodia ratifies ASEAN Charter

Geo-strategic Front

- Diplomatic ties of Qatar and Cambodia
- Australia pledges new funds to help keep Cambodian genocide tribunal running
- Japan provides $ US 36 million to Cambodia
- Cambodia PM signs border pact with Laos

Economic Front

- Agricultural development helps Cambodia reduce poverty
- Rocketing inflation hurting Cambodia's poor
- Australia Encourages Businesses to Help Reduce Poverty in Cambodia
- Ban on Imported Pork Lifted to Quell Food Price Hikes in Cambodia

Social Front

- Cambodia launches first satellite television network
- South Korea helps Cambodia enhance anti-drug control capacity
- Cambodian garment workers to get $6US a month pay rise to cope with inflation Cambodia bars marriage to foreigners
- Hun Sen blames CNN, BBC for linking Muslims to terrorism

Presentation

This report is based on major developments at political, geo-strategic, economic and social front in South and South East Asia. At political front electoral reforms, security issues and post election issues have emerged as key developments throughout the region. At geo-strategic front South Asian states focused more on enhancing bilateral ties with different states however such development remained visible in case of Thailand and Indo-China in East Asia. At economic front inflation has emerged as the main issue being confronted by most of the states in the region. As far as social front is concerned Dutch anti-Islamic film and Muslims' reaction to that grabbed the attention of all media channels in the whole region.

To begin with political developments all states can broadly be placed in two categories. First category constitutes all those states who intend to hold free & fair elections in near future. However the other category states that have already hold elections. In this way it would be convenient to analyze issues being faced by states of both groups being different in nature. Bangladesh, Nepal and Myanmar represent first group of States however Bhutan, Malaysia and Thailand belong to the other one. As first group of states is heading towards elections therefore they seem to be concerned about political dialogues among different parties, electoral reforms, security arrangements and drafting as well as approval of constitution by political groups. Prospect of involvement of military in these states is also a major point of concern for common public as well as foreign states. In case of second group issues seems to be of different nature,

for instance, rivalry with ruling party and opposition groups, accusation of rigging by opponents, blame game within governing party because of lacking strength etc. Such issues can lead to instability even after successful elections being held in respective countries.

Moving towards geo-strategic front, last week observed establishment of cordial ties among Bangladesh, Maldives, Myanmar, India, Thailand, Vietnam, Cambodia and Laos as they all kept their prime focus on enhancing ties with one another.

At economic front global price hike and political instability at domestic level has put most of these states into crises situation. In this regard different states are facing different kinds of challenges. For instance Bangladesh is facing severe food crises due to increase in prices of food products. Similarly Nepalese economic growth has declined to 2.3% in 2007 from 3.1% in 2006, according to the Asian Development Outlook. India also faces severe problem of inflation that has even led to anti UPA feelings all across the state as this issue is being exploited by opposition parties. Many allies of UPA have even given up at this critical moment. Meanwhile inflation has badly affected the economies of Philippines (inflation has reached 6.4% while more than 71% consider them to be poor), Vietnam and Cambodia (inflation has reached 10.8%, highest ever).

Dutch film maker has been cursed by millions of Muslims across the region. In this regard common Muslims as well as governments in Bangladesh, India, Malaysia, Indonesia, Philippines, Singapore and Cambodia severely condemned this act. Many launched protests against this blasphemous act and demanded boycott of products of these states. Despite huge protests environment remained calm on the whole. Because Muslim scholars in most of these states have asked their followers to adopt rational attitude in order to prove that Dutch film-maker wrong as he might have done this to incite Muslims to adopt violent means.

Bangladesh

Political front:

Burmese long march activists reach Bangladesh:

Burmese Long March activists reached Chittagong, Bangladesh, on 3 April, nine days after starting their march on 27 March, 2008, on the revolution day of Burma. The Long March is intended to attract the attention of the Bangladeshi people as well as the international community to the upcoming referendum for the new draft constitution, which is scheduled to be held in Burma in May 2008. The campaigners on the march oppose the upcoming referendum as the Burmese military government excluded democracy icon Aung San Suu Kyi from participating in any future elections, and the draft constitution also does not grant equal rights to the non-Barman ethnic minorities.

Bangladeshi Foreign Minister assures to start political dialogue soon:

Bangladeshi Foreign Minister Iftekhar Ahmed Chowdhury paid a two-day visit to the European Union headquarters. While discussing political situation at home he claimed that government intends to initiate process of dialogue with all political parties as soon as possible. During his visit he also discussed current challenges being faced by Bangladesh due to price rise. In response the EU announced an additional allocation of 12 million euros as 'stabilization funds' for Bangladesh. All the while Italy has also announced to give a grant of 5 lakh euro to help ultra-poor women of Bangladesh through World Food Programme.

BNP and AL welcomed government sponsored dialogue:

BNP and AL welcomed government sponsored dialogue to be held soon. They claimed to raise issues like price-hike, state of emergency, pre-election atmosphere, law and order and reforms of different constitutional bodies in upcoming dialogue. They expressed positive hope that the planned dialogue would help remove unrest and distrust between political parties and the government.

Former Chief Justice condemns military involvement in political affairs:

Former chief justice and ex-chief adviser of caretaker government Justice Muhammad Habibur Rahman said `military dictation' on administration and politics cannot be constructive for a country and the military itself. Therefore military should avoid interference in political affairs.

Sheikh Hasina's case is still on the way:

Case against Sheikh Hasina hasn't reach to decision point because of her illness. Her party members have also warned to start demonstrations against government in case of her continuous trial. They also accused government for not provide adequate medical facilities to their leader despite her bad health since December 2007.

President Iajuddin explains political situation to Portugal Ambassador:

The president Dr Iajuddin Ahmed apprised the Portugal Ambassador about the imposing of State of Emergency in the country and also the progress in the preparation of holding the elections as per the roadmap of the Election Commission. President also claimed that the government is extremely cautious of applying the emergency in freedom of expression. In response, he appreciated the on going process of issuing voter ID cards and said that he was hopeful about return of democracy in the country.

Geo-strategic front:

Bangladeshi ties with India:

On one hand Bangladeshi Foreign Minister Iftekhar Ahmed Chowdhury has claimed to have cordial ties with India. He substantiates his point by appreciating Indian offered price for 500,000 tonnes of rice to Bangladesh. All the while a report published by human rights organisation Odhikar recorded killings of 21 Bangladeshis by the Indian border guards while 12 Bangladeshis were reportedly injured in firing by the Indian guards.

Economic front:

Food crises in Bangladesh:

Food crises in Bangladesh have increased prices as price of rice has doubled in a year. In such circumstances Bangladeshi military chief has asked common masses to eat potatoes inspite of rice. Government has also promised to buy rice from India and to sell it at lower rates. President Iajuddin has also requested developed countries to increase food aid to avert ongoing humanitarian crises in the country. In this critical situation Secretary General of BNP has asked his people to stay united to successfully confront these challenges.

Social Front:

Islamist groups protest Dutch anti-Quran movie:

Several Islamist groups brought out separate processions from north gate of Baitul Mukkarram Mosque after Juma' prayers on 4 April protesting the Dutch anti-Quran movie and the recently announced National Women Policy.

Maldives

Political front:

Maldives defence force made accountable to parliament:

Maldivian Parliament on 2nd April passed the Armed Forces Bill by a unanimous vote of all MPs present, making the Maldives National Defence Force (MNDF) accountable to the Majlis (parliament) and the law for the first time. However few areas were kept aside from accountability including arms purchases and land use etc. The Armed Forces Bill will now take effect as soon as the president has ratified it, apart from certain sections which require further regulation to be brought in within six months. These include codes of conduct and ethics, rules of engagement and employment regulations. During this process of amendment a move to make punishments for army personnel subject to oversight by a parliamentary committee also failed.

Geo-strategic front:

Maldives and Thailand share cordial ties:

Mr. Abdullah Shahid, Minister of Foreign Affairs of the Republic of Maldives paid 2 days visit to Thailand from 28 to 29 March. During the meeting, both sides exchanged views regarding the bilateral and multilateral issues of mutual interest. Foreign Ministers of both countries agreed to expedite the progress of bilateral cooperation projects, and to promote trade, investment and interaction between peoples of both countries.

Social front:

Drug trafficking: key social issue in Maldives:

Six more people have been arrested in connection to the case of 13.6 kg of narcotic drugs being found inside a house in Male. A police media official said that two men had been initially arrested in connection to the largest drug bust made in Male, and that four others had been arrested later. It is also stated that last month 4 kg of illegal narcotics had been smuggled into the country via the international airport. 2 Srilankan were arrested in hat connection. Many such incidents have been observed previously as well. Considering this issue to be a potent challenge to Maldives, government has started taking serious initiatives against it.

Srilanka

Political front:

Fighting escalates in northern Sri Lanka, with 40 rebels killed:

Fighting in northern Sri Lanka escalated on 2 April, leaving 39 Tamil rebels dead, as a Catholic bishop led a peaceful march urging the government and rebels to ensure the protection of a 400-year-old shrine in the area. Bishop of Mannar district, Rayappu Joseph, addressing nearly 4,000 devotees also called for the area around the shrine of Our Lady of Madu, located some 320 kilometers north of the capital, to be maintained as "zone of peace." Joseph also urged government forces and rebels to keep away from the area, adding, "Shells are falling within the church premises several times and many of those staying there have been compelled to leave, while priests and the other church workers still remaining, live in fear and are being forced to seek shelter in bunkers." The church has over the past 25 years provided refuge for tens of thousands of people displaced due to the conflict.

Sir Lanka strikes Tamil rebel base:

Sri Lankan government said that its jets bombed and destroyed a Tamil Tiger rebel training base in the northern part of the island nation. A Sri Lankan air force official said that the base was located in the Pulopalai area in Muhamalai. Reports of casualties however weren't available. The

raids occurred as the rebel group asked priests at a historic church in Mannar district in the northwest to evacuate the facility. The area is regarded a rebel stronghold.

Bomb kills Sri Lanka minister, 15 others:

One of Sri Lanka's senior cabinet ministers Jeyaraj Fernandopulle, the Minister of Highways and Road Development, and at least 15 other people were killed in a suicide bomb attack on 6 April morning near the capital Colombo. More than 60 people were also injured in this attack.

Nepal

Political front:

Nepalese elections:

Nepal declares 5-day national holiday for key election next week:

Nepal's government has declared a five-day national holiday next week for an election to pick an assembly that will rewrite the country's constitution.

Nepal election commission disqualifies 280 candidates:

Nepal's election commission has disqualified 280 candidates for not meeting legal requirements to contest the elections. Officials said those disqualified included candidates standing for the direct elections as well as for the proportional representation.

80 Asian poll observers arrive in Kathmandu:

Former Supreme Commander of the Royal Thai Army General (retired) Saiyud Kerdphol-led 80 poll observers' team from the Asian countries arrived here on 3 April to monitor the April 10 Constituent Assembly elections in Nepal.

Security situation in Nepal ahead of election:

Imposition of Curfew in Western Nepal:

A curfew was imposed in a town in western Nepal on 31 March following escalation of violence between rival political parties. The violence erupted between supporters of Prime Minister Girija Prasad Koirala's Nepali Congress Party and the Maoist former rebels in the town of Dadeldhura, about 500 kilometers west of the Nepalese capital Kathmandu, over the tearing down of party flags.

Bomb wounded 5 in Southern city of Nepal:

Attackers threw a bomb that wounded at least five people at a busy southern Nepal bus station. No one immediately claimed responsibility. The attack came on 3 April ahead of a crucial election scheduled for April 10, as several groups in southern Nepal have tried to disrupt the planned vote. All the while three near-simultaneous bomb explosions rocked Nepal's capital however no casualties were reported.

Government concerned about security situation during elections:

Being highly concerned of security situation during elections, Nepal's Minister for Peace and Reconstruction Ram Chandra Poudel discussed the possibility of deployment of the Nepal Army personnel during the polls, if the law and order situation becomes unfavorable. However police chief denied any need of deployment of army to ensure security. Meanwhile, the top U.N. envoy in Nepal Ian Martin expressed satisfaction with security arrangements for upcoming Nepali elections.

Security plan for elections:

Nepal government on 6 April unveiled an elaborate security blue-print for next week's crucial constituent assembly elections, including plans to deploy armed police personnel at polling centers and arrange air patrols in various parts of the country. Home Secretary Umesh Prasad Mainali claimed that Security personnel ranging from 7 to 25 equipped with communication sets and weapons will be deployed at each polling booth depending on the security risks.

UN concerned about Maoists behavior:

United Nations Mission in Nepal [UNMIN] chief Ian Martin has said that the Maoist People's Liberation Army should return to their cantonments and help make the elections impartial. He added that the parties themselves should be serious about adherence to the election code of conduct in order to make elections possible.

Tibetan Issue:

Chinese envoy asks Nepal to take strong action against Tibetans:

Chinese Ambassador to Nepal Zheng Xianglin asked the Nepal government to take stricter measure to prevent the "illegal" political activities of the organizations campaigning for "Free Tibet" in Nepal.

Tibetans protest in front of Chinese Embassy in Nepal:

Tibetan exiles and monks protested on 1 April in front of the Chinese Embassy, but were quickly stopped by baton-wielding Nepalese policeman who detained at least 110 of them. Two international rights groups in response asked Nepal's government to stop abusing and threatening Tibetan exiles protesting China's recent crackdown in their homeland.

Tibetan exiles suspended protests:

Tibetan exiles in Nepal announced to suspend their month-long protest ahead of upcoming general elections.

Foreign response to Nepalese elections:

UK extends economic grant for election preparations:

The British government has extended an assistance of 900 million rupees for conducting the constituent assembly elections. Britain extended this assistance through its aid agency DFID. Meanwhile Britain has expressed concern over election-related violence in Nepal, and urged the political parties to "campaign peacefully" for the crucial polls next week.

Vietnam asks Nepal to avoid violence:

In reaction to the recent outbreak of violence, Vietnam called on concerned parties in Nepal to refrain themselves from violence and strictly abide by the agreed election code of conduct.

US urges Nepal parties to respect poll results:

With only six days remaining for the constituent assembly elections in Nepal, the United States government has appealed to all the political parties to respect the results of the election. Issuing a communiqué through its embassy in Kathmandu, the USA has pointed out that the Maoist leaders have been saying their defeat in the polls would not be acceptable, and stressed that everyone should accept the result of the election.

Economic Front:

Nepals economic growth declines to 2.3 percent:

Nepals annual growth declined to 2.3 percent in the year 2007 from 3.1 percent in 2006 mainly due to poor weather and renewed political disturbances, according to the Asian Development Outlook, launched by ADB Nepal on 2 April. However, the Asian Development Bank has projected the annual growth rate for Nepal - at 3.8 percent in 2008 with the assumption that weather conditions will remain normal and peace process will continue to move ahead.

Nepal tourist arrivals up by 16 per cent in first quarter of 2008:

The number of tourist arrivals in the first three months of 2008 was up by 16 per cent, continuing the trend following the end of a communist insurgency in the Himalayan nation over one and a half years ago. The total arrivals in the first quarter of 2008 were 13,280 more than in the corresponding period in 2007.

Social Front:

Nepal bans alcohol sale, production ahead of elections:

Nepalese authorities have banned the production and sale of alcohol in the Himalayan nation ahead of crucial elections. Home Ministry spokesman Modraj Dotel said the government has sent notices to all district administration offices informing them that they should impose the ban ahead of next week's election. An alcohol ban in Katmandu went into effect on 29 March. While discussing the reason of ban Dotel said that it would help prevent violence between rival groups. It was not clear what punishment violators would face, but violations would be considered a breach of the election code of conduct.

Nepal Muslims call general strike to protest mosque bombing:

A general strike called by Muslim groups to protest the weekend bombing of a mosque shut down parts of eastern Nepal on 31 March. The chief government administrator in the area, Madhav Regmi said that he met with Muslim leaders who were concerned about the security situation and demanded that the government compensate the victims' families.

Bhutan

Political front:

Opposition seeks probe after Bhutan's historic poll:

Despite smooth and peaceful elections, democracy in Bhutan has faced challenge at its initial stage when opposition party declared elections to be unfair hence resigned from Parliament. The PDP that won just three of the 47 seats in the National Assembly or lower house in parliament during the March 24 elections have sought a probe by the country's Election Commission to find the reasons for the one-sided verdict.

Bhutan king seeks to reassure petitioners on democracy:

Over 400 people gathered in Thimphu from Punakha, Wangduephodrang and Thimphu to submit petitions on their concerns over the democratic transition to His Majesty the King on 2nd April. His Majesty the King granted an audience to over 80 representatives of the people assembled. During the audience the people said that they had not expected democracy to bring so much doubt and suspicion. They said that the result of the elections in a National Assembly without an opposition would greatly harm democracy and the nation. They said that in hindsight, the democratic process may have been introduced too early, as illiterate villagers moved from one party to the other swayed by whatever was said to them. They felt that their understanding of democracy was so limited that a return to monarchy may be desirable.

King in response said that the apprehension of the people at this stage in the transition is natural. However in Bhutan people in the civil service, private sector or any walk of life have always served their country. Therefore, irrespective of which political party forms the government, it is made up of members who desire to work for the benefit of the people and the nation. It should also be remembered that democracy in Bhutan was not based on any other country but designed to suit the people and the nation. Our people's love for our country, our unique culture, our tradition of consultation and consensus building and stable political environment make Bhutan an ideal nation for a vibrant democracy. And with 34 years of preparation under the guidance of His Majesty the fourth Druk Gyalpo, Bhutan and her people are ready for democracy. King said that, with the successful conclusion of the general elections, he had complete confidence in the people's commitment to building a strong democracy. He said that democracy must be built over decades by generations of Bhutanese. Today's steps are the first. These steps must be taken by the bureaucracy, the judiciary, National Council, National Assembly, the private sector and all Bhutanese, with dignity and in the spirit of unity and common purpose. The introduction of democracy is not for the benefit of a few political parties and politicians. It is for Bhutan and it must serve the nation therefore people must keep this in mind and begin the work of ensuring its success.

Social front:

'A Society on the Threshold of Change'; Bhutanese Confront Modernization Warily:

Bhutan is a conservative tiny land on the earth. Government of Bhutan has always remained reluctant to bring quick change in its tradition. As youth has got influence of Western tradition hence government and political parties seem to be worried about this. Some analysts also claim that democracy in Bhutan could speed up the onslaught of Western culture in a country where preserving its distinct culture is one of the guiding tenets of growth.

Bhutanese Youth Face Rising Unemployment as Migrant Workforce Grows:

Bhutan is experiencing record economic growth yet some experts are concerned about rising rates of unemployment among the country's youth as a growing migrant workforce takes many of the new jobs.

Myanmar

Political front:

Su Kyi's plea to Voters:

Ms Aung San Suu Kyi's National League for Democracy party called on voters to reject the ruling junta's proposed constitution in a referendum next month. The party issued a statement urging the public to clearly and bravely vote No when you mark your ballots. Su Kyi said that the draft Constitution was done one-sidedly by people chosen by the State Peace and Development Council and not by common public. She added that the proposed constitution would give the military continued dominance over the government even after elections, while she would be barred from running for president. NLD also accused military junta for arresting six young protestors for launching demonstrations against Myanmar's proposed constitution.

Few analysts appreciate constitution making:

Some of the analysts have appreciated military junta for constitution making and proposed referendum in this regard. They added that opposition should not create instability as it will further lead to international criticism particularly heading towards China.

Geo-strategic front:

India, Myanmar signs DTAA:

India and Myanmar have signed a Double Taxation Avoidance Agreement (DTAA), which provides that business profits will be taxable in the source state. The agreement will provide tax stability to the residents of India and Myanmar and facilitate mutual economic cooperation as well as stimulate the flow of investment, technology and services between India and Myanmar. The agreement also incorporates provisions for exchange of information between tax authorities of the two countries and incorporates anti-abuse provisions to ensure that the benefits of the agreement are availed of by the genuine residents of the two countries.

Norway's vast oil wealth fund barred from investing in arms suppliers to Myanmar:

Norway's vast fund for investing its oil wealth is now barred from owning shares in companies that sell arms to Myanmar, expanding limits imposed last year on direct investments in the Southeast Asia nation's government bonds and 1,200 companies.

Bangladesh-Myanmar maritime talks snagged:

Bangladesh's talks with Myanmar on demarcation of their maritime boundary have hit a snag, compounding its economic woes in the Bay of Bengal, where it is unable to reach an accord with India. The two-day technical meeting of Bangladesh and Myanmar on the delimitation of maritime boundary ended inconclusively as the parties failed to narrow down their differences on a number of issue, including the process of demarcation in the Bay of Bengal and unimpeded passage for Myanmar in the Naf river.

Social front:

Myanmar warns of terrorist acts during Water Festival:

Myanmar's junta warned of increased terrorist acts during the upcoming Water Festival and the national referendum, claiming two "terrorists" had been arrested last month.

India

Political Front:

CM eyes Muslim votes with pre-poll package:

In an attempt to woo the Muslim vote-bank for the upcoming Punchayet elections, chief minister, Mr Buddhadeb Bhattacharjee promised an expenditure of approximately Rs 52 crore for providing educational loans and improving the condition of madrasas in the state. Various other projects for the development of the community have also been proposed in view of the increasing popularity of Mr Sidiqullah Chowdhury among a section of the community. Speaking at a function on the foundation day of the Aliah University, formerly known as the Calcutta Madrasa, Mr Buddhadeb Bhattacharjee described the Sachar Committee report as partially correct. He added that he has been carrying out developmental work for the sake of the common people and not because of the Sachar Committee report. According to the chief minister, a major beneficiary of the state's land reforms was the economically backward, majority of them being Muslims.

Manipur descends into chaos and lawlessness:

Manipur state in India's northeast is becoming a lawless region with militants threatening doctors and teachers, killing government officials and Hindi-speakers and extorting money from even temples. The helplessness of the chief minister was evident in his speech at Langol on the outskirts of the state capital Imphal while inaugurating the burns wing of a hospital this week.

Protesters in Indian Kashmir call for release of political prisoners from Indian jails:

Protesters threw rocks in Indian-controlled Kashmir, and shops, schools and roads were near-empty Saturday after political parties called a strike to protest the alleged mistreatment of political prisoners in Indian jails. At least 100 protesters converged in the main street near a mosque in Srinagar, the main city in Indian Kashmir, chanting "we want freedom" and "release the detainees."

Economic Front:

Present situation is 'very crucial and critical' for UPA:

While condemning government for price rise Communist Party of India (CPI) national secretary D Raja said that the present situation is "very critical and crucial" for the Congress-led United Progressive Alliance (UPA) Government. Terming the Central Government measures to curb inflation as "too little and too late," Raja, who is also a Rajya Sabha member, said that from April 17, his party would launch a nationwide agitation against the issue of price rise. All the while BJP and other political parties have also condemned Congress over the same issue. In this critical situation some close allies of Congress like, Rashtriya Janata Dal (RJD), have also started saying that they can not compromise over people’s interest. Similarly Nationalist Congress Party (NCP) has also distanced itself from Congress. Therefore price hike is being considered as major political threat for Congress in upcoming elections.

Rats rampage Mizoram fuelling famine fears:

Thousands of rats are rampaging through rice and vegetable fields in India's northeastern state of Mizoram, fuelling fears of a famine in the region even as international aid agencies have warned of a serious crisis unfolding in the mountainous border state. A team of experts from

Action Aid, an international anti-poverty agency, recently visited Mizoram to assess the damage caused by an army of rodents on the state's agriculture.

BJP plays farmer card:

Stepping up its attack against the Congress by holding it responsible for the prevailing agrarian distress in the country, the BJP on 2 April launched a nationwide Kisan-Adalat' (farmers court) campaign and accused the Centre for obstructing economic growth of rural India. Conducting the first of the series of nationwide Adalats' here at the party headquarters, BJP president Rajnath Singh said, from an average contribution of 26% of GDP, the contribution of the agriculture sector had come down to only 18% in the last four years.

Social front:

Muslims launched protest against Danish cartoons:

Thousands of Muslims on 4 April took out a silent rally to protest against an anti-Islam cartoon in Denmark. The protesters, led by Shahar Qaji Abdul Latif, gathered at Iqbal Maidan outside Moti Masjid after Friday prayers and walked though the streets of the city to protest what they called conspiracy against Muslims at international level. Later, they handed over a memorandum to state Governor Balram Jakhar. The memorandum was addressed to President Pratibha Patil to whom the community leaders have appealed to take strong steps against the treatment meted out to the Muslims in Denmark.

India's image abroad increasingly positive:

India's image abroad is increasingly being seen in positive light, with most favorable views of the country coming from North America, Asia and Africa, a survey has shown. The positive image of India among the countries tracked by a BBC World Service survey has risen from 38 per cent to 41 per cent whereas the negative views have gone up by a point to 28 per cent. The poll shows that 14 countries have mostly positive views of India, with Australia leading the pack with 71 per cent, followed by Canada at 59 per cent, United States 57 per cent and Indonesia at 54 per cent.

Malaysia

Political front:

Deputy PM expresses his concerns regarding strengthening of BN:

Deputy Prime Minister Datuk Seri Najib Tun Razak has reminded UMNO members not to focus too much on the party elections until they forget the more important task of restoring the party's strength and rebuilding people's confidence in it. Najib added what was important now was to help the prime minister, especially in winning back the people's support for the party and strengthening it and Barisan Nasional (BN), which should indeed be the focus of all party members.

Malaysia's top politician admits ruling party has slipped into deep crisis:

Industry Minister Muhyiddin Yassin said that Malaysia's ruling party has slipped into a deep crisis after its recent election debacle and needs strong leadership to carry out reforms.

PM should not be asked to resign:

UMNO information chief Tan Sri Muhammad Taib said it is not only unfair to ask Datuk Seri Abdullah Ahmad Badawi to step down but also to blame the Barisan National's (BN) worst election performance in the last 50 years solely on the prime minister. While discussing election results he said that the use of the information and communications technology like the internet and short-messaging service (SMS) played a crucial role in last month's general election.

A first Indian-origin speaker in Malaysian legislature:

A state legislature in Malaysia is about to make history by appointing an ethnic Indian as its speaker. The ruling parties in Perak state have made a unanimous decision, although the legislator has not been named. The likely candidate could be V. Siva Kumar, legislator from Tronoh constituency, who won on the Democratic Action Party (DAP) nomination.

PM Pledges to Continue Development Plans in Malaysia's Opposition-Held States:

Malaysian Prime Minister, Ahmad Abdullah Badawi, has given assurances that federal projects planned for Penang state, which came under control of the opposition ethnic-Chinese-based Democratic Action Party (DAP) at last month's election, will proceed as scheduled. The assurances are a positive development, with concerns having been raised that the federal

government (led by Badawi's United Malays National Organisation--UMNO) would obstruct some of the major development projects planned in opposition-held states. This includes the economic powerhouses of Penang, Selangor, and Perak as well as the country's 'rice bowl', Kedah.

Malaysia's opposition parties form formal coalition:

Malaysia's three ideologically diverse opposition parties formed a formal coalition on 1 April after their unofficial partnership made spectacular gains against the ruling party in recent elections. The People's Alliance, an unlikely coalition of three parties Islamic, multiethnic and Chinese-based have agreed to "uphold the rights and interests of all Malaysians".

Foreign Issues:

Malaysia backs Tibet crackdown - Chinese agency:

The Malaysian Foreign Ministry issued a statement here on Saturday, saying that Malaysia is pleased that the Chinese government has been able to maintain stability and protect the lives of innocent people in Tibet. The ministry said that Malaysia is also relieved to learn that the situation in Tibet is returning to normal. The ministry noted that Malaysia considers Tibet as an inalienable part of China, believing that the Chinese government will take action that is in the best interest of its people to ensure safety, security and territorial integrity.

Economic Front:

Malaysia remains attractive to foreign investors:

The US-Asean Business Council said that Malaysia remains an attractive place for foreign investors, including from the United States, despite the unexpected outcome of the March 8 general election.

German still committed to have trade links with Malaysia:

German Ambassador to Malaysia, Herbert D. Jess reiterates Germany's commitment to long-term trade and business links with Malaysia given the latter’s stable economic and political environment.

Social Front:

Malaysia condemns Dutch film maker:

The Malaysian Barisan Nasional ruling coalition youth movement has condemned the film, which it said "clearly insulted Muslims worldwide". All the while Former Prime Minister of Malaysia Mahathir Mohammad called on Muslims worldwide to boycott Dutch products in protest at the film.

Indonesia

Political front:

President urges Indonesian envoys to strengthen diplomatic ties:

Indonesian President Susilo Bambang Yudhoyono has called on the country's ambassadors and heads of representative offices abroad to take smart action and to protect the state's image in their efforts to serve the national interest.

Agriculture minister asks government to review its plan to export rice:

Knowing the fact that Indonesia has produced more rice than needed for its own use, government decided to its export. A former agriculture minister, Bungaran Saragih, however called on the government to reconsider its plan to export rice. He said the high level of the rice price in the market was an indication domestic rice production had not reached a maximum level therefore government should review its decision.

Social Front:

Reaction to Dutch film:

Indonesia's Muhammadiyah Central Committee and other Islamic groups have strongly condemned the release of the film "Fitna" by Geert Wilders calling it to be insult of 'Islam'. In response Dozens of Indonesian demonstrators gathered outside the Dutch embassy on 31 March to protest against the film. They waved placards with anti-Dutch slogans and threw water and eggs at the embassy building in Jakarta. Around 50 people turned up for the demonstration, organized by the Muslim group FPI, or Islamic Defenders Front, but armored police vans and around 100 officers carrying riot shields kept them away from the building. All the while the Indonesian newspaper Republika called on the government, parliament, worshippers and civil society should unite to condemn the film and "other actions which offend the faith of religious followers". It also said they should take legal action if possible. It added that Indonesia, as the largest Muslim country, should also ask members of the Organization of the Islamic Conference to take similar measures. Many in Indonesia also think that their government should block an anti-Islam film, entitled Fitna, produced by Dutch MP Geert Wilders, because it incites ethnic, religious, racial and group-related hatred.

Indonesian separatist gets life in prison for waving flag in front of president:

A court has sentenced the leader of a separatist group in eastern Indonesia to life in prison for waving the flag of a mostly Christian secessionist movement in front of the president last year. Indonesia is overwhelmingly Muslim, but Christians form the majority in parts of Maluku and other eastern regions. At court official said at least 19 others were convicted of treason and sentenced to between 10 and 20 years over the flag-waving demonstration, which was nonviolent. The incident was a major embarrassment to President Susilo Bambang Yudhoyono as he presided over a government ceremony in the eastern province of Maluku, which was wracked by violence between Muslims and Christians between 1999 and 2002. The harshness of the punishments shows Indonesia's extreme sensitivity to separatist movements in the sprawling archipelago and will likely trigger criticism by rights activists.

Thailand

Political front:

Thai army chief says army will not get involved in politics:

The Royal Thai Army Commander-in-Chief, Gen. Anupong Paochinda, insists that the Thai army is not involved in the political arena, and the army's main responsibility is to safeguard the

country. Gen. Anupong comments on the heating political situation at the moment, especially on the government's plan to amend the 2007 Constitution. He says the army has to stay neutral and does not want to be implicated in politics. Academics have also condemned government over its idea to amend the constitution.

People's party spokesman condemned PM for his talks with media:

People Power party spokesman Kudep Saikrajang on 1 April lashed out at Prime Minister Samak Sundaravej for his recent spats with the media, urging him to be more careful when talking to the press. Mr Kudep also blamed Mr Samak for newspaper headlines about a possible coup, saying it was the Prime Minister who broke the story to reporters.

US senator calls on Thai foreign minister:

U.S. Republican Senator from Missouri called on Foreign Minister Noppadon Pattama to extend his congratulations on Thailand's return to democracy and on the auspicious occasion of the 175th anniversary of the establishment of relations between Thailand and the United States.

Thailand rice exporters warn of rice shortages:

Chief of the Rice Exporters Association, Chukiat Opasawong, says the country might experience shortages of rice if the government does not impose measures to slow-down rice export. According to Mr Chukiat, rice in the government's warehouses is sufficient for domestic consumption for only 3-4months. He says rice hoarding has increased the rice price to 400 baht a sack and those benefited by the situation are middlemen and rice mills, not farmers.

Philippines

<u>Political Front</u>:

Fake al-Qaeda man arrested in southern Philippines:

A man posing as a member of the al-Qaeda international terrorist network was arrested in the southern Philippines for attempting to extort money from companies. The suspect allegedly threatened to launch terrorist attacks against the victims if they would not pay up.

US Embassy warns of kidnapping threat in southern Philippine city:

The U.S. Embassy warned its citizens that "extremist elements" planned to kidnap Americans and other foreigners in a southern Philippine city where U.S. counterterrorism troops have been deployed. U.S. Embassy spokeswoman Rebecca Thompson said she was unaware of specific details of the threat. A Philippine security official however said that authorities received intelligence last month that the Abu Sayyaf a small but violent al-Qaida-linked group planned to kidnap wealthy Filipino Chinese traders, not Americans, in the south to raise money for operations.

Former hostage Italian priest to be reassigned to suburban Manila parish:

Giancarlo Bossi was kidnapped allegedly by rogue members of the Moro Islamic Liberation Front in Zamboanga Sibugay province's remote Payao Township in June 2007 and freed after 39 days. According to a fellow priest he now plans to join a parish in a Manila suburb this month.

Leadership, funding problems hamper attacks by al-Qaida-linked group:

Brig. Gen. Juancho Sabban said Abu Sayyaf factions have failed to choose a suitable replacement for rebel chieftain Khaddafy Janjalani and his successor, Abu Suleiman, who were killed in clashes with U.S.-backed Philippine forces in 2006 and 2007 respectively. He added that leadership and funding problems have prevented the al-Qaida-linked Abu Sayyaf group from launching more major attacks.

Moro region fears setback in peace process:

The political community in the Autonomous Region in Muslim Mindanao is apprehensive of an irreversible "setback" in the Southern peace process if the national government will again concede to the Moro National Liberation Front the ARMM leadership. Known for what seems to be "canine loyalty" to President Arroyo, all of the ARMM's six provincial governors, 113 mayors and six congressional representatives belong to the administration's Lakas-Christian, Muslim Democrats party.

Philippine Moro group appoints new chairman:

Leaders of the Moro National Liberation Front [MNLF] who ousted Nur Misuari as MNLF chief in 2000 installed Cotabato City Mayor Muslimin Sema as their new chairman on 2 April. Supporters of jailed Moro leader Nur Misuari however refuse to recognize Muslimin Sema as the new chair of the Moro National Liberation Front (MNLF).

Philippine Islamists maintain neutrality on Moro group's affairs:

Worried by the odd turn of events within the leadership of the Moro National Liberation Front (MNLF), the Moro Islamic Liberation Front (MILF) has appealed to them for sobriety and sense of direction to ensure the common desire to free the Bangsamoro people from centuries of servitude and oppression. Muhammad Amin, chairperson of the MILF central committee secretariat, told Luwaran, in reaction to news reports, that the "election" of incumbent Cotabato City Mayor Muslimin Sema as the new chairman of the MNLF replacing Nur Misuari is something that has to be resolved immediately in the spirit of fair play and camaraderie. However, he reiterated the policy of the MILF to stay completely neutral to inter-MNLF problems and will only comes in if requested to undertake any constructive role.

<u>Economic Front</u>:

71% of Filipinos consider selves as poor:

Repeated government claims of growth aside, two out of every three Filipinos believe the economy has worsened in the last three years while seven out of every ten consider themselves to be poor. The results of a nationwide Pulse Asia survey, conducted from February 21 to March 8, 2008, showed that 66% of Filipinos feel the economy is in a worse state, while 71% consider themselves as poor. Palace officials blamed political noise for the results and stressed that the government had been boosting social services expenditures to improve the lives of the poor.

Filipinos working abroad not sign of weak economy:

President Gloria Macapagal-Arroyo stressed that Filipinos working abroad is not assign of a weak economy.

Philippine inflation rate surges to 6.4 per cent in April:

The Philippines' year-on-year inflation rate jumped to 6.4 per cent in March on spiraling food and oil prices. The National Statistics Office said the March rate was higher than 5.4 per cent in February 2008 and 2.2 per cent in the same month last year.

Social Front:

Muslim scholars and Maulvis call for calm over film depicting Islam as violent:

Muslim scholars and Maulvis asked Filipino Muslims not to react adversely to an online movie called Fitna, which is sparking uproar in a number of Muslim communities worldwide. The controversial 15-minute film, first posted on the UK-based liveleak.com on March 27, was produced by maverick Dutch parliamentarian Geert Wilders and portrays Islam as a violent religion. Ustadz Esmael Ebrahim, spokesperson of the Assembly of Dharul Ifta of the Philippines, said the country's muftis (Guardians of the House of Opinions) will instead draw a consensus on how to correct errors from misinterpretation of the Quran in the Wilders film. He said Muslims should not react adversely because the film might have been deliberately meant to draw violent reactions among Muslims to prove its point, and gain for its writer's instant fame at the expense of Islam and the Muslims. It should not draw Muslims into committing violence against the producer.

Singapore

Political front:

Stance over foreign issues:

Singapore welcomes meeting between US and North Korean envoys:

Singapore welcomed on 5 April a meeting between US chief nuclear negotiator Christopher Hill and his North Korean counterpart in the city-state as part of negotiations to dismantle the communist country's atomic programme.

Social Front:

Four documentaries banned from Singapore film festival:

Four documentary films have been banned from the Singapore International Film Festival including two deemed sympathetic to terrorism, a third about gay Muslims and another with "explicit sado-masochistic sequences".

Islamic body condemns Dutch film:

Singapore's top Islamic body on 1 April condemned an inflammatory video produced by a Dutch lawmaker for seeking to incite hatred and distort verses from the Koran. The 17-minute internet video has provoked a stream of criticism, particularly in the Islamic world.

Singapore Deputy PM also condemned Dutch released anti Islam film:

In a statement released by the Ministry of Home Affairs on 30 March Deputy Prime Minister and Home Affairs Minister Wong Kan Seng said: 'The film Fitna is offensive to Muslims. It is regrettable that the producer, Geert Wilders chose to release it.' 'Freedom of expression does not give anyone the license to insult another's religion or race. He added 'I am confident that Singaporeans will react to this film in the same rational and calm manner as they did in similar previous incidents, for example, the publication of the Danish cartoons. They value the racial and religious harmony that we now enjoy.'

UN calls Beijing-Singapore road to be an environmental threat:

Critics are warning the pace of development of a highway linking Singapore and Beijing is accelerating the spread of disease and environmental damage. The last remaining section of a road has been officially opened by the prime ministers of China, Laos and Thailand during the Greater Mekong Summit in the Lao capital Vientiane. The new all-weather highway will significantly boost tourism and trade through the region, which has already benefited from the improved cooperation among the group of nations. But United Nations spokesman Raekwon Chung while discussing repercussions of this project said that there needs to be an environmental balance to the region's growth.

Vietnam

Geo-strategic front:

Party delegation attends Communist Party of India (Marxist)'s congress:

A delegation from the Communist Party of Vietnam (CPV) has attended the 19th Congress of the Communist Party of India (Marxist) (CPI-M) in Coimbatore, India's Tamil state. The Vietnamese delegation, led by Nguyen Bac Son, member of the CPV Central Committee and deputy head of the CPVCC Information and Education Commission, presented a greeting message from the CPV to the congress. At a meeting with the CPI-M General Secretary Prakash Karat, the delegation conveyed General Secretary Nong Duc Manh's regards to the CPI-M General Secretary and leadership. The two sides exchanged views on the situations in their respective parties and countries.

Vietnamese diplomat appreciates Guinea Bissau:

A Vietnamese diplomat has lauded progresses made by Guinea-Bissau in maintaining political stability and reforming law, while stressing that the West African country needs to hold election on schedule and reduce poverty.

Byelorussian President's visit to foster ties with Vietnam:

Byelorussian President Alexander Lukashenka said he believes that his visit to Vietnam would help foster political, economic, cultural and humanity cooperation between Belarus and the Southeast Asian country.

Economic Front:

Vietnam PM urges businesses to fight inflation:

Prime Minister Nguyen Tan Dung called on business to join hands and support the government in the fight against inflation at a conference with business leaders and major economic groups in Hanoi on 1 April.

Finance Minister Ninh talks about reasons of inflation in Vietnam:

For the first time at a session of the National Assembly Standing Committee, Cabinet members have been questioned over causes leading to the soaring prices of commodities and solutions for controlling inflation. Minister Ninh attributed the price rises to the national economy's low development level, poor competitiveness, natural disasters, epidemics and residents' high spending during the lunar New Year Festival. The national economy attracted a high influx of foreign direct and indirect investment capital i.e. 20 billion USD, official development assistance (ODA) sources, remittances by overseas Vietnamese and tourism services. However, it failed to keep pace with the increase in capital sources, prompting market prices to go up. In addition, the abnormal development of the stock, gold and property markets also affected the consumer price index (CPI), driving inflation up. Mr Ninh acknowledged that it is hard to fulfill the target of keeping the inflation rate below the national economic growth rate set by the National Assembly. According to him, the most important thing now is to control inflation, stabilize the macro-economy, maintain socio-political stability and keep the economic growth in line with market trends. He proposed no adjustment to the State-fixed prices of commodities until June.

Vietnam's plan to control inflation:

Vietnam's Prime Minister Nguyen Tan Dung analyzed the reasons for current inflation and elaborated on the Government's measures to curb inflation and maintain economic growth. He said that to control inflation would require concerted efforts by Government management agencies and authorities at all levels. He proposed seven measures to deal with this issue. First, the Government would further tighten monetary policy. Second, the Government would cut down on expenses and public investments relying on the State Budget, and it would strictly control investment items of State-owned enterprises so as to reduce the deficit and contribute to the economy's development. Third, development of agriculture and industry would take priority so as to overcome consequences resulting from inclement weather and epidemics and to increase food productivity. Fourth, supply and demand of goods must be ensured to promote exports and reduce the trade deficit. Fifth, thrift in production and consumption was encouraged. Sixth, market management should be further supervised to avoid goods speculation, especially in regards to essential items such as petrol, cement, steel, medicines and foods. Cross-border smuggling should be immediately stopped. Finally, to help people, especially the poor, survive a price hike, the Government would implement social welfare policies and increase salary and allowances.

<u>Social Front</u>:

20,000 workers producing Nike shoes go on strike in Vietnam:

More than 20,000 workers at a factory that makes Nike shoes in southern Vietnam have gone on strike to demand higher wages. The workers are demanding the company raise their salaries by 200,000 dong (12.50 dollars) to 1.1 million dong (68.7 dollars) per month and improve the quality of their meals. In November, more than 10,000 workers at a South Korean-invested company that produces shoes for Nike also went on strike, claiming their salaries were not enough to keep up with the rising price of goods. Inflation, which was more than 10 per cent last year and already 9.2 per cent in the first quarter of this year, has led to several strikes throughout the country involving hundreds of thousands of workers.

Laos

Political Front:

Issue of Swedish embassy:

From August 2008 Sweden will no longer have an embassy in Laos. The Swedish government has decided to face out the bilateral development assistance to Laos. Consequently the Embassy of Sweden Vientiane will be transformed to a section office. Fewer countries Charge d'Affaires of the Embassy of Sweden Vientiane, Annlis Aberg regrets that the bilateral development cooperation between Sweden and Laos cannot continue. In addition to the embassy in Laos, Sweden is also ending Development Corporation with Vietnam, the Philippines and other countries in Asia. The total budget for development aid will not decrease, so the idea is that the remaining countries will have more money. Sweden is planning to open new embassies in Belarus, Sudan and Afghanistan.

Geo-strategic front:

Chinese premier concludes visit to Laos:

Chinese Premier Wen Jiabao paid visit to Laos. During his visit, Wen met with Lao President Choummaly Saygnasone and held talks with Lao Prime Minister Bouasone Bouphavanh on future bilateral cooperation in such fields as economy, technology, energy and e-governance.

Construction of Thai-Lao-Chinese Bridge:

Construction of a new Thai-Lao bridge, aimed at boosting trade and tourism among Thailand, Laos and China, is expected to start the middle of this year. Piyapan Champasut, deputy permanent secretary for transport, said after visiting the planned construction site of the new bridge that his ministry would give details of the construction which could start in mid 2008. He added that total investment in the construction was estimated at Bt1 billion of which the Thai and Chinese governments would foot the bill equally.

Vietnam, Laos agree to speed up development cooperation:

Vietnamese Prime Minister Nguyen Tan Dung met with President and the Prime Minister of Laos on March 30. During their meetings, all expressed satisfaction at the recent fast-growing development of effective and practical relations in economy, trade and investment between the two nations. They pledged to bring two-way trade revenues to 1 billion USD by 2010, 2 billion USD by 2015 and 5 billion USD by 2020. They agreed to speed up cooperation and investment projects in hydro-electricity, mining, industrial crops cultivation and trans-national transport.

Laos-China trade reaches 241 mln USD:

Following a growth in two-way trade between Laos and China, the two countries have set a target of one-billion-USD trade over the next few years. Two-way trade between Laos and China reached 241 million USD in the 2007 fiscal year. China's southern province of Yunnan plays an important role in trade between the two countries, accounting for75 percent of the total trade turnover. Laos exports forestry and wood products and mineral ores to China, and imports garments, machine spare parts, construction materials, and machinery used for the agriculture sector from its neighbor.

Cambodia

Political Front:

Cambodian government warns tough measures against protestors:

Cambodia's government will take tough measures against acts of inciting and organizing demonstrations by members of political party, according to government sources of information. In this regard Minister of Communications Khieu Kanharith on April 2, said those distributing documents to call on people to stage politically-motivated demonstrations that cause social

instability and disturbance to the national economy will be arrested by police. The announcement came following confirmation by President of the Sam Rainsy party that he will organize a large protest rally on April 6 to demand the Cambodian government reduce prices of some goods.

Jury selected in trial of Cambodian coup leader:

A jury was selected on 1 April for the trial of a Long Beach man who allegedly attempted to overthrow Cambodia's government in 2000.

Cambodian PM attributes government's success to CPP leadership:

Cambodian Prime Minister Hun Sen said that under the leadership of the Cambodian People's Party (CPP), the Cambodian government has gained tremendous achievements in all fields. The Cambodian government has ensured political stability and social safety in the country, creating a firm base for economic development. The PM added that the four-point development strategy, which is being carried out by the government, has made a breakthrough for the country's economic development.

Cambodia ratifies ASEAN Charter:

Cambodia has become the sixth member of the Association of Southeast Asian Nations to ratify the ASEAN Charter on 2 April.

Geo-strategic Front:

Diplomatic ties of Qatar and Cambodia:

Cambodia and Qatar have agreed to officially establish their diplomatic ties from 1 April.

Australia pledges new funds to help keep Cambodian genocide tribunal running:

Australia pledged 500,000 Australian dollars ($458US, 000; euro293, 000) on 3 April for Cambodia's U.N.-backed genocide tribunal, whose operations have been threatened by a shortage of funds as it prepares for trials of former Khmer Rouge leaders. Bob McMullan, the

Australian parliamentary secretary for international development assistance, announced the pledge during a meeting with Cambodian Deputy Prime Minister Sok An.

Japan provides $ US 36 million to Cambodia:

Japan has pledged to provide a loan worth 3,651 million JPY (36 million USD) to build a special economic zone in Sihanoukville, Cambodia. Under an agreement signed in Phnom Penh on March 27, aid will be part of a preferential loan to develop infrastructure, workshops and ports in a special economic zone covering 70ha in Sihanoukville. The agreement was signed by Japanese Ambassador to Cambodia Shohiro Shinohara and Cambodian Deputy Prime Minister and Foreign Minister Hor Namhong.

Cambodia PM signs border pact with Laos:

Prime Minister Samdech Decho Hun Sen hold a bilateral talk with Laotian counterpart and paid a courtesy visit to Laotian president. An agreement on the use of border-crossing passes between the two countries was also singed, the purpose of which is either to ease the cost of the living of the people along the border or to alleviate the poverty.

Economic Front:

Agricultural development helps Cambodia reduce poverty:

Cambodian Prime Minister Hun Sen has affirmed that developing agriculture is a key to reduce poverty and a motive force for the development of other economic sectors in the country. He said he hoped the poverty rate in Cambodia would go down to below 30 percent this year. He added that fast and sustainable development of Cambodia's agricultural sector helped the country reduce the poverty rate from 47 percent in 1994 to 34 percent in 2004, according to the government's statistics.

Rocketing inflation hurting Cambodia's poor:

A World Bank economist, Huot Chea, in a report said that double-digit inflation would not hurt the Cambodian economy overall but could have a dire affect on the country's millions of poor. Like most of East Asia and the Pacific, Cambodia had been badly hit by inflation with the year-on-year rate at the end of 2007 reaching a nine-year high of 10.8 per cent. All the while, he added that Cambodia's economy continued to grow rapidly with gross domestic product (GDP)

up an estimated 9.6 per cent last year. While elaborating reasons of price rise he said that hikes in international oil prices, which have put the cost of petrol up to 1.25 dollars a litre in a country where millions earn less than a dollar a day had also contributed. The bank also expressed concern about Cambodia's growing trade deficit, which it estimated would grow from 6.8 per cent to 7.3 per cent of GDP this year. However, overall, it said Cambodia's economy was in good shape and was mainly being impacted by outside factors, including the rising world price of oil and the crisis in the US economy.

Australia Encourages Businesses to Help Reduce Poverty in Cambodia:

The Enterprise Challenge Fund for the Pacific and South East Asia provides grants of up to $1.5 million for developing successful business ideas which improve livelihoods, incomes and access to vital goods and services in Cambodia. The grants will be awarded to business projects which directly address the challenge of broad-based economic growth. Phase one of the fund was launched in October 2007 in Fiji, Papua New Guinea, Indonesia and southern Philippines. Phase Two will enable innovative businesses in Cambodia, East Timor, Lao PDR, Solomon Islands and Vanuatu to access grants for projects with pro-poor outcomes which cannot obtain financing from commercial sources.

Ban on Imported Pork Lifted to Quell Food Price Hikes in Cambodia:

The Cambodian government lifted a ban on importing pigs and pork products on 27 March in an attempt to quell rising food costs. In a statement Finance Minister Keat Chhon appealed for people "not to stock up on foods, which could make the situation even harder". Meanwhile, Prime Minister Hun Sen called on the government to address "the abnormal increase [in the] price of goods," which is "affecting the daily livelihoods of our citizens, especially workers, farmers and civil servants". The price of meat has risen by 40% over the last year. Food price hikes threaten to fuel poverty in Cambodia, which already affects one-third of the population. Meat and rice shortages add to the country's food woes, with the latter being Cambodia's most important staple. The government has blamed the price hikes on "opportunists" seeking financial and political gain ahead of a parliamentary election in July.

<u>Social Front</u>:

Cambodia launches first satellite television network:

Launch of the National Television of Cambodia (TVK) and Cambodian DTV Network Limited (CDN) satellite service on 3 April, is set to bring local Khmer channels and international television to all areas of Cambodia, providing a solution to the current 20 percent of Cambodians 14 million population living in remote areas without access to television.

South Korea helps Cambodia enhance anti-drug control capacity:

Relevant agencies of Cambodia and the Republic of Korea (RoK) have signed a project on enhancement of capacity to control drug-related crimes for Cambodian officials. The project is part of a cooperation programme on drug control between the RoK and member countries of the Association of Southeast Asian Nations (ASEAN).

Cambodian garment workers to get $6US a month pay raise to cope with inflation: Cambodian garment manufacturers and labor unions have agreed to a $6US (euro3.80) monthly raise for factory workers, averting potential further strikes by employees struggling to make ends meet. More garment workers had threatened to walk off their jobs this month unless they got a pay raise to keep up with the soaring food prices currently afflicting many poor Cambodians. Employers and union representatives have been negotiating for weeks on how much to increase average monthly wages of $50US (euro32). A breakthrough was found on 31 March when the government prodded manufacturers to increase the wage by $6US to keep workers on their production lines.

Cambodia bars marriage to foreigners:

Claiming to fear human trafficking and exploitation, Cambodia has halted all marriages to foreigners, according to a government letter. The letter signed by Sar Kheng, deputy prime minister and minister of interior, and sent out to all country's 24 provincial and municipal governors and foreign embassies, said the temporary halt in allowing marriage to foreigners was needed to "prevent any negative acts and aims to uphold the honor of the nation and the Cambodian women."

Hun Sen blames CNN, BBC for linking Muslims to terrorism:

Cambodian Prime Minister Hun Sen charged Thursday that some major media establishments such as CNN of the United States and BBC of Britain made "the biggest mistakes" in reports that link terrorism to Islam. In an opening speech at a two-day international conference on "interfaith cooperation for peace and harmony," Hun Sen said it was not accurate to say or accuse Muslims, more than 1 billion people, and linking them to terrorism that was committed by one or two terrorists.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH & EAST ASIA

Nadia Tasleem

Weekly Report: from 7th April 2008 to 13th April

Presentation: 15th April 2008

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- Indian minister says inflation government's "biggest worry"
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- IMF asks India to take immediate steps to control inflation
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- Inflation control becoming difficult
- Govt measures may not ease food prices
- Indian official calls for Sino-Indian cooperation on food prices

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- Govt determined to carry out reforms and reengineering
- Malaysians want one BN multiracial party

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- Philippine mainstream Moro group to boycott autonomous Muslim Mindanao polls
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- Appointed-senator Prasarn says amendments could lead to major political conflicts
- A prominent social critic says Thai society dangerously divided
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- Muslim separatist group asks for peaceful solution to conflict in southern Thailand
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- Germany provides 235 million euro to Lao agriculture
- Turkish, Lao foreign ministers view ties, sign economic cooperation deal
- Japan helps Laos reduce poverty and develop SMEs

Presentation

This report is based on major developments at political, geo-strategic, economic and social front in South and South East Asia. At political front post and pre election developments remained potent. States' growing relations worldwide remained point of focus at geo-strategic front. High inflation amidst rapid economic growth emerged as the most significant issue at economic front; however social front presents diverse picture.

To begin with key developments at political front states that have successfully conducted elections have been witnessing confrontation between the newly elected parties and opposition parties. In this regard newly elected party of Bhutan has not only faced criticism of the opposition party but has also witnessed first anti-democracy protest in the kingdom. Though PM and his cabinet has sworn in; yet many have been found asking for restoration of monarchy. As far as Malaysia is concerned, PM Abdullah Badawi and Anwar Ibrahim are the major opponents over there. Thai regimes' idea to bring amendments in the constitutional draft has also faced severe criticism. All the while Nepal is going to join group of these states as long awaited elections over there have finally took place last week. Though results haven't got completed yet; however those so far announced indicate bright chances of Maoists' victory who have already occupied 43 out of 79 seats. On the other hand Bangladesh and Myanmar are actively working on preparations of elections despite huge criticism by opposition political parties in both cases. Indian government has also started adding young faces to its cabinet in order to win public support during elections. Besides these Cambodia (elections to be held in May) and Indonesia (next year elections) have also started arrangements for their elections.

At geo-strategic front significant developments include; growing ties of Bangladesh with Britain and Belgium; Maldives with Djibouti and China; Slovakian sale of missiles to Srilanka; Indian ties with Africa (economic & energy cooperation), Turkmenistan (gas project), Pakistan (resumption of dialogue), Bhutan & Myanmar; Vietnamese ties with Albania, Asia and Middle East; Cambodian ties with India, China, Australia, Thailand & Vietnam and Laos with Japan, Turkey and Germany.

Moving towards economic front Malaysia and Thailand have expressed confidence in their rapid economic growth and claimed that they would overcome the problem of inflation. However Bangladesh, India, Indonesia, Singapore, Vietnam, Cambodia and Laos remained victim of inflation. Major reasons of inflation include raising global prices of commodities such as soybeans, flour, corn and rice (the high price of key commodities increases the burden on poor

households, which spend most of their income on food) and rapid increase in oil prices. All of these states seem to be concerned about sorting out appropriate ways to deal with the issue of inflation. Key policies being made in this regard include restructuring of monetary and fiscal policies, reduction in duties on several products, uplift of currency, and focus on agricultural development.

As far as developments at social front are concerned common masses in two Muslim countries seem to be concerned about religious issues; i.e. Islamists in Bangladesh launched protest against national Women developmental policy. Similarly approval of a pig farm in Sepang, a rural area about 50km east of the capital of Malaysia by newly elected political party sparked uproar among Muslims in the state. Meanwhile drug issue grasped attention of Maldivian and Thai government. However, opening of first private mobile firm in Bhutan appeared as the most striking development after the establishment of democratic government in Bhutan.

Bangladesh

Political front:

BNP leader puts her demands in front of government:

BNP leader Khaleda Zia has asked government to make arrangements for better treatment of AL leader Hasina Wajid. Besides that she also expressed her concerns about health of her sons. She also had positive hope about judicial decision that had to come.

Geeta Pasi renews US desire for free, fair, participatory elections in Bangladesh:

US charge d'Affaires Geeta Pasi welcomed the Chief Advisor's assurance of holding election no later than 2008 and call for dialogue with the political parties, meant for building a passage for exit from the interim period. She said it is very important step towards the government commitment to hold election as per roadmap. Geeta Pasi welcomed the planned government-political party dialogue, saying that party has a critical role to play in democracy and holding free, fair and participatory elections in Bangladesh.

Army General reiterates lack of interest in political affairs:

Bangladesh army chief Gen Moeen U Ahmed said the army does not have any political ambitions and the national elections will be held by December this year. Gen Ahmed stressed the army is in no way involved in running the state of the affairs. He, however, said as citizens of Bangladesh the members of the army want to see able and honest leadership in the country. Gen Ahmed also said no one - either from the army or himself - has sought his extension from the government. However, he said, the government might have extended his tenure as army chief as it wants to continue what it is doing now.

Informal talks with political parties started:

A panel of advisers has started working on modalities of the much-awaited dialogues between the military-controlled interim government and political parties for transition to democracy by holding of parliamentary elections in December. The four-member panel of advisers held informal talks with the Awami League, one of the major political parties, on 7 April. EC has also asked BNP and AL to start political talks. As a result detained former Prime Minister Sheikh Hasina's Awami League on 13 April agreed to join an unofficial dialogue with the interim government in Bangladesh reversing an earlier decision.

High Court discharges BNP chairperson Khaleda's writ:

The BNP leadership controversy surfaced when on November 5 last year the EC, ignoring Khaleda-appointed BNP secretary general Khandaker Delwar Hossain, sent letter to Maj (Retd) Hafizuddin Ahmed of the reformist faction of the party to participate in electoral dialogue. In response to this Khaleda Zia had sought two remedies from the High Court i.e. illegality of new leader to represent BNP without any lawful authority and a direction for the EC to invite Khandaker Delwar Hossain for the dialogue. High court gave its decision on 10 April rejecting the petition of detained Khaleda Zia. The HC claimed that internal factional dispute in a political party does not come under court's purview.

<u>Geo-strategic developments</u>:

Britain and Bangladesh agree to step up actions against terrorists:

Britain and Bangladesh agreed in principle to step up joint action against suspected terrorists. The agreement followed talks between visiting British Home Secretary Jacqui Smith and Bangladeshi government leaders, including Home Affairs Adviser MA Matin, focusing on cooperation on counterterrorism campaigns.

Bangladesh asks Belgium to reestablish embassy over there:

President Dr Iajuddin Ahmed requested the Belgium government to reestablish its Embassy in Bangladesh capital. He added that this will help increase not only development cooperation but also boost the existing volume of overall trade between two countries for mutual benefits.

Economic Front:

Economic crises in Bangladesh:

With the price of food skyrocketing around the world, desperately poor and overpopulated Bangladesh is considered one of the world's most vulnerable nations. An adviser to the country's Ministry of Food, A.M.M. Shawkat Ali, warned of a "hidden hunger" in Bangladesh and economists estimate 30 million of the country's 150 million people could go hungry; a crisis that could become a serious political problem for the military-backed government. Bangladesh already faces a decrease in arable land due to industrialization and the ever-growing population. Its low-lying land also is reeling from major floods and a devastating cyclone last year that destroyed some 3 million tons of food crops and left millions homeless and hungry. The price of rice, the core of the Bangladeshi diet, has jumped by more than 30 percent since then a major problem in a country where nearly half the population survives on less than $1 a day. Political parties have started warning government of protests in case of further inflation. Chief Adviser Dr Fakhruddin Ahmed in response said that political or nonpolitical government is not a mater to reckon regarding the current situation as temporary food shortages have taken place at different times at home and abroad. At this critical point of time government seems keen to bring appropriate solution to challenges being posed by economic crises. Federal Finance Minister Ishaq Dar has already said that monetary and fiscal policies of the country would be restructured to protect interests of poor and ensure due contribution of every one in the national economy.

Social Front:

Clash between garment factory workers and police:

More than 50 people including 27 law enforcers were injured on 12 April, with four of them having shotgun pellet wounds, in yet another series of clashes between several thousand garment industry workers and police at Fatullah of Narayanganj near the capital. The three-hour

clash, that ensued after police had tried to refrain a group of garment workers from demonstrating for a salary hike adjustment on a par with other garment factories in the area, turned Dhaka-Narayanganj link road into a virtual battlefield. Police fired shotguns and charged batons when several thousand demonstrating workers attacked the law enforcers with sticks and brickbats during the clash, which local residents alleged had been incited by Sramik Kalyan Federation, labour front of Islamist party Jamaat-e-Islami.

Islamists launched protest against National Women development Policy:

Islamist bodies launched massive protest against national women development policy (which allegedly gives equal inheritance rights to sons and daughters to parental property) announced by the government. Police intervened to disperse protestors leaving more than 200 people injured and detention of many others. Later on processions were launched by Islamists for release of their fellows.

AL asks government to take action against communal forces:

The Awami League on 12 April accused the Jamaat-e-Islami Bangladesh of spreading violence over the women development policy and called on the government to take stern action against communal forces for violating the state of emergency.

Maldives

Political front:

Army deployed in Maldivian capital to curb gang violence:

Separate incidents of violence have led government to deploy troops in Capital. Maj Ibrahim Asfal from the Maldivian National Defence Force (MNDF), while clarifying the motive behind deployment claimed that this action has been taken to curb violence hence should not be considered as curfew.

Maldivian trade minister resigns:

Minister of Trade and Economic Development Mr Mohamed Jaleel has submitted his resignation from his cabinet post on 7 April. Though it is not clear at this point time as to why Mr Jaleel submitted his resignation. Yet many believe this a move made by President Gayoom to bring his half brother and powerful leader of People Association (PA) Mr Abdullah Yamin back into the cabinet. Mr Yamin has served the government for a long time as the trade minister.

Geo-strategic front:

Maldives, Djibouti establish diplomatic ties:

Maldives and the Republic of Djibouti established diplomatic relations on 9 April. The joint communiqué formalizing diplomatic relations between the two countries was signed on behalf of the Maldivian government by Mr Hussain Shihab, ambassador of the Maldives to Saudi Arabia and by Mr Dya-Eddin Said Bamakhrama, ambassador of the Djibouti Republic to Saudi Arabia, on behalf of the Djibouti government. The ceremony was held at the Maldives mission in Riyadh, Saudi Arabia.

China hands over tsunami rebuilding site to Maldives:

Officials from China on 9 April handed over to the Maldivian government a housing project aimed at accommodating residents moving from surrounding small environment-vulnerable islands.

Social front:

Maldives police arrest five foreigners for smuggling drugs:

Maldives Police Services has revealed that five foreigners have been arrested on drug charges. Police informs that four of the arrested are Pakistani nationals and a national of Tanzania.

Myanmar

Political front:

Myanmar's constitutional referendum will be held on May 10:

Military junta of Myanmar announced that Myanmar's referendum to endorse a military-drafted constitution will be held on May 10.

Myanmar publishes text of military-backed proposed constitution:

Myanmar's military junta published the text of a proposed new constitution on 9 April that would guarantee the military a continuing role in government and ban Nobel Peace Prize laureate Aung San Suu Kyi Critics have denounced the proposed charter, to face a national referendum next month, as undemocratic and designed to perpetuate military rule. They also have criticized the junta for not releasing it earlier, since a committee hand-picked by the military completed it Feb. 19.

Myanmar pro-democracy party calls for international observers at constitution vote:

Myanmar's main opposition party called on international observers to take part in the country's referendum on a new constitution that critics say would perpetuate military rule. Nobel laureate Aung San Suu Kyi's National League for Democracy party said the May 10 referendum "cannot be free and fair" because the rules are stacked against the military regime's opponents. The NLD statement further said that the military government is allowed to campaign openly and without restriction in favor of the proposed constitution, while the party and pro-democracy activists are denied freedom of speech and face restrictions and harassment. The United Nations, which has been trying to promote democratization in Myanmar, urged the country's ruling junta to make the referendum "inclusive and credible."

Junta begins bid to convince people to endorse constitutional referendum:

The Burmese military junta has initiated a "Vote Yes" campaign and is staging "referendum exhibitions" across the country in a bid to convince the people of Burma to endorse its constitution in May's referendum.

Burma tightens security as "vote no" campaign reportedly gains momentum:

The momentum of the "Vote No" campaign against the military-drafted constitution is growing and spreading among the public in urban areas. Meanwhile, the military authorities are tightening security and deploying more security guards in Burma's main cities. The "Vote No"

campaign started in earnest last week during the country's Armed Forces Day when more than 30 demonstrators sporting T-shirts declaring "NO" staged a protest in Rangoon urging voters to reject the constitution in the upcoming referendum. According to a campaign organizer in Burma's second city, Mandalay, the campaign quickly gained support on April4 after the main opposition party, the National League for Democracy (NLD), called on voters to cast a "No" vote in the constitutional referendum next month.

Activists demand UN action to end 'suppression' in Myanmar:

More than 500 activists led by four monks held a demonstration on 11 April outside the United Nations headquarters, demanding that the world body act decisively to end "suppression" in Myanmar and force the military government to move towards democracy. Shouting slogans and carrying placards calling for the release of all "prisoners of conscience" including pro-democracy leader Aung San Suu Kyi, they accused the military regime of jailing several thousand students, Buddhist monks and pro democracy activists.

Foreign Stance:

Bush condemns Myanmar after meeting with Singapore minister:

U.S. President George W. Bush and Singapore Senior Minister Goh Chok Tong urged Myanmar's ruling military junta on 9 April to begin talks with opposition forces.

US said it has misgivings about Myanmar's new constitution draft:

The United States expressed its serious concerns about a new draft of Myanmar's constitution that the country's ruling generals intend to put to a vote next month. State Department spokesman Sean McCormack said that it appears intended only to perpetuate the country's military rule and does not provide for a dialogue with opposition forces. He further added that the constitution does not give much hope for democratic change.

Geo-strategic developments:

India and Myanmar signed cooperation agreements:

India and Myanmar have signed agreements on multi-modal transit transport project and double taxation avoidance, which aim to increase their bilateral trade. The signing took place during a five-day visit to India by Myanmar's Vice Senior General Maung Aye, beginning on April 2.

Bhutan

Political front:

Bhutan King confers official responsibility on new PM:

His Majesty the King conferred official responsibility to the new Prime Minister, Lyonchen Jigmi Y. Thinley, at the administrative and religious centre on 9 April. Afterwards on 10 April 10 cabinet colleagues, whose names were cleared by the Druk Phuensum Tshogpa's (DPT) executive committee, also assumed their office.

Bhutan court dismisses poll petition against winning party:

The High Court on 7 April dismissed the election petition filed against the Druk Phuensum Tshogpa by two representatives of the People's Democratic Party (PDP) on the grounds that it failed to present prima facie evidence. A press release from High Court said the petition was dismissed in accordance with the Election Bill and the Civil and Criminal Procedure Code since the allegations were found to be "speculative" and based on insignificant circumstantial evidence and hearsay that were not related to the election. The press release also said that there was no evidence of the electronic voting machine (EVM) being tampered with as stated in the petition.

Anti-democracy protest in Bhutan:

Almost two weeks after Bhutan's first parliamentary election hundreds of people gathered in Thimphu, the capital, to petition the Dragon King to bring back absolute monarchy. They oppose democracy because of having strong reservations regarding one-party system that seems to be the case in Bhutan.

Canada and Japan congratulate Bhutan on successful poll:

The ambassadors of Canada and Japan have congratulated Bhutan's on its successful conduct of the National Assembly elections.

Geo-strategic front:

Bhutan and India sign power tariff agreement:

Bhutan and India signed the protocol to the agreement on Tala Hydroelectric Project Authority (THPA) and the protocol to the agreement on Kurichu Hydro Power Plant (KHPP) on 6 April.

Social front:

Bhutan gets first private mobile phone firm:

The first private cellular company, Tashi InfoComm Limited, was formally launched on 6 April, in six districts.

Bhutan study finds recorded crime rising:

A study done by Kuensel on court cases from 20 districts from 1997 to 2007 showed an increasing number of assault, battery, rape, theft, and monetary, inheritance and matrimonial cases, among others. The data also showed that new and emerging cases like drug abuse, economic offences, white-collar crime, child rape and cultural vandalism have increased significantly. While discussing reasons Chief Justice Sonam Tobgye said that factors like more legal awareness, better accessibility, friendlier courts, more empowerment to the people, better statistical reporting and detection by the police are responsible for the high number of these cases coming to court. But he also admitted that modernization and changing times were playing an important role.

Nepal

Political front:

Police Fire on Protesters in West Nepal:

Police opened fire on protesters (mainly Maoists) in western Nepal, killing at least 8 people and injuring many others a day ahead of a landmark election. Police official Ram Kumar Khanal said that the officers began shooting after hundreds of protesters started vandalizing buses and smashing shops 9 April. The protesters were enraged by the slaying of a candidate in the mountainous Surkhet district. The vote in the area has been suspended. Maoist leader asked his people to stop violence in order to hold elections successfully. Meanwhile Chief of UNMIN [United Nations Mission in Nepal] Ian Martin has said that rumors about the coming out of Maoist People's Liberation Army from its camps are baseless.

Nepal Maoists abduct 22 rival party members:

The Home Ministry received reports that a group of 5060 Maoists led by Sher Bahadur Bhandari abducted 22 Nepali Congress cadres, including 13 women, from the area. To rescue them the government has sent additional team of Armed Police Force [APF] to the area.

Nepal poll chief urges cooperation for successful election:

Chief Election Commissioner Bhoj Raj Pokhrel appealed to the government, political parties, candidates, civil servants, voters, media, civil society, election observers and others concerned for support to hold the Constituent Assembly (CA) elections successfully under universal democratic principles and make its results acceptable.

Nepal journalists protest ban on entry in polling centres:

The Federation of Nepali Journalists has objected to journalists being prevented from entering certain polling centres where votes cast for the constituent assembly election were being counted.

Elections in Nepal:

Nepal votes in historic polls:

Nepal today voted in a landmark Constituent Assembly election that is expected to end the 240-year-old Hindu monarchy and bring Maoists into the democratic system amid sporadic violence that left at least three people dead. Through the proportionate voting system, 335 representatives will be chosen and 240 will come through First-Past-the-Post or direct voting system. The remaining 26 members are nominated by the new Council of Ministers. Fifty-five

political parties tried their luck in the assembly polls, including the Nepali Congress, the Maoists and the Communist Party of Nepal-United Marxist Leninist. Election results are expected to complete within 10 days.

Nepal polling postponed in seven centres:

Voting has been postponed in six polling centres in different districts following disputes between the cadres of political parties and attempts of booth capturing.

Nepal voters turn out in strength:

The turnout was logged at 67percent, a figure that was unexpected given that pre-poll violence had claimed 68 lives in the past one month of electioneering. The international community, which kept a close vigil on the process, congratulated the Nepalese for accomplishing the historic responsibility.

2 killed in Nepal election violence including candidate:

Police opened fire on a group of former communist rebels 8 April, killing one person in a southwestern village just days ahead of crucial vote to elect a special assembly to rewrite the country's constitution. Separately, unidentified assailants fatally shot an election candidate in a west Nepal mountain town. The former minister, Khum Bahadur Khadka, is from Nepali Congress, the largest political party. Two other people were also wounded.

Nepal's communist former rebels continue to lead in election early results:

Nepal's Maoist former rebels continued to sweep initial results announced in elections key to a peace process that saw them give up their 10-year armed revolt. The ex-rebels, formally known as the Communist Party of Nepal (Maoist), won 44 seats out of 79 in constituencies where counting had been completed. The Maoists were leading in most of the other areas where votes were still being tallied. The traditionally powerful, centrist Nepali Congress was trailing with only 12 seats and the Communist Party of Nepal (United Marxist-Leninist) had 14 seats. The Maoists' leader, Prachanda, whose rebel nom de guerre means "the fierce one," won a seat representing Katmandu, the capital.

UN Mission chief urges parties to accept Nepal poll results:

The United Nations Mission in Nepal (UNMIN) has called on the political parties and leaders to accept the people's decision reflected through the constituent assembly (CA) election, which it said was conducted, by and large, in a peaceful and orderly manner.

Nepal southern plains party alleges rigging, demands re-poll:

The chairman of the Terai Madhesh Loktantrik Party (TMLP), Mahantha Thakur, has alleged that incidents of booth-capturing and clashes took place in Sarlahi area with the support of the local administration and demanded a re-poll at 24 polling centres. Thakur also claimed he had informed the election officer and district officials about the possibility of rigging but they had shown indifference.

Foreign stance about Nepalese elections:

Former US President Jimmy Carter appreciated Nepalese poll. European and Asian observer missions appreciated Election Commission for holding historic elections successfully. They called elections to be largely free and fair. India and China also hailed Nepalese elections. NGOs have also declared elections to be free and fair. All the while Prime Minister Girija Prasad Koirala and other top leaders also congratulated all Nepalis for making the constituent assembly [CA] election a success.

Srilanka

Political front:

Tamil Tigers targeted after MP's death:

Sri Lanka's air force intensified bombing raids on rebel positions on 7 April after a suicide attack killed a cabinet minister and 14 others.

US, EU, Australia condemn Sri Lanka minister's killing:

A number of countries have condemned the LTTE [Liberation Tigers of Tamil Eelam] suicide attack which claimed the lives of Minister Jeyaraj Fernandopulle and several others on 6 April. The United States Embassy denounced this vicious and reprehensible terrorist attack on civilians

in the strongest possible terms. It said that its perpetrators have achieved nothing other than to cause further suffering among the people of Srilanka. Only a political solution, not continued violence, offers the way forward to end the country's conflict. The Commissioner for External Relations and European Neighborhood Policy, Benita Ferrero-Waldner on behalf of the European Commission also expressed deep shock on the terrorist attack in Sri Lanka. Australia too condemned the suicide attack. All proposed peaceful solution to the ongoing turmoil.

17 rebels, two soldiers killed in Sri Lanka:

The fighting was spread out the Welioya, Mannar, Jaffna and Vavuniya areas, more than 250 kilometers north of the capital as troops conducted an offensive in rebel-held areas. As a result Government troops killed at least 17 Tamil rebels and lost two soldiers in northern Sri Lanka.

Geo-strategic front:

Slovakia sells missiles to Sri Lanka in breach of EU export rules:

The rules of the European Union prohibit the sale of military materiel to areas of conflict, such as Sri Lanka. However, the EU is not able to force Slovakia to respect the rules. The Slovak Economy Ministry has approved a shipment of 10,000 military missiles to the Sri Lankan Government. Sri Lanka is not on the list of countries subject to the embargo on arms exports, but the deal constitutes a violation of the European Union Code of Conduct on Arms Exports.

Tamil have global funding net:

The Washington Times recently reported that the Tamils organization, designated as a terrorist group by the U.S. State Department, has set up "branches" in at least a dozen countries to buy weapons and fund the fight to overthrow the Sri Lankan government and create an independent state for the Tamil minority.

India

Political front:

PM Singh adds young faces to Indian Cabinet:

Indian PM Singh has shuffled his Cabinet ahead of national elections due next year, sending back effective grassroots organizers for party work and appointing several young MPs to junior ministerial posts.

India's top court upholds government affirmative action plan for lower caste students:

India's top court on Thursday upheld a government program reserving more than a quarter of seats at the country's top government-funded schools for members of the lower castes. The Supreme Court, however, ruled that lower-caste students belonging to financially well-off families should not be allowed to benefit from the program. The government hailed court ruling and called it to be a very historic judgment.

Geo-strategic front:

India, Turkmenistan to work on gas:

India and Turkmenistan signed a memorandum of understanding on a pipeline that will carry gas from Turkmenistan to India.

India-Africa Relations Re-Energized in First Forum Summit:

The first India-Africa Forum Summit opened in the Indian capital New Delhi on 10 April. The two-day summit has been attended by representatives from India and 14 African countries--Algeria, Libya, Egypt, Ethiopia, Uganda, Kenya, Tanzania, the Democratic Republic of Congo, Ghana, Senegal, Nigeria, Burkina Faso, Zambia and South Africa. Summit focused primarily on existing economic and strategic ties between India and Africa however put great emphasize on further enhancement of ties. While discussing inflation and its challenges Africa and India jointly demanded urgent global intervention to rein in the crude oil price hike, which they said was hurting their economies. Summing up the conclusions of the historic Indo-African partnership Forum held in Delhi, African Union (AU) Chairman and President of Tanzania, Jakaya Mrisho Kikwete said if the situation was allowed to persist, all the economic growth gains they have achieved risked being reversed.

Tibetan issue:

New Delhi has said the unrest in Tibet does not change India's basic position that Tibet is an autonomous region of China and that the Dalai Lama is a spiritual leader of the Tibetans.

Tibetans in Indian capital protest against Chinese "atrocities":

Hundreds of Tibetans from across north India 12 April gathered to pray for those killed in their homeland during anti-China protests. Some youths staged a street play depicting Chinese "atrocities" in the Himalayan region.

China think-tank attacks India calls it 'arrogant':

The Chinese military establishment has gone on an overdrive with its anti-Indian rhetoric, calling it "arrogant" and warning it to stay away from a "path of confrontation". According to a Chinese defence think-tank, recent military exercises and re-positioning of troops in north Bengal was a kick-start reaction by "an arrogant" India.

India, Pakistan to resume talks:

The new Government in Pakistan, led by the Pakistan People's Party (PPP), has invited India for composite dialogue on May 20 and 21.

Kashmir dispute requires a tripartite solution:

Yadav, the president of Janata Dal United (JDU), said during a two-day visit to Jammu and Kashmir, that a solution was possible only if representatives of the Indian and Pakistan Governments, and various Kashmiri outfits sat across the table and discussed their differences threadbare. He also claimed that despite several promises made to the people, the present coalition government in the state had failed to address basic issues like unemployment; terming the present ban on government jobs as sheer injustice with the people of state.

India urged to take the lead to end Sri Lanka conflict:

Two Sri Lankan leaders - one a cabinet minister and one from the opposition - and Indian politician Vaiko have urged India to play an active role to help end the island nation's protracted ethnic conflict.

Economic front:

Indian minister says inflation government's "biggest worry":

Finance Minister P. Chidambaram 13 April warned of "strong measures" if some sectors behave "irresponsibly" to moderate prices. He said inflation is the "biggest worry" and the government would not hesitate to take more fiscal measures even at the cost of sacrificing some badly needed revenues.

Prices touch 3-yr high:

Indian inflation rate has jumped from 5 per cent to 7.41 per cent, the highest since November 2004, according to official data. Concerned about the political fallout of the rising cost of living in an election year, the government has brought a slew of measures, including reduction in duties on several products, to rein in prices. But there has been little impact, as much of the spike has come on the back of a global surge in prices of food and commodities including minerals and metals such as iron ore and steel.

IMF asks India to take immediate steps to control inflation:

Describing the soaring inflation in India as "a politically hot issue", the International Monetary Fund (IMF) on 12 April asked the Indian government to take immediate steps to arrest prices before the problem becomes entrenched and spills over.

Left and BJP attack govt on soaring inflation:

Women activists of the Bharatiya Janata Party (BJP) took to the streets on 11 April to protest against the rising prices of essentials commodities. Shouting anti-government slogans, the activists blamed the present Congress-led United Progressive Alliance (UPA) for its failure to check rising prices. The Left and the BJP also joined ranks to take on the government on soaring inflation with the CPI warning that the UPA will pay a political price if it fails to tackle the problem while the Centre said it was a global phenomenon and it had no "magic wand" to bring down rising prices immediately.

Inflation control becoming difficult:

Indian PM claimed that the steep increase in prices of food and essential commodities was making inflation management a difficult task and could "hurt" macroeconomic stability.

Govt measures may not ease food prices:

"The rise in food prices is a global phenomenon and is not specific to India. The stand alone policies are not likely to work," IDBI said in a study 'Rising Food Prices and Inflation - Global and India'. It further added with few policy options, the government measures to arrest inflation are not likely to have any impact on food prices.

Indian official calls for Sino-Indian cooperation on food prices:

An Indian official on 11 April called for immediate cooperation between India and China on agriculture to fight soaring food prices, which are pressing problems for both populous countries.

Malaysia

Political front:

`Personal agenda cause of party's poor show':

The refusal by certain state UMNO chairmen to listen to division chiefs on the selection of candidates is a reason for the party's poor showing in the general election. Seremban UMNO division Chief Datuk Ishaq Ismail said certain chairmen or Mentris Besar felt that they were too big to listen to the views of the division and branch leaders who knew best the situation on the ground. He further urged that a thorough study be carried out on certain state chairmen and Mentris Besar on the strategies they used for the election.

Govt determined to carry out reforms and reengineering:

The government has assured its determination to carry out reforms and reengineering in terms of the political, administrative and policy aspects to regain public confidence in the government after the general election last month. The Deputy Prime Minister said the government had the

political will and commitment to undertake the reforms after receiving the general election results in an open manner.

Malaysians want one BN multiracial party:

Malaysians want to see a single multiracial party emerge from the Barisan Nasional, reflecting a maturing political consciousness and desire for reform. A substantial number of Malays no longer believe voting across ethnic lines is a betrayal of their race, according to the Merdeka Center's latest survey. Overall, two in three voters surveyed, including a majority of Malays, believe the BN component parties should merge. Roughly one in two Malays no longer believe voting for the Chinese-dominated DAP is a betrayal of their race, according to the survey of more than 1,000 voters in Peninsular Malaysia.

Economic front:

Malaysia puts spotlight on price control and subsidy:

The Cabinet Committee on Inflation chaired by Prime Minister Abdullah Ahmad Badawi has raised the frequency of its meetings to once a week every Monday. Domestic Trade and Consumer Affairs Minister Shahrir Abdul Samad said the move showed that the government was giving much emphasis on controlling the prices of goods and management of all types of subsidies including fuel subsidy.

Social front:

Pig farm plan sparks protests:

Malaysia's fragile multi-ethnic opposition coalition is being rattled by a religious row over the construction of a pig farm in Selangor state, where the coalition won power in recent elections. The issue has sparked uproar among some Muslims in the state, who say the coalition has betrayed the trust voters gave it when it promised to respect Islamic sensitivities. Approval of the farm in Sepang, a rural area about 50km east of the capital where Muslims predominate, was one of the first acts of the new state government, headed by Chief Minister Khalid Ibrahim. A loose coalition of three opposition parties - later formalized as the People's Front - won five states in the March 8 general election, including Selangor. It has come under attack by some

Malays who see it as dominated by non-Muslims - especially the economically dominant ethnic Chinese.

Indonesia

Political front:

Indonesia says Olympic torch cannot be used for political propaganda:

Indonesian National Sport Committee chairperson Rita Subowo said that the international Olympic torch relay cannot be used for disseminating political propaganda, as it was against the Olympic charter. The chairperson said that Indonesia, which the torch will pass through on April 22, would stick on the rules. Infact many activists in some countries have used the moment to deliver their message of opposition against China on the recent riots in Tibet.

President instructs military and police personnel to be neutral in elections:

President Susilo Bambang Yudhoyono instructed all military and police personnel and other state institutions to remain neutral in implementing regional head and next year's general elections. The president also reminded them about the need to provide correct political education to the people and to uphold ethics in implementing their political activities. He took as example of the implementation of regional head elections where contestants should avoid being trapped in efforts to topple each other.

Gas project will probably fuel tensions in Papua:

A coalition of 30 international human rights organizations has warned that a new $6US billion gas project could worsen the security situation in Papua, the troubled Indonesian region that has recently experienced a rise in tensions. The Tangguh liquefied natural gas project in Bintuni Bay is spearheaded by BP, which owns more than 37 per cent of the operations and claims to have secured contracts with China, South Korea and the US. The fields contain 407 billion cubic metres of gas and should be operational later this year.

Aceh leaders against regional division:

Former Aceh rebel group leaders have called on the Indonesian government to deny demands for the creation of new provinces in Aceh for the sake of peace building in the once war-torn territory, on 10 April. The call followed a round-table meeting between government officials and Aceh figures who met in Jakarta on April 6-7for talks to follow up the Aceh peace accord signed in 2005.

Indonesian separatists seek recognition from Melanesian countries:

A new coalition of pro-independence groups from Indonesia's easternmost province of Papua says it is seeking diplomatic recognition from Melanesian countries in the Pacific. The West Papuan National Coalition for Liberation is made up of 28 pro-independence groups based in the Indonesian province of Papua and its neighboring countries. Vice-chairman Dr John Ondowame says it is seeking observer status from the Melanesian Spearhead Group [MSG], which is made up of Papua New Guinea, Vanuatu, Fiji, Solomon Islands and the indigenous FLNKS political party in New Caledonia [Kanak Socialist National Liberation Front] as a first step towards wider diplomatic recognition.

Economic front:

Fastest price rise in Indonesia:

Prices in Indonesia last month rose at the fastest pace in 18 months. The inflation rate reached 3.41 percent in first quarter, more than half the government's full-year inflation target of 6.5 percent, due to rising global prices of commodities such as soybeans, flour, corn and rice. The high price of key commodities increases the burden on poor households, which spend most of their income on food. To lower the price of key commodities, the government has implemented measures such as removing the import duty on soybeans and subsidizing rice for poor people.

Philippines

Political front:

Leftists oppose excessive powers of President to deal the issue of rising prices:

Leftist Groups opposed giving President Macapagal Arroyo emergency powers to address the rising prices of rice and other commodities, saying policy reform and the political will to implement them were the best solution to the nascent food crisis. President Arroyo in response urged her political critics to stop investigating allegations of corruption against her government and instead join efforts to ensure food security. While talking about rice crises President asked people not to panic and assured that their country will soon overcome this issue.

Philippines police find explosives in suspected Al-Qaida lair:

Police raided a suspected al-Qaeda terrorist lair in Alaminos, Laguna on 9 April and recovered explosive materials believed to have been earmarked for bomb attacks on foreign embassies in Manila.

Philippine police blame Abu Sayyaf for abduction of six Muslims:

Philippine police blame Abu Sayyaf for abduction of six Muslims in Sulu province:

The Abu Sayyaf bandits allegedly abducted six Muslims in the town of Maimbung in the province of Sulu. The police said that the victims were onboard a jeep carrying six drums of gasoline when they were ambushed in Kulasi Village.

OIC to send mediator to Philippines to patch up split between Muslim factions:

The Organization of the Islamic Conference (OIC) has expressed deep concern over the internal problem of the Moro National Liberation Front (MNLF) brought about by the election of Mayor Muslimin Sema as new chair. Sema, former MNLF secretary general, was named to replace jailed leader Nur Misuari during a meeting of the MNLF Central Committee in Pagadian City on April 1. Members loyal to Misuari said they were not recognizing Sema. But Alvares Isnaji, an MNLF leader in Basulta (Basilan-Sulu-Tawi-Tawi) and Palawan, said 99 per cent of MNLF forces, field commanders and committee chairpersons" have endorsed Sema."

Philippine mainstream Moro group to boycott autonomous Muslim Mindanao polls:

The mainstream Moro National Liberation Front announced on 13 April their group will boycott the Aug. 11 Autonomous Region in Muslim Mindanao (ARMM) elections. This decision was approved during the Bangsamoro People's Congress attended by some 300 key MNLF leaders held in Marawi City over the weekend.

Twin Blasts Hit Philippines:

Two blasts occurred in Roman Catholic cathedral compound and a bank in the southern Philippines, however no one was injured. Police suspected Al-Qaeda for the blasts.

Thailand

Political front:

Appointed-senator Prasarn says amendments could lead to major political conflicts:

Appointed-Senator Prasarn Maruekapitak believes that the government would like to amend the 2007 Constitution because it wants to specially amend Act 237 to avoid the party dissolution case and Act309 to abolish the Assets Examination Committee (AEC). Mr. Prasarn says such amendments could lead to a political situation outside the Parliament, and major confrontations may occur. Mr. Prasarn says he personally thinks that the charter has just passed the referendum last year, and the government should wait for about two to three years before deciding to amend it.

A prominent social critic says Thai society dangerously divided:

Prominent social critic Thirayuth Boonmi has warned that Thai society is reaching breaking point and that the country is now more divided than at any time in the past. He said national unity is fading with divisions among people of different regions emerging. The polarization between grassroots people in rural areas who support former Prime Minister Thaksin Shinawatra and the middle class who oppose Mr Thaksin is widespread. He stressed that this conflict is probably the most serious one Thailand has ever faced and must be sorted out straight away. More importantly, he noted, the armed forces, technocrats and members of the bureaucracy have proved to be unable to keep up with the times and manage a crisis efficiently. He further added that the country is also in a serious moral decline. Many Thais tend to view corruption as an accepted social norm.

Thailand's southern unrest two soldiers wounded in Yala bombing:

Two Thai soldiers were wounded in a roadside bomb blast in the southernmost border province of Yala. The bomb was detonated as six soldiers patrolled an area in the provincial seat.

Muslim separatist group asks for peaceful solution to conflict in southern Thailand:

One of the major groups associated with a Muslim separatist insurgency in southern Thailand, the Pattani United Liberation Organization, said it wants to work with the Thai government to find a peaceful solution to the fighting.

Thai cabinet adopts growth plan for southern region:

Thailand's cabinet has endorsed five new strategies to improve the economy of the southern border provinces, in a bid to bring peace and security to the area. The plans were proposed by the Southern Border Provinces Administration Centre (SBPAC) and endorsed by the National Economic and Social Development Board (NESDB) on April 8. They aim to ensure safety and justice for all people, solve the low-income problem, develop employment for the local people, strengthen the economy in each area and improve administration of the special economic zone.

Economic front:

Thai central bank chief confident of Thai economy:

Bank of Thailand (BoT) governor Tarisa Watanagase voiced confidence that the Thai economy remained strong enough to cushion the effects of a possible global economic slowdown on the kingdom. While pointing out the challenges that Monetary Policy Committee will face in future include pressure from higher priced products and a financial policy aimed at stabilizing the inflation rate. She further said that the central bank wanted to see the inflation rate drop to a low and stable level. Meanwhile the Monetary Policy Committee, Thailand's interest-rate setting authority under the Bank of Thailand, announced that the benchmark rate will stay at 3.25 per cent per annum due to concerns over inflation during the first quarter of the year.

Social front:

Thailand new anti-drug campaign to reduce spread of drug problem:

The Government has launched a new anti-drug campaign in an effort to reduce the spread of the narcotics problem and ease people's suffering from the drug menace. The six-month campaign, which started on April 1 and will run through September 30 this year, is carried out

under the slogan Thai people join forces to free the country from drugs. Deputy Prime Minister and Education Minister Somchai Wongsawat stressed that the Government was serious about fighting the drug problem, as evidenced in its policy statement, which listed this problem as an urgent issue to be tackled in the first year of its term in office.

Singapore

Political front:

Singapore premier warns torch protests will have consequences:

Singapore Prime Minister Lee Hsien Loong warned on 11 April that outrage among China's young over the Olympic torch relay protests would have consequences well beyond the Beijing Games. He further said that said that instant information through satellite television and the internet might have great economic benefits but it has also caused people to respond to unfiltered, raw information or misinformation without the benefit of informed interpretation.

Singapore continues to inculcate racial harmony:

Singapore continues to inculcate racial harmony by improving interracial relations, including between the other races and the minority Malays. 24 non-Malay students were adopted by 10 Malay Muslim foster families in a home stay programme organized by the Harmony Centre of the Islamic Religious Council of Singapore (Muis) and Language Centre of the Education Ministry in Bishan, on 12 April.

Economic front:

Tackling inflation needs multiple measures:

Singapore's economy grew 7.2 per cent in the first quarter, beating economists' expectations. In its monetary policy statement announced alongside the flash growth estimates, the Monetary Authority of Singapore (MAS) said that it has decided on an 'upward shift' in the range in which it manages the Singapore currency. 'An upward shift of the policy band will help to moderate inflation going forward while providing for sustainable growth in the economy,' the central bank said in its twice-yearly review. 'Inflation is expected to remain high until the middle of the year

before easing in the second half,' it added. The move, unexpected by the market, sent the Singapore dollar to a record high against the US currency. The MAS uses the Singapore dollar exchange rate as its main inflation management tool. A stronger currency helps reduce the surging cost of imported food, which Singapore is dependent on. Indeed, the local currency rose 1.8 per cent to $1.3572 against the greenback on 10 April. Experts now reckon that the Sing dollar could reach $1.32 by year-end. The move came as oil prices hit a new high of $112US a barrel on 10 April and as commodities like soybeans, corn and copper traded just below their peaks. According to official estimates, inflation is set to hit 4.5-5.5 per cent this year, but many private sector forecasts exceed this.

Vietnam

Geo-strategic front:

Vietnam urges closer Asia-Middle east cooperation:

Vietnam has made a call to Asian and Middle East countries to intensify their cooperation in culture, health care, education and labour in addition to economic, trade and investments ties.

Albanian president wants to expand economic cooperation with Vietnam:

Albanian President Bamir Topi said that Albania is always interested in developing the relationship with Vietnam though its current top priority is to integrate to Europe.

Economic Front:

Vietnam proposes eight ways to deal with inflation:

To counter challenges posed by inflation Vietnamese government proposed eight specific measures to combat inflation, stabilize the macro-economy, maintain a sustainable growth and ensure social welfare. The eight measures devised by the Government are appropriate; however, it will take time to reduce the inflation rate, depending on each measure and the ways they are implemented. The results will be seen in the future.

Cambodia

Political front:

Cambodia's parties urged to register for election:

Cambodia's National Election Committee (NEC) on April 8 requested all political parties to register for the country's general election from April 28 to May 12. Cambodia's laws stipulate that when registering for the general election, each political party will have to pay a deposit of 3,750 USD. The money will be only repaid for those parties that will win at least one parliamentary seat in the upcoming general election slated for July 27.

Cambodian pm opposes using Olympics for Tibet, Sudan protests:

The Royal Government of Cambodia opposes the use of the upcoming Olympic Games in China as a political platform to protest issues in Tibet and Sudan. He added that Cambodia is not a base for a country to organize activities against another country. All the while he also reaffirmed the Cambodia's irreversible stance to the "One Chine Policy."

Record Number of Signatures Collected for Anti-Corruption Petition in Cambodia:

Almost one million signatures have been collected for a petition demanding that the government step up anti-graft efforts in Cambodia. The Cambodian government has come under growing international pressure to tackle corruption in the country, especially with respect to the issue of illegal land seizures. Cambodia was ranked 151 out of 163 in Transparency International's 2006 corruption index. The government is also coming under growing domestic pressure to tackle graft in the presence of rising commodity prices in the country, where one third of the 14-million-population live on less than $0US.5 per day. Taking action on this will be crucial ahead of a parliamentary election in July, which could erode the majority held by the Cambodian People's Party.

Geo-Strategic front:

Vietnam donates rice seeds to Cambodia:

The Committee for Southwestern region of Vietnam has donated 300 tonnes of rice seeds to Cambodia to help local farmers with the crop cultivation.

Premier Hun Sen thanks China's efforts to promote investment in Cambodia:

Prime Minister Samdech Akkak Moha Sena Padei Decho Hun Sen received on April 7 in Phnom Penh a visiting Chinese delegation led by President of the People's Assembly Standing Committee of Guangxi province of China Guo Sheng Kun. Mr Guo expressed his satisfaction of the Guangxi-Cambodia cooperation and promised to promote Chinese investment to Cambodia in the fields of tourism, agriculture, electricity and especially railway transportation. For his part, the Cambodian premier highly appreciated Mr Guo's willingness to promote Chinese investment to Cambodia, particularly in the railway transportation which Cambodia is lacking.

Australia to provide financial aid to Cambodia's election:

Australia has decided, added Pen Ngoeurn, to provide AUD 570,000 (about US$ 530,000) for the upcoming general election's organization in Cambodia in order to contribute in promoting democratization in the kingdom.

Thailand asks Cambodia to withdraw troops from disputed area:

The Foreign Ministry of Thailand on 10 April protested to Cambodia over its sending troops to the disputed area around Preah Vihear- the ancient ruins on the border between the two countries. He said it was a violation of the 2000 memorandum of understanding (MoU) between the two countries over the Preah Vihear area. Under the MoU, both countries agreed not to do anything to change the area in question. This is the fourth time in five years that Bangkok has protested to Phnom Penh over the issue. The previous diplomatic protests were in 2004, 2005 and 2007 and involved the establishment of a state office, a temple and a road in the disputed area by Cambodia. Thailand's protests have not resulted in any changes, however.

<u>Economic Front</u>:

Cambodia agricultural development helps Cambodia reduce poverty:

Cambodian Prime Minister Hun Sen has affirmed that developing agriculture is a key to reduce poverty and a motive force for the development of other economic sectors in the country. He expressed his hope that the poverty rate in Cambodia would go down to below 30 percent this

year. Fast and sustainable development of Cambodia's agricultural sector helped the country reduce the poverty rate from 47 percent in 1994 to 34 percent in 2004, according to the government's statistics. Moreover, the sector has contributed to raising Cambodia's per capita income from 247 USD in 1994 to 513 USD in 2006. More than 70 percent of Cambodia's population is working in the agricultural sector, producing about 35 percent of the country's GDP.

Cambodian GDP hits 8.4 billion USD:

Secretary General of Cambodian Ministry of Economy and Finance Huang Chuon Naron said with the gross domestic product (GDP) hitting 8.4 billion USD in 2007, Cambodia now has a per capita income of 589 USD, double the figure of the previous 10 years, said government sources. He added that as the economy has developed, the poverty rate in Cambodia has also reduced to 31 percent from 35 percent in 2004. He also predicted Cambodia would maintain the same pace of growth in the coming years, given stable economic development in recent years. However Cambodia's economic growth is expected to slow to 7.0 percent this year according to the report of UN Economic and Social Commission for Asia and the Pacific.

Cambodia's Opposition Party Leads Protests against Rising Food Prices:

Cambodia's main opposition, the Sam Rainsy Party, led a rally of about 300 people outside the parliament in the capital Phnom Penh 6 April. The protestors were calling on the government to take measures to tackle the country's double-digit inflation, which is hovering at 11%. Sam Rainsy called on the government to "reduce the prices of essential items or to increase salaries in line with inflation", in a statement to reporters. Approximately 100 anti-riot police were present to prevent protestors from entering neighborhood markets.

ADB extends 300 million USA loan to Cambodia:

The Asian Development Bank (ADB) has decided to provide nearly 300 million USD in loan to support development projects in Cambodia.

Laos

Geo-strategic front:

ADB, UNIDO help Laos develop first special economic zone:

The Asian Development Bank (ADB) and the United Nations Industrial Development Organisation (UNIDO) agreed to provide a financial support of 950,000 USD to help Laos develop the Sava-Seno Special Economic Zone. A memorandum of understanding (MoU) to this effect was signed recently by representatives from the Lao Government, the ADB and the UNIDO. Under the MoU, ADB and UNIDO will grant technical assistance for the building of Laos's first SEZ within 27months, including mapping transportation network, raising management capacity of local officials and making regulations for the zone. The project is hoped to help Laos take geographical advantages of the Sava-Seno zone and turn it into a centre of industry, trade and tourism.

Germany provides 235 million euro to Lao agriculture:

The German government decided late last week to provide 23.5 million EUR to support the agricultural sector in Laos. The assistance, under the 2008 German financial support scheme for Laos, will be allocated to developing agricultural production in Northern provinces of Luang Namtha, Oudomxay, Sieng Khuang, Bokeo, Phongsaly, Sayabouly and Houaphan.

Turkish, Lao foreign ministers view ties, sign economic cooperation deal:

Turkish FM and Chief Negotiator for EU talks Ali Babacan met Deputy Prime Minister and Minister of Foreign Affairs of Lao People's Democratic Republic Thongloun Sisoulit at the Ministry of Foreign Affairs in Ankara on 7 April. Both discussed bilateral ties and planed to sign economic deal in near future.

Japan helps Laos reduce poverty and develop SMEs:

Two Japanese funds have decided to grant a package of 2.37 million USD to help Laos carryout projects in poverty reduction and small- and medium-sized enterprise (SME) development. The agreement signed in Vientiane on April 9 outlines the Japanese Special Fund and the Japanese Fund for Poverty Reduction will donate the money through the Asian Development Bank.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH ASIA

Nadia Tasleem

Articles Review

Presentation: 22 April 2008

This report is based on summaries of ten short articles along with a South Asian bulletin published by CSIS. Articles mainly cover political and economic issues being faced by various states of South and East Asia. First two articles entitled as *India and Africa Partnership: Opportunities and Challenges* and *Philippines: A Stronger Revolutionary Movement* are different from all others as the first one elaborates growing ties of India with African countries, identifies main areas of cooperation, points out key challenges and gives recommendations to cope with those challenges. However the second one discusses drawbacks of Philippines ruling regime that has brought sovereign state of Philippines under subordination of the US and other imperialists of the world. Next three articles under the headings of *Election, and Maoists, Could Transform Nepal, Nepal's Maoists heading to victory in election* and *Maoists Head to Victory in Nepal's National Assembly Election* are about Nepalese elections. These articles shed light on Maoist victory in Nepalese elections, reasons behind their success, likely future scenario of Nepal and US, Indian and Chinese concerns in this regard. Yet another i.e. *Elections in South-East Asia: Voting for more of the same* discusses political situation of various East Asian states. It further points out weaknesses in political systems of these states and emphasizes on the need to bring major reforms to follow democratic path. The other one named as *EC should keep above intra-party conflict* criticizes Bangladeshi EC because of slow pace of electoral reforms because of its involvement in internal affairs of political parties. Next three articles entitled as *Inflation catches Asia unprepared, Rising inflation in Asia stings in the West,* and *Inflation undermines Asia's gains* talk about growing inflation in Asia posing major threat to common masses over there as well as to foreign investors. All of these articles discuss different aspect in terms of Asian inflation. Lastly South East Asian Bulletin has been reviewed that includes a short article, brief timeline of

significant events in South East Asia and brief explanation of three major issues prevailing in the region.

India and Africa Partnership: Opportunities and Challenges

Ruchita Beri

(Research Officer at the Institute for Defence Studies and Analyses, New Delhi)

IDSA Strategic Comments

April 8, 2008

Ruchita Beri discusses Indo-African ties in terms of the recent India- Africa Forum Summit. Writer considers that summit to be an indicator of cordial ties that exist among India and African countries. Trade has been considered as the most significant area of collaboration as it has grown from US$967 million in 1990-91 to $25 billion in 2006-07 (inclusive of oil imports). After appreciating blooming Indo-African ties writer discusses major factors that have shaped their relation in this way, strategic importance of Africa, potent opportunities that can be utilized by India in this vast region, key challenges being faced by India and recommendations to counter those challenges.

While discussing factors behind transformation of relations writer highlights few aspects in which Africans have gone through visible change. These include conflict resolution in areas like Democratic Republic of Congo, Rwanda, Sierra Leone, Liberia and Ivory Coast, adoption of democracy and good governance by many of the states as two third held multi party elections quite recently; and improved economic condition as about 20 countries have averaged a growth rate of over 5 per cent during the past decade.

Moving towards strategic significance of Africa writer briefly discusses few aspects that clearly reveal African importance for India. First, Indian growing energy needs have compelled it to diversify its oil imports. Secondly, India has started considering countries on the eastern coast of Africa to be under India's maritime strategic neighborhood. Hence to address the prevailing insecurity in the Indian Ocean given the existence of extremist organizations and criminal syndicates that traffic drugs, arms, humans, and pirate, the Indian Navy has been active in its diplomacy in the Indian Ocean. Lastly Indian industry has realized the strategic commercial importance of Africa. New economic initiatives launched by the African governments like the NEPAD have also attracted the interest of Indian investors.

While discussing major Indian interests and opportunities in Africa, writer claims that India and Africa together make up nearly a third of humanity. Politically, both share similar world views,

i.e. they acknowledge the growing North-South divide, identify with issues like reforms in institutions of global governance, and face similar challenges of instability and conflict. It is therefore quite natural that countries from Africa and India have come together to collaborate in multiple areas. Besides that human resource development and capacity building has also been pointed out as priority area for India. Other areas of cooperation include information & communication technologies where the Indian government, private sector IT and telecom companies have recognized the potential investment opportunities available in Africa. All the while expansion of power projects has been one of the priorities for African countries in recent years hence opportunities exist for Indian public and private companies for setting up power plants and harnessing alternative energy technology.

After elaborating key areas of interest for India writer discusses key challenges being faced by India in its growing partnership with Africa. Writer considers growing interest of the US, Europe and particularly China to be the potent challenge that India confronts in this region. All the while weak and fragile states with limited institutional capacity in enforcing the rule of law and governance issues also pose inevitable challenges to Indian business community. By analyzing the strength of these challenges writer recommends that India needs to implement its unique model vis-à-vis Africa as it would be difficult for her to match the pace of China, US and Europe. India ought to showcase its long term approach towards Africa, which is based on training, technological assistance and trade. India should hinge on empowering Africans and recognizing African diversity without emulating the Chinese short term approach based on extraction of natural resources.

Election, and Maoists, Could Transform Nepal

Somini Sengupta

The New York Times

April 9, 2008

This article discusses role of Maoists in Nepalese elections and likely future scenario in this regard. Maoists have been considered as controversial because of their involvement in violent activities particularly during election campaigns. Despite their announcement to end violent activities their young cadres have been found guilty of attacking candidates of opposition parties and harassing them. Maoists' involvement in such activities has raised serious concerns within rest of the political parties about Maoists' commitment to democracy. All the while Maoists' leader Prachanda has denied all such charges by saying that other political groups have also frequently used coercive measures to suppress Maoists. He added that his party has deliberately left arms in order to join political movement to bring real democracy in the Kingdom. As

elections have delayed twice before now therefore uncertainty prevails; yet security and other arrangements have reached at peak. These elections are considered as a milestone in Nepal's political scenario hence the whole world is looking at Nepalese elections in order to judge their likely impacts upon Nepal.

Nepal's Maoists heading to victory in election

Gopal Sharma

Khaleej Times

April 13, 2008

Maoists led historic elections of Nepal by winning 61 out of 108 seats. This article discusses Maoists' victory to be surprising for Nepalese government as well as analysts at home and at international forum, who were expecting Maoists to come up as the third largest party in election results. Maoists have even performed much better than expectation in Southern plains where they were thought to be comparatively week. Besides have popular rural base significant factor behind Maoists' victory is their demand for land reforms and eradication of poverty along with acceptance of privatization and acceptance of foreign investments in some sectors for the betterment of impoverished country. Maoist victory has equally surprised Indians, who face threat by their own insurgents and Americans, who have included Maoists in their terrorist list. With huge victory of Maoists many analysts have started looking at them as main agents of 'peace, democracy and economic prosperity'.

Philippines: A Stronger Revolutionary Movement

Prof. Jose Maria Sison

Report, the online publication of the Philippine Centre for Investigative Journalism

December 13, 2006

Writer strongly condemns ruling regime of Philippines by calling it subordinate to Imperial Powers including US and Japan. Ruling regime has been called as corrupt and dictatorial because of using 'war against terror' as a tool to curb opposition and illegal means to continue its rule. While pointing out major flaws in the system writers calls backward, agrarian, pre-industrial and semi-feudal character of its social economy to be the main traits. Flawed economic system of

Philippines has deteriorated living condition of its poor masses despite benefiting upper classes including feudal lords & corrupt government officials as well as imperialists. The socio-economic crisis has been further aggravated and deepened by the US-imposed policy of 'neo-liberal globalization'.

After pointing out main weaknesses in Philippines political and social system writer first discusses prospects of successful reforms in order to bring drastic change in the system. The basic reforms most in demand are meant to uphold, defend and promote national sovereignty and independence, economic sovereignty and the national patrimony, genuine land reform and industrial development, a patriotic, scientific and democratic system of culture and education and independent foreign policy. But the Arroyo regime is deaf to the demands. It continues to raise funds for all its counterproductive and corrupt purposes by seeking foreign loans at commercial rates, by increasing the local public debt and making heavier the tax burden of the people. Writers claims that despite reformers efforts to settle issues with ruling regime by means of talks and negotiations, reactionary response of current ruling government however sabotage all positive hopes of reforms.

The other way that has already been adopted by guerilla forces is revolution. If current regime will not give considerable importance to peaceful negotiations, it will have to face adverse consequences. Writer blames Arroyo's regime for increasing US interference in the state in order to gain apparent advantages that can further enhance 'all-out war' situation in Philippines. Arroyo considers use of force to be the only viable option to deal with revolutionaries in the country. However writer considers revolutionary forces to be strong enough to oust Arroyo's government.

Writer concludes by highlighting key demands of the Filipino people. These demands include reforms to advance national independence, democracy, social justice, all-round development and peace. Writer claims that such reforms can be arrived at and implemented through peace negotiations between the revolutionary movement and a government that is more enlightened and more reasonable than the present one. Otherwise oppression and exploitation will persist at intolerable levels. Thus, the revolutionary forces and people will continue to wage armed revolution for national liberation and democracy against US imperialism and its local lackeys.

Maoists Head to Victory in Nepal's National Assembly Election

Steve Herman

Voice of America

April 13, 2008

Writer discusses Maoists victory in Nepali election leading to their celebrations throughout the country even before the completion of election results. He considers their behavior to be genuine as Maoists have so far won more than half of the constituencies. Writer further mentions Maoists' leader Prachanda's reiteration about his party's commitment to work within new political system, to bring peace, to rebuild economy and to have cordial ties with the whole world. After mentioning Maoists' commitment to bring harmony and stability in the country writer asks US to reconsider its stance about Maoists and expresses his hope that landslide victory of Maoists will probably remove them from US terrorist list. Writer also points out Indian reservations vis-à-vis Maoist victory that can encourage Indian Naxalites. Despite the fact that Maoists got their name from Chinese leader Mao Tse Tung, China also seems concerned about Maoist victory basically because of its traditional assistance of the Royal Nepalese Army. Apart from serious concerns prevailing at international front about Maoist victory, at domestic front Nepalese army and police also seem to be uncomfortable with Maoist victory at home.

Elections in South-East Asia: Voting for more of the same

The Economist

May 17th 2007

It discusses situation of real democracy in South East Asia. Successful elections in Philippines and Timor-Leste's in May 2007 have been appreciated. Besides that schedules of elections in Malaysia, Thailand, Vietnam and Cambodia have also been mentioned that have raised positive hopes of analysts about democratization in East Asia. Despite appreciation of elections in this region absence of political liberty for common public in most of the states in this region has been condemned. Military coup in Thailand and coup attempts in Philippines has been pointed out as anti-democracy trends in the respective states. Despite nominal multiparty system in Malaysia, Cambodia and Singapore, long single party rule over there has put essence of democracy into doldrums. Indonesia, after the end of Suharto's rule, however gives good example of democracy, where free press exists as well. Above all Vietnam and Timor-Leste's have been discussed as better cases moving towards democracy. While pointing out positive attributes of Vietnam it says that the state is developing and urbanizing rapidly and its people enjoy increasing economic freedom. The National Assembly and press have even been allowed to criticize some aspects of government policy. Such traits have brought Vietnam on democratic route; however some weaknesses still prevail that include imprisonment of political opponents, though government of Vietnam denies such charges. The success of Timor-Leste's presidential election after severe violence for a year has been considered as another promising sign. Despite the fact that risk of instability still remains; yet South-East Asia's youngest nation may carry forward the region's hopes for democracy.

EC should keep above intra-party conflict

Editorial

The Daily Star

April 22, 2008

Editorial of *The Daily Star* criticizes Election Commission for lagging behind its pre-set schedule to bring electoral reforms. It claims that except for the work on the voter list with identity card being on course, no significant progress in rest of the areas has been observed. Editorial blames EC for getting indulged in internal affairs of BNP and calls it to be the main reason behind its inefficiency in the required areas. It claims that BNP should resolve its representation issue at its own and EC should allow both factions to take part in political dialogues as these dialogues intend to get opinion of political parties and nothing else. It ends by saying that public will not tolerate further delay in electoral process therefore EC should follow its set schedule.

Inflation catches Asia unprepared

Alan Wheatley

International Herald Tribune

April 14, 2008

Alan Wheatley calls inflation to be a potent threat to growing economies of Asia. Governments in this region have been pursuing all possible measures from rice export bans to price controls in order to deal this issue effectively. Economists have pointed out 48 trade and fiscal measure that have been adopted all across Asia since the start of the year to counter this so called temporary shock. Many economists blame Asia for years of its wrong economic policies and undervalued exchange rates along with US current account deficit for current economic crises. Besides commodity inflation structural change in big emerging economies like India and China, has been considered as another significant risk. Major factors behind these structural changes are thought to be urbanization, growing demands for food and diary products and biofuels. Exacerbation of supply-demand imbalance has prompted middlemen to hoard rice in countries like India and Thailand. Lastly while discussing appropriate policy response, in such critical situation writer emphasizes on the need of continued currency appreciation, which would cut

the cost of food imports and generally tighten monetary conditions. Singapore presents best example in this regard as has recently revaluated its dollar by at least 1.0 percent.

Rising inflation in Asia stings in the West

Keith Bradsher

International Herald Tribune

April 7, 2008

Keith Bradsher highlights key challenges being faced by the West due to rising inflation in Asia. He claims that as Western have been importing goods inexpensively from low-wage countries like China, Japan, India, Vietnam etc therefore rise in prices over there has made those goods more expensive than ever. Though developing states have been facing challenges like inflation yet case is quite different this time hence its impact on the West is distinct as well. The reasons being; first, developing countries now produce nearly half of all American imports. Second, inflation in these countries is coming at the same time that many of their currencies are rising against the dollar. Infact large U.S. trade deficits and other problems have weakened the dollar's appeal. And there are signs that the dollar could fall farther if developing countries' central banks stopped supporting it, particularly in Asia. Writer even considers dollar's weaknesses to be major cause of inflation in developing countries.

Writer further adds that the cost of imports from less industrialized countries as a group is rising. While discussing growing inflation in states that have been attractive for foreign investments writer gives the example of Vietnam and claims that "Vietnam, one of the fastest-growing destinations for manufacturing investments, saw prices rise 19.4 percent from March 2007 to March 2008," this has brought severe challenges for investors. Growing demands of wages by labors has been regarded as another potent factor effecting Westerns. Such demands are quite natural because of soaring food and energy costs particularly in countries like Vietnam. Writer emphasizes on the need to adopt appropriate measures to deal this issue and calls price control to be the best way that needs to be adopted by Asian countries. All the while the West should take best possible steps to strengthen dollar in order to save it from devaluation.

Inflation undermines Asia's gains

William Pesek

Bloomberg News

April 13, 2008

William Pesek has discussed inflation in food and edible oil to be the core issue that needs to be addressed by major powers of the world. His argument is based on the points made by Ifzal Ali, chief economist at the Asian Development Bank in Manila, in this regard. Ifzal Ali has said that "Food is just the tip of the iceberg," therefore immediate measures need to be taken to control food inflation in Asia. First week of April has witnessed record inflation that has affected nearly 3 billion people. He adds that nearly 60% of consumer price index accounts for food products. Likewise 50% of people's income is also spent on food products. Hence food inflation is in real terms the core issue contrary to what Westerns identify as 'core inflation' in which they don't count food and oil products. He further says that adequate investment in agriculture sector and use of modern tools and techniques is essentially required but its disappointing that no one is paying due attention to this area. Besides that export controls and subsidies should be minimized in order to create an open market for food products throughout the world. Though Asian markets have always been attractive for the West as great part of their economy still depends upon Asia yet their current policies would lead to an arena of never ending poverty in Asia. They should pay due attention to existing issues being confronted by Asian economies. Writer concludes by saying that one can have an alternative of petroleum and gold but there is no substitute to food products. A food crisis has direct impact on well being of common masses that can lead to explosive political and social consequences.

Why We Should Sign the TAC

Matthew Daley

(President, U.S.-ASEAN Business Council)

Center for Strategic & International Studies

Southeast Asia Bulletin

April 2008

Mathew Daley discusses Treaty of Amity and Cooperation (TAC) in terms of US membership to this. First he elaborates US denial of signing this treaty in 1987 and reasons behind it. US refused to sign TAC because of two factors. First it would renounce US from deployment of military forces in the region. Secondly, Senate would not approve it. Now situations have changed, significance of this region has enhanced as well therefore US needs to join this treaty in order to play more effective role in regional affairs. By joining TAC US will get a chance to become part of

East Asian Summit as well. As all regional powers like China, Russia, Japan, Australia and India are signatory to TAC hence US needs to reposition itself in Asian region in order to join all the above mentioned states in a better way.

Besides this short article, Southeast Asian Bulletin gives a brief timeline of significant events that occurred in Southeast Asia, in the month of March. It discusses elections in Thailand, anti-drugs campaign by Thailand, Malaysian elections and decline in Abdullah Badawi's power, opening of human rights abuses in Indonesia after Suharto's death and Ibrahim Gambari's pledge to Burmese military junta to start inclusive political dialogues.

Next section of the Bulletin discusses Malaysian political situation under the heading of '*A Shake up in Malaysian Politics'*. It elaborates political clashes that have erupted because of unexpected election results. Decline in Abdullah Badawi's power has brought severe criticism within UMNO hence chances of political unrest can be seen. In sequence to this *'New Economic Policy: The End of an Era for Malaysia'* discusses need of change of economic system that has been considered as bias for ethnic Malays. Opposition parties have come up with "Malaysian Economic Agenda," as an alternative to NEP. Malaysian Muslims however have been resisting against such change. Last section entitled as *'Rice Shortages Impact Southeast Asia'* elaborates reasons of rice shortage, key victims in this regard and its possible impact on the whole region. Key reasons being pointed out in this regard include natural calamities in some states including India, Vietnam & Egypt leading to export control by these states to ensure sufficiency of supplies for their own populations. Philippines and Indonesia have been named as the potent effectees. While discussing possible impact it says that high rice prices are adding to the financial pressure on poor households caused by other rising commodity prices, sparking antigovernment protests and raising fears of another round of inflation-fueled social unrest.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH & EAST ASIA

Nadia Tasleem

Weekly Report: from 14th April 2008 to 26th April

Presentation: 29th April 2008

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BN has brought major policy shift:
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PKS party rejects idea of Islamic state:
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Govt raises purchasing price for rice:
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Self-styled prophet gets 4 years for blasphemy:
Olympic torch arrived Indonesia:
Indonesian protesters torch mosque of 'heretical' Muslim sect:

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Activists plan rally to oppose PAD:
PM defers charter talks with coalition party leaders:
Navy chief rules out another coup:

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Thailand should be converted into a food production hub:

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More than 80,000 people expressed their full support to former President Estrada:
JDV wants to push Federalism:
Groups warned govt of unrest if NFA rice prices goes up:
House, Senate divided on emergency powers for GMA:

Economic front

Rice traders protested against NBI raids:
Manila calls for Asian summit over food crisis:

Social front

Zamboanga Cathedral bombed:

Presentation

This report is based on major developments at political, geo-strategic, economic and social front in South and South East Asia. Starting from Nepalese elections; including election results, reasons of Maoists' victory and foreigners' concerns regarding Nepalese current political situation, being the point of prime focus, it discusses problems being faced by Bangladeshi EC in holding political dialogues, Party Presidential elections in Maldives, Muslim stance about elections in Eastern province of Srilanka, appointment of Ministers in Bhutan, need of political freedom prior to constitutional referendum in Myanmar and Indian talks with insurgents of Nagaland at South Asian political front. As far as East Asian political developments are concerned problems being faced by BN after elections in Malaysia, issue of banning of Ahmadiyah sect and gubernatorial elections in Sumatra-province of Indonesia, confrontation

between activists of pro-Thaksin and anti Thaksin groups in Thailand and growing support for Joseph Estrada in Philippines remained the key issues. At geo-strategic front resumption of Dhaka-Calcutta train link, growing Indo-Bhutanese ties, Indian announcement to join Pakistan-Afghanistan-Turkmenistan gas deal and to finalize IPI project with Pakistan remained in focus however no significant geo-strategic development in East Asia could grab attention. As far as economic front is concerned issue of lifting ban from rice exports in India, Srilankan idea to grow home solution to increase grain production, rise of purchasing price of rice in Indonesia, conversion of Thailand into food production hub and protests of rice traders against NBI raids in Philippines remained the promising issues. Moving towards social front contradiction within Islamists over the issue of 'National Women Development Policy' in Bangladesh, growing number of people drinking liquor in India and government's concern regarding this issue, arrival of Olympic torch in Indonesia after passing through India amidst strong protests and tightened security, verdict of an Indonesian over his claim of prophet hood and incidents of targeting a mosque in Indonesia and bombing of a Cathedral in Philippines emerged as the most significant developments all across the region.

Nepal

Political front

Tibetans resume Nepal protests:

Police detained at least two dozen Tibetans trying to protest in front of the Chinese embassy in Nepal's capital on 25 April, the first anti-China protests since the Himalayan nation's watershed election. Tibetan exiles had suspended their protests until the completion of the election.

Election results:

Nepal's former rebel Maoists have won the largest share of votes in the election held earlier this month. The former rebels say their win means the end for Nepal's monarchy. The former insurgents secured 220 of the 601 seats of a special assembly to rewrite Nepal's constitution. However the traditionally strong Nepali Congress could win 110 seats and Communist Party of Nepal (Unified Marxist Leninist) or CPN UML 103 seats. The Constituent Assembly will also act as an interim parliament and its first task is to abolish Nepal's controversial monarchy. In this regard Maoist leader Prachanda has expressed his willingness to meet King Gayanendra and convince him to leave palace in a graceful manner. Maoists have also announced to keep their alliance working with other political parties. Maoist's victory surprised many including ruling

elites, diplomats, intellectuals and main media persons within Nepal and abroad though opinion polls were not allowed during this critical period.

Last year poll's result keeps Maoists at top:

In an opinion poll being conducted by 'Top-Line Findings' about Nepal's Political situation in 2006-2007, 14% showed high level of trust for Maoists however 14% said they don't trust them at all. Meanwhile only 8% expressed higher level of trust for rest of the political parties and 15% had no trust at all. While answering a question about people's support for political parties, 16% expressed their willingness to vote for Maoists, while 14% expressed support for Nepali Congress. 27% said they can't say anything however 24% refused to declare. Similarly while answering another question related to favorability of political leaders Prachanda got 6 points however PM Koirala followed him with 5.7.

Reasons of Maoists' victory:

Many analysts consider strong leadership, popular base among poor and people's desire to go for alternatives to already tested leaders to be the main reasons of Maoists' victory in Nepalese historic elections.

India, China and US concerns regarding Maoist's victory:

All of these countries have had close ties with Nepali Congress and even with King Gayanendra but Maoists' victory has led them to think about bringing shift in their policy in order to enjoy close collaboration with new ruling regime. India in this regard has got an edge as it had been engaged with Maoists through informal talks after their agreement with seven party alliance that was made possible by India in November 2005. As far as China is concerned Maoists have expressed their willingness to have balanced ties between the two giants of the region i.e. India and China. US however seems to be at most uncomfortable place as it had included Maoists in its terrorist list, though has recently announced to remove Maoists name from its terrorist list and to build cordial ties with them if they keep following democratic path.

Bangladesh

<u>Political front</u>

Issue of Political talks with parties:

Government has announced to start formal dialogue with political parties in the first or second month of May. In this regard the EC has invited both factions of BNP to join political talks together by resolving their political differences. Government even asked them to have informal dialogue with government before formal dialogue. The main goal of the pre-dialogue meetings as well as the dialogue is to ensure a 'free, fair, credible and acceptable' election by this year-end. Pro-Khaleda faction agreed to join pre-dialogue talks. Five out of eight BNP standing committee members, who are neither in jail nor expelled by its detained chairperson, asked the Election Commission (EC) to invite Khandaker Delwar Hossain as the legitimate representative of the party to the electoral reform talks with it. The request came in form of an official letter to the EC from the five standing committee members (loyal to Khaleda Zia) on the last day of deadline set by the commission for two feuding factions of the party to reconcile. As the EC's move to unite both factions of BNP failed, it first opted to wait for a copy of the High Court's decision on the BNP issue to decide whether it should sit with any one faction or wrap up the dialogue. Later on, it invited Saifur Rahman-led faction of BNP to an electoral reform dialogue and held informal talk with this faction of BNP. Irked by the EC's decision, Khandaker Delwar Hossain-led faction loyal to detained Chairperson Khaleda Zia termed it 'a part of a blueprint'. BNP Secretary General Khandaker Delwar Hossain therefore demanded resignation of all three election commissioners as he considers the present Election Commission (EC) as "controversial". He further hinted at launching a vigorous movement to free the party chief and said the party will not participate in any dialogue or election without Khaleda and Awami League chief Sheikh Hasina.

Communist and Workers Party asked for specific date of elections:

Communist Party of Bangladesh (CPB) and Workers Party of Bangladesh asked the government to declare specific date for holding the national election in line with the electoral roadmap and to lift the state of emergency. At separate meetings with four advisers, both the left parties also called for trying the war criminals and implementing National Women Development Policy 2008 without any change.

US envoy asks for lifting of emergency:

New US Ambassador to Bangladesh James F Moriarty said the state of emergency should be lifted as it will be 'extremely difficult' to hold an election under emergency rules. He added that emergency does not allow political parties to campaign for elections and hinders other electoral preparations.

Geo-strategic front

Dhaka-Calcutta train link resumes:

The passenger train service between Calcutta in India and the capital of Bangladesh, Dhaka, has resumed after an interval of more than 40 years. Trains traveled in both directions on 14 April - the first service since the 1965 war between India and Pakistan. In fact disagreements over security arrangements delayed the implementation of the rail link after the two countries signed an agreement in 2001. Besides that a passenger coach and freight trains already run between the two countries.

Social Front

Ulema committee objects 'National Women Development Policy':

The ulema committee formed to review the National Women Development Policy (NWDP) has strongly opposed equal rights to women, recommending deletion of six sections of the policy and amending 15 others as they said these sections "clash" with the provisions of the Quran and Sunnah. The ulema committee also opposed and asked the government to eliminate the provision for keeping reserved seats for women in parliament and local government bodies and direct elections to those. The Islamic scholars said not only is it impossible to establish equal rights for men and women in the country, but in some cases, giving women equality would deprive them of their rights in many sectors. They proposed replacing the phrase "equality, equal rights and affirmative action" with "just rights".

Many others claim committee's view to be against the constitution:

A section of Islamic scholars however claimed that ulema committee has failed to give logical reasons to oppose NWDP. Similarly government officials have called committee's view to be against the constitution as Bangladeshi constitution guarantees equal rights for women.

Increasing rice prices have led troops to eat potatoes:

More than half a million Bangladeshi troops have been ordered to eat potatoes in an attempt to ease the impact of surging rice and wheat prices. Potatoes are not traditionally on the menu for

Bangladesh's 140 million people but army chief General Moeen U. Ahmed and the country's army-backed interim government has ordered a change in diet because the tubers are now cheaper and more abundant. World prices of rice, wheat, edible oil and pulses have almost doubled over the last year, increases that poorer Asian countries can ill afford. Bangladesh was hit last year by two severe floods and a cyclone that destroyed around 3 million tonnes of food grains, raising fears of a possible famine.

Demonstrations

Strike by garment workers:

Thousands of Bangladeshi textile workers on 15 April defied a government ban on protests and went on strike to demand action over low wages and soaring food prices. Bangladesh's finance minister, in response, urged company owners to spend some of their profits to subsidies food for workers to defuse mounting tensions over soaring rice and other commodity prices.

Protest against shortage of water:

Hundreds of people staged protests in the Bangladeshi capital on 23 April against a shortage of drinking water. A falling water table and lack of power to run water pumps has led to a serious shortfall of drinking water in Dhaka.

Maldives

Political front

Appointment of Ministers by President:

President Maumoon Abdul Gayoom on the 17 of this month appointed 7 people to the position of senior ministers and state ministers. Objections were raised against this issue yet government justified its decision by claiming that ministers, state ministers and senior ministers are just terms used for the name sake hence do not go against the constitution.

Presidential Primary elections of MDP:

Presidential primary elections of MDP were held on 25 April. Mohamed Nasheed, Anni's won election by acquiring 68 per cent of votes. His victory has proven his huge popularity against his two contenders party president Dr. Mohamed Munavvar and popular MP Reeko Moosa Maniku.

Srilanka

Political front

Srilankan Muslim Congress expresses concern about elections in Eastern Province:

The Sri Lanka Muslim Congress has expressed concerns over the provincial elections held in the Eastern Province. It stated that disruptive political tools were employed as a political maneuver and therefore did not really reflect the will of the people.

Violence still exists:

Fierce fighting between security forces and Tamils lead to death of 129 people of both sides during last two weeks however month of April has so far witnessed deaths of399 people along with many other injured.

Foreign stance:

A political party asked Canadian government to impose sanctions against Srilanka:

Conservative party asked government of Canada to impose sanctions on Sri Lanka in response to the country's deteriorating human rights record. Meanwhile, the Canadian government issued an order against a non-profit organization for Canadian Tamils, the World Tamil Movement. The office has been shut down due to allegations that it was collecting 'war taxes' from Canada's large ethnic Tamil community.

EU criticizes Colombo for its military action against the LTTE:

Criticizing the Sri Lankan government for its military action against the LTTE, the EU came out strongly against the government's strategy. The Sri Lankan foreign ministry on its part charged the LTTE as having influenced EU behavior.

Economic Front

Sri Lanka grows home solution to grain prices:

Drastically lowered wheat consumption in Sri Lanka - once running close to that of the domestically grown staple rice - has been welcomed by food security experts as the only way to beat the present increases in global grain prices. In this regard the National Campaign to Motivate Domestic Food Production 2007-2010, under the theme "Let's grow and build a Nation" launched by Rajapaksa is aimed at a shift in food habits and cutting the food import bill, which stood at more than 100 billion rupees (US$1 billion) annually. All the while the Sri Lankan government has also warned traders suspected of hoarding rice following government-imposed price controls and threatened to use force, in case of getting any information about this issue. While the government has put the blame on international fuel prices and external shocks for rising inflation, the International Monetary Fund in a report issued earlier in the month said inflationary trends were more likely to be "domestic in nature" and possibly the result of mismanagement.

Bhutan

Political front

Announcement of names of various ministers:

Despite the democratic election of Jigmi Yoezer Thinley as the first elected prime minister, portfolios of various ministers were also announced. PM also said that constitution would be announced soon.

Geo-strategic development

Indo-Bhutanese ties:

India lifted the ban on imports of rice brands from Bhutan, in a special gesture of initiating cordial relations with the new government.

Myanmar

Political developments

‘Myanmar vote needs international observers’:

UN has asked military junta to hold referendum in the presence of international observers in order to make it credible. It also stressed on the need to give more political freedom to common public for May 10 referendum.

Myanmar detains at least 20 anti-constitution activists:

Myanmar's military junta detained more than 20 activists as they walked through the northwestern city of Sittwe in a peaceful rally against the country's proposed constitution.

U.S. seeks tougher U.N. scolding for Myanmar:

The United States on 23 April circulated a new and tougher draft statement to the U.N. Security Council scolding Myanmar for ignoring U.N. demands to free prisoners and deal fairly with the opposition.

Top US honour for Myanmar's Suu Kyi:

The US senate has voted unanimously to give Aung San Suu Kyi, the detained Myanmar opposition leader, America's highest civilian honour, the Congressional Gold Medal, on 24 April.

India

Political front

Tibetan protestors in India:

More than 200 Tibetan exiles led by Buddhist monks restarted their march to Tibet on Saturday after spending more than a week staging protests in the Indian capital. The demonstrators have vowed to march from India to Tibet, where they plan to arrive in their homeland at the start of the Olympics in August. Marchers carrying pictures of the Dalai Lama, Tibetan flags and "Free Tibet" banners left New Delhi early Saturday for the next leg of their trip. Their journey began March 10 in the Indian city of Dharmsala, the headquarters of the Tibetan government-in-exile, but was swiftly stopped by Indian officials, who feared the protest march would embarrass China. Indian police even detained a group of the marchers for two weeks. The protesters restarted their walk March 15, and since then Indian officials have allowed it to proceed, although local police accompany them almost the entire way. The marchers had been in New Delhi since April 9, participating in protests that coincided with the Olympic torch passing through the Indian capital. India is home to the world's largest Tibetan exile community, with more than 100,000 exiles.

High security arrangements for Olympic torch dispatch:

Authorities sealed off the center of their capital with 15,000 police to protect the Olympic torch relay from anti-China protesters who held their pro-Tibet demonstrations elsewhere in India.

Pranab appeals to Pak for Sarabjit's clemency:

External affairs minister Pranab Mukherjee has appealed to the Pakistan government to grant clemency to Sarabjit Singh in the face of increasing doubts about the Indian prisoner’s involvement in the 1990 bomb blasts in Pakistan. The appeal from the external affairs minister comes on the heels of a petition filed by former Pakistani human rights minister Ansar Burney saying that there is evidence to show that Sarabjit may have been falsely implicated in the bombing case. If Mr Burney’s petition is accepted then there is hope for the Indian prisoner who has been on death row for the last 17 years. The Sarabjit issue has dominated the dialogue between India and Pakistan.

Talks between government and insurgents of Nagaland:

A round of formal talks between the central government and the National Socialist Council of Nagaland-Isak-Muivah (NSCN-IM) was held in New Delhi on April 16. Besides discussing the issue of a separate constitution for Nagaland, the two sides discussed ways of dealing with local developments in Nagaland. The issue of the emergence of a new armed group popularly known as the NSCN-Unification was also reportedly discussed.

Geo-strategic front

India joins Pakistan in Turkmenistan gas deal:

India signed up to join a multi-billion dollar Turkmenistan-Afghanistan-Pakistan gas pipeline project, to secure another source of energy for its fast growing economy, on 24 April. Indian Oil Minister Murli Deora and counterparts from Pakistan, Turkmenistan and Afghanistan signed a framework agreement for the $7.6 billion pipeline that they aim to start building in 2010.

India sent more troops to Afghanistan:

A day after an Indian was kidnapped in Afghanistan, India on 13 April said it will be sending more security forces to ensure the safety of about 4,000 Indian workers in that country and stressed it will "not succumb" to the designs of terrorists.

The US reiterates its commitment to Indo-US nuclear deal:

The United States reiterated that it was “very committed” to the Indo-US nuclear deal and that it was “still working on it” even though the deal has been stalled due to domestic opposition. The above statement from the White House press secretary, Dana Perino came a day after leading Congress leader, Abhishek Singhvi spoke at the Heritage Foundation in Washington. Mr. Singhvi on his part asserted that the UPA government had not given up on the deal nor had it accepted it as the end of the road. He however noted that the government would like to carry all its constituents along.

US concern regarding Iranian President’s visit to India:

While expressing US concerns about Iranian President Mahmoud Ahmadinejad’s visit to India deputy spokesman Tom Casey said that it was up to India to decide how to "manage" its bilateral ties with Iran, but hoped that New Delhi would call on Tehran to meet the UN Security Council demands for suspending uranium enrichment. He expressed his hope that India would call on Iran to meet the requirements that the Security Council and the international community has placed on it in terms of suspending their uranium enrichment activities. He further added that the US would also certainly "encourage" India to ask Iran to end its "rather unhelpful activities with respect to Iraq, with respect to support for terrorism, including organizations like Hezbollah and Hamas, and to otherwise become a more responsible actor on the world stage."

Leftists' response to US:

The CPM in response, asked government to convey New Delhi's disapproval of US 'interference' in the country's foreign policy to the American envoy in India. The party also asked the government to expedite the Iran-Pakistan-India gas pipeline project to send the message that India will not bow to the US pressure.

India to take up IPI project with Pak:

India has agreed on the basic formulae of the IPI project. Indian petroleum Minister during his press conference in Islamabad last week said that its only a matter of a couple of days or weeks that we along with Pakistan will sign final papers on IPI. The deal is already final. As far as India's reservations regarding the transit fee are concerned they will be settled in the upcoming rounds of negotiations with Pakistan. Experts and analysts are of the view that the final prices will be a compromise somewhere between the Indian offer and Pakistan's demand. The construction of the IPI pipeline will begin in 2009.

Economic front

India reviews ban on rice exports:

Indian Minister for Commerce and Industry Kamal Nath said that India's ban on rice exports, which has led to a shortage of the commodity in the UAE and other Gulf countries, will be taken up for discussion in the wake of strong pleas made by UAE authorities and the large Indian community to lift such restrictions.

Social Front

30 per cent of Indian men drink liquor:

About 30 per cent of men and a little less than 5 per cent of women consume alcohol in India, as most start drinking at the age of 20 years. Minister of State for Health and Family Welfare Karnataka Lakshmi said the government is "cognisant of the fact that consumption of alcohol in excessive amounts can lead to social, economic and health related problems". While discussing

possible ways to handle this issue she said through the de-addiction centres, people are provided clinical care, counseling and rehabilitation.

Malaysia

Political front

BN has brought major policy shift:

Malaysian Prime Minister Abdullah Badawi has said that the ruling Barisan Nasional may open 'a new era' of cooperation with opposition parties. This is a policy shift as the BN has previously shunned cooperating with its rivals. It comes after a party member from Gerakan, one of the component parties in the BN coalition, accepted an offer to head two organizations run by the opposition Democratic Alliance party or DAP in Penang. This has sparked much controversy in Malaysia's political circles.

Democratic elections within party-the best way to avoid split:

Amidst growing tension within UMNO it is said that change of party leadership through democratic means before December can be the only way to resolve tension and avoid split. Some party members have also asked Abdullah Badawi to voluntarily step down in order to save party from break up.

Indonesia

Political front

Justice party wins in Sumatra:

The candidate from the Prosperous Justice Party (PKS) and 10 other parties won in North Sumatra's first-ever direct gubernatorial election, building party confidence about polls in other provinces and next year's general election. A quick count on 16 April by the Indonesian Survey Institute (LSI) showed Syamsul Arifin, formerly the Langkat regent, and his running mate Gatot

Pujo Nugroho leading with 27.67 percent of the vote. A candidate only needs 25 percent of the vote to win a regional election, according to Law No. 32/2004 on regional administration. Tension occurred between loosing and winning parties soon after the announcement of vote count. The country's two largest political parties, Golkar and the Indonesian Democratic Party of Struggle (PDI-P) expressed serious concern about election result and claimed to learn lesson from that.

PKS party rejects idea of Islamic state:

Despite the fact that the Islamic party rejects the idea of a secular state in the predominantly Muslim nation, the Prosperous Justice Party (PKS) in its newly launched book "Struggling for a Civil Society" dismisses the idea that it aimed at making Indonesia an Islamic state. It also promotes a free market system, calling it the most reliable and efficient means to provide equality for all economic players, while also acknowledging it does not always guarantee the fulfillment of people's rights.

Issue of banning Ahmadiyah sect:

A government team has issued a recommendation for President Susilo Bambang Yudhoyono to ban the "deviant" Islamic sect Jamaah Ahmadiyah. Government in response decided to release a decree. The decree is currently being drafted by the Religious Affairs Ministry, the Home Ministry and the Attorney General's Office. All the while the Presidential Advisory Council is advising President Susilo Bambang Yudhoyono to cancel the issuance of a joint ministerial decree to outlaw "heretical" Islamic sect Jamaah Ahmadiyah. According to them a ban on Ahmadiyah would be a "bad precedent" to Indonesia's democracy and freedom of religion.

<u>Economic front</u>

Govt raises purchasing price for rice:

After tightening rice export regulation earlier this month, the government raised the purchasing price of rice starting on 22 April, in the hope that farmers will benefit from the surge in global rice prices and to discourage smuggling. The President also ordered government officials to prevent the illegal export of rice amid the rising demand of the grain in neighboring countries.

Transportation undermines RI economy:

The Asia Foundation and University of Indonesia's Institute for Economic and Social Research (LPEM) in a study found that Unreliable and expensive road transportation is a growing constraint to Indonesia's economic development, with the country now having the highest logistics costs in the region. It added that transporting goods in Indonesia was expensive because of charges imposed by local governments and illegal fees collected by police and thugs.

Social front

Self-styled prophet gets 4 years for blasphemy:

The South Jakarta District Court on 23 April sentenced Islamic sect leader Ahmad Mushaddeq to four years in prison for blaspheming Islam. The court granted prosecutors' demands and said Mushaddeq, who had claimed to be a prophet, was guilty of violating an article of the Criminal Code on hostility, misuse and defamation against religion.

Olympic torch arrived Indonesia:

Olympic torch arrived in Jakarta amidst high security as more than 2500 police officers were deployed. Only 5,000 people were invited to attend the ceremony. The event was kept closed for common public in order to avoid unwanted situation because if pro-Tibetan protestors.

Indonesian protesters torch mosque of 'heretical' Muslim sect:

Hundreds of protesters chanting "kill, kill" set fire to a mosque belonging to a Muslim sect that they claim is heretical, while calls mounted for the group to be formally banned. The attack was the latest targeting the Ahmadiyah sect in Indonesia, the world's most populous Muslim nation. Hard-liners claim the sect, founded at the end of the 19th century in Pakistan, was devised by British colonialists to divide Muslims.

Thailand

Political front

Activists plan rally to oppose PAD:

On 18 April, the PAD, (People's Alliance for Democracy), which played a leading role in opposing the Thaksin government before the 2006 coup, confronted demonstrators when it held a major gathering at Thammasat University to oppose amendments to the 2007 Constitution. Suriyasai Katasila, a PAD leader, urged authorities to ensure that anti-PAD demonstrators do not break the law. It further added that the government would have to take legal action against those violating the law or else the government would be blamed for siding with anti-PAD demonstrators. Meanwhile pro-Thaksin activists have announced to launch rallies against PAD.

PM defers charter talks with coalition party leaders:

The much-awaited meeting amongst six coalition party leaders and Prime Minister Samak Sundaravej on the revision of the constitution has been postponed.

Navy chief rules out another coup:

Navy Commander-in-Chief Adm Sathiraphan Keyanon ruled out another coup saying the military is already burdened with a lot of security tasks. He said the military leaders laughed among themselves when seeing reports about speculations that another coup would be staged.

Economic front

Thailand should be converted into a food production hub:

A roundtable discussion entitled "World's food crisis: A challenge for Thailand" was organized by Krungthep Turakij. During the conference experts stressed that government should consider major infrastructure projects for farms to boost crops and turn Thailand into a food production hub. It has been identified as the only possible solution to deal with current food crises in the most appropriate manner. They added that the government should concentrate on improving productivity and irrigation infrastructure, among others, while ensuring price stability and state cooperation with other major export countries.

Philippines

Political front

More than 80,000 people expressed their full support to former President Estrada:

More than 80,000 signatures, in the form of a net book, were presented to ousted President Joseph Estrada 17 April to convince him that people wanted him to run in the 2010 presidential elections, on his 71st birthday. He called it to be the best gift he had ever received.

JDV wants to push Federalism:

Congressmen led by Pangasinan Rep. Jose de Venecia Jr. have expressed support for the move by senators to shift to a federal system of government and the creation of 11 federal states in the country, even as some opposition figures led by former President Joseph Estrada said federalism will further divide the country. De Venecia said the creation of federal states in the country is "a safeguard against separatism." In fact Pimentel proposed the amendment of the Constitution to allow the creation of 11 federal states carved out from the existing political regions of the country, including Metro Manila. Pimentel's proposal was supported by a bipartisan group of 11 other senators led by Senate President Manuel Villar Jr. who signed the resolution calling for Charter change for a federal system of government.

Groups warned govt of unrest if NFA rice prices goes up:

The Kilusang Magbubukid ng Pilipinas (KMP) warned the government against increasing the price of National Food Authority (NFA) rice, saying such a move could trigger massive protests from "hungry and angry" Filipinos. The KMP insisted in a statement that the government should implement price control mechanisms and 25 percent increase in NFA local rice procurement, as "real solutions" to the reported rice crisis, instead of merely jacking up the price of NFA rice from the current P18.25 per kilo to around P20 a kilo.

House, Senate divided on emergency powers for GMA:

While members of the House of Representatives are open to the proposal to grant President Arroyo emergency powers to immediately and effectively address the rice crisis, senators slammed the idea and instead urged the government to come up with short- and long-term solutions to the impending food crisis.

Economic front

Rice traders protested against NBI raids:

About 600 rice mill owners of Pangasinan bonded themselves together to protest the alleged harassment of millers following the raid by National Bureau of Investigation agents on several local rice warehouses as part of the crackdown against hoarders. The rice millers complained that their buyers in Metro Manila have also stopped buying from them as a consequence of the raids. They further asked government to hold talks with them to deal with this issue.

Manila calls for Asian summit over food crisis:

The Philippines, the world's largest rice importer, has urged China, Japan and other Asian nations to convene an emergency meeting on the region's food crisis to try and reverse export curbs that have driven prices to a record.

Social front

Zamboanga Cathedral bombed:

Suspected Abu Sayyaf militants bombed the compound of a Roman Catholic cathedral and a building housing a government office in downtown Zamboanga on 13 April. No one was found injured or dead.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Gulf Cooperation Council (GCC)

Nadia Tasleem

Weekly Report: from 27th April 2008 to 5th May 2008

Presentation: 6th May 2008

GCC

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- GCC inks Euro trade pact
- Iranians protest Gulf being named Arabian

Economic Front

- Gulf inflation to surge past 9% this year

Bahrain

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- US hails Bahrain's anti-terror battle

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- Bahrain approves press law

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- Kuwait tribes storm police station in pre-election unrest

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- Kuwait has freest press in Arab World

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- Oman, Bahrain set up joint committee for cooperation

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- IMF hails Oman's economic performance

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- Saudi prince health signals possible tussle for power

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- Female teachers in Saudi Arabia die in alarming numbers
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- Saudi concert breaks taboos

UAE

Social front

- Internet is not a threat to any media
- Print media gets boost in UAE

Monitoring Report

GCC

Geo-strategic front:

GCC inks Euro trade pact:

A free trade agreement between the GCC and the European Free Trade Association (EFTA) has been finalized after five rounds of talks in Geneva. Secretary General of the GCC, Abdurrahman Al-Atiyya, said the deal would improve economic co-operation, increase goods trade and open up new investment opportunities between the two regions. Merchandise trade in 2007 between the EFTA and GCC amounted to more than $5.4 billion. Exports from EFTA states, worth $4.4 billion, consisted mainly of clocks and watches, precious stones, pharmaceuticals and machinery. The GCC is holding ongoing talks with the European Union (EU) over a long-delayed wider FTA between the two blocs. Qatar's deputy prime minister said in January negotiations could drag on for months, blaming 'endless conditions' by the EU which were impossible to meet. The GCC and EU signed a framework economic co-operation agreement in 1988, but have been unable to agree a FTA because of issues including market access, government procurement rules and intellectual property rights. The GCC is also in talks with Iran and Korea, and finalised an agreement with Singapore earlier this year.

Iranians protest Gulf being named Arabian:

The name of the key oil shipping route is a bone of contention between Shi'ite Muslim Iran and its predominantly Sunni Arab neighbors. Iran insists on calling the water along its southern coast the Persian Gulf. The body of water also touches Saudi Arabia, Kuwait, the UAE, Oman, Qatar and Bahrain, and many people in these states refer to the waters as the Arabian Gulf. Up to 200 people demonstrated at the UAE embassy to mark Iran's annual National Persian Gulf Day. In 2004, Iran banned National Geographic magazine when it included the Arabian Gulf name in parentheses on a map. The magazine later changed the labeling, move Iranian officials described as "a victory for all Iranians". Some news organizations use the Gulf as a compromise term, but the Islamic Republic banned distribution of the Economist magazine two years ago after it published an article and a map that referred to the Gulf instead of the Persian Gulf.

Economic Front:

Gulf inflation to surge past 9% this year:

A poll by newswire Reuters has revealed that in Saudi Arabia and Oman, average inflation may more than double while there would also be sharp increase in inflation in Bahrain, Qatar, Kuwait and UAE, as the weaker US currency makes some imports to the world's biggest oil-exporting region more expensive. In Saudi Arabia, the world's largest oil exporter, average inflation could hit at least a 30-year peak of 9.9%, by year end, compared with 6.5% in December last year. Oman's average inflation rate will jump to a record 9.3% this year, with inflation touching 11% on December 31. The poll also highlighted rapid price growth in Bahrain, the smallest Gulf economy, where inflation would probably be more than double to 8.5% by the end of the year and average 6.1%. In the UAE and Qatar - contending with the region's fastest pace of price growth - inflation will rise slightly in 2008 as housing supply eases pressure on rents in both countries. Inflation in Qatar - which froze rents this year to control prices - will still be the region's highest this year, averaging 13.8%, on par with 2007, and easing to 13.3% in the fourth quarter. UAE inflation accelerated to an at least 20-year peak of 11.4% last year and will rise slightly to 11.8% this year, the poll showed. It further said that Inflation in Kuwait, which has allowed its dinar to rise more than 8% May 20 last year, will soar to an average of 9.3% this year, touching 9.6% in December. The rising cost of living is fuelling discontent; migrant workers in the UAE and Bahrain have already rioted over the erosion of wages due to the weak dollar. Plagued by price rises, Gulf governments have boosted subsidies, introduced rent controls, raised state employee salaries, increased welfare payments and slashed import duties to offset the impact of inflation on their populations.

Bahrain

Political front:

USA hails Bahrain's anti-terror battle:

US State Department has appreciated Bahrain's efforts to curb terrorism on the basis of its 2006 counter terrorism law.

Social front:

Bahrain approves press law:

Bahrain's cabinet has approved a draft law guaranteeing press freedoms. Under the legislation the exercise of freedom of opinion and criticism will no longer be punishable, within the contexts governing the practices. The law also abrogates jail terms and police custody for journalists. The amended law has been referred to the Shura Council and parliament for consultation. Before that Sheikh Abdullah bin Ahmed Al Khalifa, assistant under-secretary for press and foreign affairs at the Ministry of Information, condemned a report published by 'Reporters without borders' condemning Bahrain for restricted freedom of expression. He claimed that Bahrain has always encouraged freedom of press and would take further steps in this regard. He asked reporters to be more objective while analyzing Bahrain's situation in this regard.

Kuwait

Political developments:

Kuwait tribes storm police station in pre-election unrest:

The latest unrest in Kuwait began when police raided a meeting and arrested several people suspected of holding informal tribal primaries. Thousands of members of the Al Mutair tribe protested outside the police station on 3 May, demanding the release of the men detained on suspicion of holding illegal primaries. The confrontation was the third between authorities and tribesman over the banned parliamentary primaries since Kuwait's leader dissolved the legislature in March and ordered early elections on May 17. No injuries have been reported from any of the protests. Officials called in Special Forces, but tribal elders were able to mediate the confrontation before they were used.

Economic front:

Food price hikes to continue:

Since the decision by the Ministry of Social Affairs and Labor to dissolve the pricing committee which regulated the prices of food and other goods at cooperative societies, the prices of certain foodstuffs and other goods have risen by up to 300 percent in the first quarter of this year. A recent study confirmed that prices will continue to rise if government does not intervene to regulate prices. The study indicated that the Kuwaiti market suffers from several problems,

including a lack of state control over companies importing foodstuffs and therefore no control over how they raise prices. The study disclosed that prices of dairy and cheese products have increased from 20 to 108 percent. Chicken and rice price increases have ranged from 25 to 110 percent while children's milk has risen by up to 69 percent and cleaning detergents have risen by up to 92 percent.

Social front:

Kuwait has freest press in Arab World:

Kuwait topped the list of freedom of the press in the Arab world, according to an annual survey of independent media in 195 countries and territories. The survey said the country was one of the very few to enjoy such freedom not only of the press, but also of broadcast and internet media. According to the annual survey report of the US-based Freedom House, a non-governmental media watchdog, Kuwait was one of only a "handful of countries to rank highest in print, broadcast, and internet media freedom.

Oman

Geo-strategic front:

Oman, Bahrain set up joint committee for cooperation:

Oman and Bahrain signed an agreement to set up a joint committee for cooperation on 28 April. A memorandum was also signed to execute the pact of diplomatic and consulate cooperation between the two countries in addition to an agreement to monitor the trading of precious stones.

Economic front:

IMF hails Oman's economic performance:

The International Monetary Fund (IMF) in a recent report said that Oman's economic performance during 2007 was strong. The economy withstood well the impact of last year's unusual weather conditions and real GDP grew by 6.4 per cent, supported by high oil prices and rapid growth of non-hydrocarbon sectors such as petrochemicals, trade, and transport and communications. IMF directors also welcomed the authorities' commitment to the structural reform agenda and further economic diversification, including through continued implementation of the privatization programme.

Saudi Arabia

Political Front:

Saudi prince health signals possible tussle for power:

Saudi Crown Prince Sultan's visit to a Swiss clinic for medical checks last week provided a reminder of a potential power vacuum in the world's biggest oil exporter, analysts and diplomats say. There is no designated second-in-line to the throne, and since coming to power in 2005 King Abdullah has set up an "allegiance council" of sons and grandsons of the kingdom's founder to regulate the affairs of the succession. Saudi Arabia has no political parties or elected parliament and governance is the prerogative of the Al Saud family, legitimized by clerics who administer Islamic Shria law. Although Saudis, analysts and diplomats of close ally nations have welcomed the council as an effort to avoid destabilizing conflict over who rules, there is more obscurity than ever over who could succeed Sultan and Abdullah.

Social front:

Female teachers in Saudi Arabia die in alarming numbers:

Accidental deaths of female teachers in Saudi Arabia have emerged as an important social issue. Many female teachers who have been appointed in villages meet this fate on daily basis. Nearly 6,000 people died in traffic accidents in 2007, one of the highest in the world. Saudi government has expressed serious concern regarding this issue.

Rights Group Presses Saudis For Reform:

Human Rights Watch Report claims that the Saudi government should abide by international obligations and abolish policies that "grossly" discriminate against women. In the report, New York-based Human Rights Watch called on the U.S.-allied kingdom to end the practice of sex segregation and polices that make male relatives the legal guardians of women. The report is based on more than 100 interviews with Saudi Arabian women, documenting the effects that those policies have on their rights.

Saudi concert breaks taboos:

A German-based quartet staged Saudi Arabia's first-ever performance of European classical music in a public venue before an audience of women as well as men. The concert broke many taboos in a country where public music is banned and the sexes are segregated even in lines at fast-food outlets. The concert was attended by locals as well as a large number of expatriates. It has been appreciated at domestic and international front. The performance, which was held at a government-run cultural center, could be yet another indication that this strict Muslim kingdom is looking to open up to the rest of the world. A few weeks ago, King Abdullah made an unprecedented call for interfaith dialogue with Christians and Jews - the first such proposal from a nation that forbids non-Muslim religious services and symbols. In the past couple of months, however, there has been a quiet but marked increase in cultural activities in Saudi Arabia. Lectures and a couple of segregated folk-music performances were held on the sidelines of Riyadh's book fair. All the while Jeddah's annual Economic Forum had opened a performance of Arab and Western music.

UAE

Social front:

Internet is not a threat to any media:

The launch of BBC Arabic in Abu Dhabi, in March brought a new credible voice to the region and has become one of the leading outlets in the Middle East to rely on citizen journalists. Hosam Al Sokkari, head of the BBC Arabic, in this regard claimed that internet can not be considered as a threat to any media rather it provides a platform to media for the dissemination of news.

Print media gets boost in UAE:

Month of April has observed remarkable development in the print media landscape of the United Arab Emirates. Hence two new English Dailies have been launched including, *The National, the financial Times.* Besides that Dubai-based *Khaleej Times* has entered into a tie-up with the *International Herald Tribune (IHT)*.

Countries' Profile

Bahrain, Qatar, UAE

Bahrain

Full name: Kingdom of Bahrain

Area: 665 sq km

Location: Middle East, archipelago in the Persian Gulf, east of Saudi Arabia

Land boundaries: 0 km

Coastline: 161 km

Population: 698,585 (including over 230,000 expatriates)

People: Arab Muslim majority, of whom some 34%-40%: Sunni and 60%-66%: Shia

Ethnic groups: Bahraini 63%, Asian 19%, other Arab 10%, Iranian 8%

Languages: Arabic is the official language; English is widely spoken and is the main commercial language

Religion(s): Islam is the state religion; places of worship for other faiths exist

Capital City: Manama: It is the country's largest city with a population of approximately 155,000, roughly a quarter of the country's entire population. The majority of Manama residents are non-Bahrainis: only 55,230 residents have Bahraini citizenship.

Currency: Bahraini Dinar (BD); 1 Bahraini Dinar = 1,000 fils (tied to the US dollar)

GDP (purchasing power parity): $24.61 billion

Major political parties: Political Parties are officially banned but Political Associations have been allowed to expand. These include Islamic groupings (Sunni and Shi'a), as well as secular and liberal associations.

Government: Monarchy with appointed upper and elected lower chambers of Parliament

Qatar

Full name: The State of Qatar

Area: 11,435 sq km

Location: Middle East, peninsula bordering the Persian Gulf and Saudi Arabia

Land boundaries: total: 60 km

Border countries: Saudi Arabia 60 km

Population: 907,229 (growth rate: 2.4%)

People: Arab, Muslim majority

Ethnicity/race: Arab 40%, Pakistani 18%, Indian 18%, Iranian 10%, other 14%; In the past, expatriates in Qatar were not allowed to own land; however, now people who are not Qatari citizens can buy land in several areas of Doha, including the West Bay Lagoon, the Qatar Pearl and the new Lusail City. Ownership by foreigners in Qatar entitles them to a renewable residency permit, which allows them to live and work in Qatar.

Religion(s): Islam

Religious communities: Muslim 77.5%, Christian 8.5%, other 14%

Capital City: Doha, with 400, 051 people: Doha's demographics are unusual as the majority of residents in the city are expatriates, with Qatari nationals forming a minority. Doha is also home to expatriates from South Asian countries, mainly India, Pakistan and Bangladesh, with large amounts of expatriates also coming from the Levant Arab countries, Egypt, North Africa, and East Asia, the United States, France, South Africa, United Kingdom, Norway, and many other countries.

Languages: Arabic, English and Urdu

Currency: Qatari Riyal (QR); 1 QR = 100 Dirhams

GDP (purchasing power parity): $57.69 billion

Major political parties: None

Government: Monarchy

Coastline: 563 km

UAE

General information: The United Arab Emirates (UAE) is a federation of seven states formed in 1971 by the then Trucial States after independence from Britain. Although each state - Abu Dhabi, Dubai, Ajman, Fujairah, Ras al Khaimah, Sharjah and Umm al Qaiwain - maintains a large degree of independence, the UAE is governed by a Supreme Council of Rulers made up of the seven emirs, who appoint the prime minister and the cabinet.

Full Country Name: United Arab Emirates

Area: 77,700 sq km

Location: Middle East, bordering the Gulf of Oman and the Persian Gulf, between Oman and Saudi Arabia

Land boundaries: total: 867 km

Border countries: Oman 410 km, Saudi Arabia 457 km

Coastline: 1,318 km

Population: 4.6 million

People: Arab (55%, with only 20%, native citizens), South Asian (28%), Iranian (8%), other expatriates (9%)

Religion(s): Muslim (96%; Sunni: 80% & Shi'ite: 16%) Hindu (4%)

Capital City: Abu Dhabi

Largest city: Dubai; Dubai has large Hindu, Christian, Buddhist, Sikh and other religious communities. Non-Muslim groups can own their own houses of worship, where they can practice their religion freely, by requesting a land grant and permission to build a compound. Groups that do not have their own buildings must use the facilities of other religious organizations or worship in private homes.

Languages: Arabic (official), Persian, English, Hindi, Urdu

Currency: 1 UAE Dirham=100 fils

GDP (purchasing power parity): $145.8 billion

Major political parties: None

Government: Federation

General information about three city states of GCC:

In Dubai, shopping malls, luxury hotels, residential towers and artificial islands are being built. Around 5 million tourists visit Dubai per year and the city –according to government literature- is planning for 15 million by 2020. For Dubai, Singapore has been the model that has already proved that combining business with tourism can be a successful formula for a city-state. To do this, Dubai has turned itself into a transport hub; the existing airport is being expanded and a new airport planned with six runways and the capacity to handle 120 million passengers per year. Dubai is not the only city engaged in a construction boom of tremendous proportions attracting international interest; Doha (Qatar) and the Manama, city state of Bahrain are also in the race. These are examples of 'instant' cities or 'cities within cities' that are focal points of their government's efforts to promote real estate development.

Dubai:

Dubai is a fast growing economy with growth rates well above 15% last year and double digit for many years in running now. Last few years have seen Dubai growing from a tiny city state to a huge metropolitan city. Minimum Living Standards in Dubai (improving all the time) are much higher than many Fast Developing Economies of the world. Dubai offers a range of Life Style options to its residents. Dubai, as a true metropolitan, is always working on providing the world class infrastructure to compliment the image that it has carved over the years in the comity of city states. Roads, although falling short yet catching fast with the pace of development, the flyovers and overhead bridges, the underpasses etc. compete with the best in the world in terms of quality and finesse as well as safety standards. Dubai is often called a cultural melting pot. The description couldn't be more accurate as there are 180 different nationalities that are working and living in such a small place. There are all types of events going on all the time. Theater and Art exhibitions are fast becoming regular features of the city's Cultural Scene.

Doha:

The city of Doha is located on the Western coast of the State of Qatar. It is the capital of the State and the largest city. It has been undergoing rapid growth, especially during the 1970's and

1980's of the last century, due mainly to the increasing oil revenues, which enhanced a sustained economic growth of the whole country. This has further evolved a rapid increase of the population of the city, resulting from both internal migration and external migration of foreign workers (labor). The total population of Doha city is estimated at 400, 051 inhabitants.

Manama:

Manama is a cosmopolitan city of about 144,000. Central Manama is undergoing extensive urban development, featuring new banks, hotels, offices, and six-lane, divided highways on land reclaimed from the sea during the past 15 years. This growth has resulted in moderately increased traffic congestion and the distinct beginnings of urban sprawl. Yet, the city is livable and many consider it the preferred location in the Gulf.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Gulf Cooperation Council (GCC)

Nadia Tasleem

Weekly Report: from 6th May 2008 to 12th May 2008

Presentation: 13th May 2008

GCC

Bahrain

Political front

- Minister cleared of sectarianism
- Al Wefaq slams MPs for supporting minister

Geo-strategic front

- 11 Bahrainis trapped in Lebanon

Social front

- Bahrain mulls plans to cut use of antibiotics
- Maids to be protected under GCC-wide law

Saudi Arabia

Economic Front

- Saudi to start growing rice in Thailand by end '08

Geo-strategic front

- Saudi Arabia threatens to halt Taiwan oil exports over dispute
- Arabs call for urgent meeting on Lebanon

Social front

- Amnesty urges release of Saudi facing flogging
- Princess addresses family abuse

UAE

Political front

- Amendments to chemical weapons laws approved

Geo-strategic front

- 60 to 70 UAE nationals evacuated on daily basis

Social front

- 65 capital firms face prosecution
- Abu Dhabi launches Environment Strategy 2008-2012

Oman

Geo-strategic front

- Oman-Bangladesh MoU on manpower

Social front

- Taskforce to tackle gas sector's 'talent crisis'

Kuwait

- Al-Qaida linked Kuwaiti militant tells that Iran supports Sunni fighters in Iraq

Yemen

Political front

- Deadly clashes in Yemen
- Al-Arhabi calls donors for strategic alliance to support local governance
- JMP escalates protests as political detainees remain in jail
- Court refuses to release journalist al-Maqaleh
- Yemen’s 2007 counterterrorism record was mixed

Geo-strategic front

- Japanese hostages freed in Yemen
- Yemen presents five-point initiative to dissolve Lebanon crisis
- Saleh and Bush appreciate each other over cooperation on terror

- Syria, Yemen Conclude Joint Higher Committee Meetings

Congress highlights key challenges

Social front

- 55,000 Yemenis join one million signatures to protect Al-Aqsa Mosque
- 20,000 Yemenis get cancer every year

Bahrain

Political front:

Minister cleared of sectarianism:

The Parliamentary Service Affairs Committee cleared Minister of State for Cabinet Affairs Shaikh Ahmed Al Khalifa of sectarianism and misuse of power accusations. Head of the panel MP Dr Ali Ahmed said the committee decided on 8 May, in a majority votes, to clear the minister of all allegations and opted not to recommend action against him.

Al Wefaq slams MPs for supporting minister:

Al Wefaq, the largest bloc in the Lower House with 17 of the 40 seats, has launched a scathing attack on the MPs who have supported a minister whom it accuses of "deceiving the authorities by giving erroneous information about Bahrain's population". Al Wefaq's criticism came a week after the Services Committee absolved State Minister for Cabinet Affairs Shaikh Ahmad Bin Atiyatallah Al Khalifa of the charges of giving wrong data about Bahrain's population.

Geo-strategicfront:

11 Bahrainis trapped in Lebanon:

The head of a Bahraini security team in Lebanon, Bassim Al Maraj, said that an evacuation process was carried out in cooperation with Bahrain Embassy in Syria and the Bahrain Management Office in Lebanon to offer assistance to Bahraini nationals including students and tourists in Lebanon. Ultimately Eleven Bahrainis are trapped in Lebanon while more than 40 were evacuated.

Social front:

Bahrain mulls plans to cut use of antibiotics:

Authorities in Bahrain are studying different mechanisms to reduce prescribing of antibiotics to avoid their side effects on patients. The move comes after a seven-day study revealed an alarmingly high use of antibiotics as 25 per cent of medicines prescribed by physicians at public hospitals and centres last week were antibiotics. Besides the side effects of antibiotics, the study was also conducted to determine if there is a misappropriation in ministry's medicine stocks and medicine consumption. The ministry's awareness campaign will highlight the need to adopt a healthy lifestyle to avoid simple and serious illnesses.

Maids to be protected under GCC-wide law:

Majeed Al-Alawi said a committee with representatives from all GCC countries is working on a new law addressing the rights of foreign housemaids in the Gulf. The joint move was initiated because maids are not covered under individual labour laws of GCC countries.

Saudi Arabia

Economic Front:

Saudi to start growing rice in Thailand by end '08:

Industry sources and traders have expressed their interest in growing rice in Thailand by the end of 2008 in order to boost security of food supply. A number of private companies and Saudi officials already met last week with Thai investors to discuss possible partnerships.

Geo-strategic front:

Saudi Arabia threatens to halt Taiwan oil exports over dispute:

Saudi Arabia has threatened to halt oil exports to Taiwan over Taipei's reluctance to invest in Saudi Arabia's power and water desalination plant. According to the United Daily News (UDN), Saudi Arabia feels cheated by Taiwan's delay in investing in the Independent Water & Power Provider (IWPP) project, so it has threatened to suspend oil exports to Taiwan. Saudi Arabia supplies 100 million barrels of oil to Taiwan every year, accounting for half of Taiwan's oil

imports. 'If Saudi Arabia stops oil import to Taiwan for two weeks, Taiwan will face an oil crisis,' the paper said. But the state oil monopoly Chinese Petroleum Corp (CPC) denied knowledge of Saudi Arabia's threat to stop oil exports to the island.

Arabs call for urgent meeting on Lebanon:

Opposition Hezbollah gunmen seized control of west Beirut from pro-government forces on Friday, the third day of sectarian violence which threatened to tip the country into all-out civil war. In response Saudi Arabia led calls on 9 May for an urgent meeting of Arab foreign ministers in Cairo to try to end the crisis in Lebanon.

Social front:

Amnesty urges release of Saudi facing flogging:

Amnesty International has urged Saudi authorities to release a Saudi university professor who is facing flogging and imprisonment for meeting a woman to whom he is not related for coffee in the conservative Islamic kingdom. Muhammad Ali Abu Raziza, a psychology lecturer at the University of Mecca, has been sentenced to 150 lashes and eight months in jail after the religious police caught him with a woman in a coffee shop.

Princess addresses family abuse:

In a first for Saudi Arabia, experts gathered this week to discuss publicly the problem of domestic abuse and develop a national strategy for preventing and dealing with family violence. The two-day forum, attended by about 160 men and women, was held under the sponsorship of Princess Adela bint Abdullah, the daughter of King Abdullah bin Abdul Aziz, a strong supporter of efforts to tackle domestic violence. The meeting is another illustration of Saudi Arabia's tentative steps – since King Abdullah took the throne in 2005 – to openly address major social problems. Buoyed by this royal encouragement, Saudi women – and some men – have become increasingly outspoken on the issue of domestic violence.

UAE

Political front:

Amendments to chemical weapons laws approved:

The Cabinet Legislation Committee discussed and approved amendments to three federal laws at a meeting held on 11 May. Headed by Dr Hadif bin Juaan Al Dhahiri, Minister of Justice, the committee has approved to amend federal law 13 for the year 2007, regarding the import and export regulations of commodities, federal law 40 for the year 2006 regarding banning the production, storage and usage of chemical weapons, and federal law 19 for the year 2006 regarding the rights of special needs individuals. The committee changed the latter law by replacing the phrase 'special needs' with 'handicapped'. The committee will refer the amendments to the cabinet in order to take the appropriate decision in issuing the laws, and will resume its discussion of the anti-tobacco regulations during its next meeting.

Geo-strategic front:

60 to 70 UAE nationals evacuated on daily basis:

Some 60 to 70 UAE nationals are being safely evacuated from Lebanon to Syria on a daily basis. Youssef Mohamed Al Madfaei, UAE Ambassador to Syria, said that all the required facilities, including flights back to the UAE, are secured for all evacuees, as per the directives of the President, His Highness Shaikh Khalifa bin Zayed Al Nahyan. The UAE embassy in Syria is on high alert to receive all evacuees and provide help to all, particularly the Lebanese who have families here in the UAE, Al Madfaei pointed out.

Social front:

65 capital firms face prosecution:

The Ministry of Labour (MoL) has referred owners of 65 firms in Abu Dhabi to the Public Prosecution for allegedly hiring illegals during the last six months. Mohsen Saeed Al Nessi, Director of Inspection Department at the MoL, told that the inspectors caught 95 workers hired by the 65 companies illegally without work permits, labour contracts, and health insurance or labour cards.

Abu Dhabi launches Environment Strategy 2008-2012:

The Environment Agency Abu-Dhabi (EAD) has launched the Abu Dhabi Environment Strategy 2008 – 2012, on 6May. The Strategy comes as a part of the wider vision of Abu Dhabi to have a Good Government-aligned and committed to improvement for the benefit of all. The Abu Dhabi Environment Strategy 2008-2012 was developed through a wide consultation with the Agency's major stakeholders. It sets a benchmark for monitoring changes over time, outlines the Emirate's environmental long term vision, mission and goals and provides a plan for taking action now and in the future. It is a part of the Abu Dhabi Government's drive to achieve a safe and secure society, a sustainable economy and high performing government. It aims to bring 1) Environmental Sustainability, 2) Water Resource Management, 3) Air Quality, 4) Hazardous Materials and Waste Management, 5) Biodiversity Management, 6) Environmental Awareness, 7) Environment, Health and Safety Management System, 8) Organizational Efficiency, 9) Emergency Management, and 10) Environmental Information System.

Oman

Geo-strategic front:

Oman-Bangladesh MoU on manpower:

Oman and Bangladesh have concluded a memorandum of understanding (MoU) on manpower cooperation and an agreement to avoid double taxation following discussions on 10 May between senior officials from the two countries.

Social front:

Taskforce to tackle gas sector's 'talent crisis':

Manpower Minister Dr Juma Bin Ali Al Juma said that the Ministry of Manpower will set up a Talent Management Taskforce to help companies in the oil, gas and related sectors to address the acute shortage of professional talent in the country. He further said that on the one hand we have an acute shortage of talented manpower and on the other, we have sizeable youth unemployment. The reason for this paradox is the mismatch between the jobs available and the lack of skills of the unemployed.

Kuwait

Al-Qaida linked Kuwaiti militant tells that Iran supports Sunni fighters in Iraq:

A Sunni fundamentalist from Kuwait, Mubarak al-Bathali, who has been linked by the United Nations and the United States to al-Qaida, said in an interview that Iran is supporting Sunni Arab insurgents fighting American troops in Iraq. The comments came just days after reports surfaced here that three Kuwaitis recently carried out suicide bombings in Iraq, including a Kuwaiti who was a former Guantanamo Bay prisoner. Kuwaiti authorities have not confirmed those reports but the U.S. military said that a recent suicide attack in the northern Iraqi city of Mosul was indeed carried out by a former Guantanamo detainee. The U.S. has accused Iran — which is predominantly Shiite like Iraq — of supporting Shiite militias in Iraq. Iran denies this and blames the U.S. troops presence for the violence in Iraq. The accusations by al-Bathali were a rare occasion that a Sunni fundamentalist claimed Tehran also backs Sunni extremists, linked to al-Qaida. Al-Bathali, whose remarks were unusually bold, said he has also sent Kuwaitis to fight in Kosovo and Chechnya. He gave no evidence of his claims and provided no further details.

Yemen

<u>Political front</u>:

Deadly clashes in Yemen:

Deadly clashes between government forces and Shia fighters in the northern Yemeni province of Saada have added further multiplied number of deceased and injured soldiers as well as members of the al-Huthi opposition. Fighting also erupted again overnight in Muran, northwest of Saada, where armed men attacked army posts with rockets, according to tribesmen in the region. The fighting erupted following a booby-trapped motorcycle explosion that targeted a crowd of worshippers, last week. Government blamed these tribes for this act however they denied allegation by saying that they can not target a mosque.

Al-Arhabi calls donors for strategic alliance to support local governance:

Minister of Planning and International Cooperation Abdul-Karim al-Arhabi called for setting up a strategic alliance between Yemeni government and donor countries in support of the local governance in Yemen. Al-Arhabi said in a meeting with representatives of donor countries on Monday that “such coalition will help prepare programs for building capacities of local leaders

to be elected." He said Yemen's initiative to carry out first governors' election reflects essential development in democratization process.

JMP escalates protests as political detainees remain in jail:

A number of political activists from the Joint Meeting Parties (JMP) and civil community organizations protested on Wednesday and Thursday against the government for not releasing political detainees. The protesters insisted that the authority free all political detainees who were arbitrarily arrested and jailed in a manner contravening the Constitution and effective laws. They also demanded that the government disclose all those secretly jailed in the various security and military jails, as well as cease illegal practices, crackdowns and escalating attacks that seem to be threatening the narrow margin of democracy and press freedoms in Yemen, according to the protesters. The protestors released a statement claiming that the government must question, interrogate and refer to court all those involved in crimes against humanity and unconstitutional practices to face announced, transparent and fair trials. They confirmed that they are ready to continue such protests and sit-ins until the government responds to their legal demands, calling on all participants in the various political and social demonstrations in Yemen to continue their peaceful protests in order to press the authority to respect the Constitution and relevant laws, as well as protect rights and public freedoms.

Court refuses to release journalist al-Maqaleh:

The State Security Specialized Court refused on 11 May a request to release journalist Mohammad al-Maqaleh who is charged of mocking a judge during a colleague's trial. At hearing session, the court said al-Maqaleh was charged with committing criminal acts when he insulted judge in the court room on April 8 and ridiculed the court's procedures against journalist Abdul-Karim al-Khiwani who is in prison for allegedly writing articles against president Saleh and supporting rebels in north whom the authorities call "Second Sana'a Terror Cell".

Yemen's 2007 counterterrorism record was mixed:

The latest US 2007 Country Report on Terrorism released by the U.S Department of State on April 30 has shown dissatisfaction over Yemen's 2007 counterterrorism record and described it as "mixed." The report said Yemen "took action against al-Qa'ida (AQ) and local extremists, arresting and killing several individuals suspected of having AQ ties, and prosecuted the perpetrators of previous terrorist acts." However, it said, "significant setbacks included the June 22 announcement that Abu Basir Nasir al-Wahishi was the new head of al-Qa'ida in Yemen (AQY), and the July 2 terrorist attack in Marib that killed ten people."

Geo-strategic front:

Japanese hostages freed in Yemen:

Two Japanese women taken hostage by Yemeni tribesmen have been freed unharmed, according to the Japanese foreign ministry.

Yemen presents five-point initiative to dissolve Lebanon crisis:

Foreign Minister Abu Bakr al-Qirbi headed to Cairo on 11 May to attend an emergency meeting of Arab foreign ministers on Lebanese crisis. It is assumed that meeting will focus on Yemini initiative that includes five points stipulating that Michael Suleiman handles dialogue amongst Lebanese political powers; Siniora's government should continue handling all affairs of Lebanon until all Lebanese people elect a president; the government should retract its decision regarding Hezbollah communication network; conflicting factions should withdraw armed groups and restore life to normal and the Arab League resolution regarding Lebanon crisis should be amended. Yemen presented this initiative to bridge the rift between the two Palestinian movements Hamas and Fattah last March.

Saleh and Bush appreciate each other over cooperation on terror:

During recent meeting with Yemini President Ali Abdullah Saleh, American President George W. Bush highly appreciated his efforts against terrorism. In response he also expressed delight to have US as a close friend.

Syria, Yemen Conclude Joint Higher Committee Meetings:

The Syrian-Yemeni Committee, co-chaired by Syrian Prime Minister Mohammad Naji Ottri and his Yemeni counterpart Ali Mohammad Mujawar, concluded meetings in Sana'a on 11 May by signing the Minutes of their 8th session and a series of agreements and Memos of Understandings and cooperation protocols. The documents covered several fields in economy, trade, education, electricity, health, information and banking.

Congress highlights key challenges:

19th Arab National Congress started on 10 May in Sana'a. The participants, from almost all Arab countries are attending this congress. Key issues under discussion include political, security, cultural and diplomatic challenges being faced by Arab Ummah. Besides that Palestinian issue has also been taken into consideration.

Social front:

55,000 Yemenis join one million signatures to protect Al-Aqsa Mosque:

Yemeni Islamists initiated a campaign to collect one million signatures in defense of Al-Aqsa mosque, from all over the Arab and Islamic world. Preachers in many mosques in the capital Sana'a encouraged worshipers to sign. According to the Qatari Al-Raiya paper, the campaign has collected 50,000 signatures in Qatar, 30,000 in Bahrain and 100,000 in Kuwait. However in Yemen it could collect almost 55,000 signatures within two days. They said the one million signatures might not be the solution and might not have a far reaching impact, but it is an expression of how Muslims hate the Israeli arrogance, according to them. They believe the campaign is "the first step of Jihad and a positive precursor for future reactions.

20,000 Yemenis get cancer every year:

Director of the National Oncology Center stated that the rate of cancer infections in Yemen is increasing, especially jaw, mouth, throat and liver cancer due to bad habits of chewing qat and smoking. He said the single center he heads receives 50-60 new cases of caner per a day coming from different provinces.

Bahrain

Population:

708,573 note: includes 235,108 non-nationals

Net migration rate: 0.6 migrant(s)/1,000

About 90 percent of the population resides in urban areas, primarily in Manama, its suburbs, and the nearby city of Al Muharraq on the island of the same name.

Age structure of population:

0-14 years: 26.9% (male 96,217/female 94,275) 15-64 years: 69.5% (male 284,662/female 207,555) 65 years and over: 3.7% (male 13,451/female 12,413)

Labor force:

352,000

Agriculture 1%, industry, commerce, and services 79%, government 20% (97)

44% of the population in the 15–64 age group is non-national; overall about 60 percent of Bahrain's workforce is foreign and male, because native Bahrainis generally lack the skills required for employment in many fields and many foreign workers are willing to work for low wages

Unemployment rate: 15%

Urban and rural population:

The largely urban population is about 62% Bahraini; the balance of the inhabitants consists of non nationals who are mainly other Arabs or Iranians, Indians, and other Asians, 89% of the population lives in the two principal cities of Manama and Al Muharraq.

Qatar

Population:

907,229

Net migration rate: 13.12 migrant(s)/1,000 people

Age Structure:

0-14 years: 22.8% (male 108,063/female 103,887)

15-64 years: 72.9% (male 463,942/female 213,137)

65 years and over: 4.3% (male 29,515/female 10,091)

Labor force:

638,000: Agriculture: 1.64%, industry: 38%%, services: 59%

The labor force represents 42 percent of the population, with 7 percent of the force made up of women. Those women who work outside the home are often teachers, nurses, clerks, or domestic servants. More than 90 percent of Qatar's labor force is of foreign origin, reflecting the lack of indigenous skills and training necessary for the operation of the country's economy. The government promotes the placement of more Qatari citizens in the workforce, but the economy remains heavily dependent on foreign workers.

Unemployment rate: 0.7%

Urban and Rural Population:

About 92 percent (2003) of the population is urban. About half of the population lives in Doha, the capital and commercial center of the country, located on the eastern coast.

The population is more than 50 times as large today as it was in 1949. This extraordinary growth is largely due to the immigration of great numbers of foreign workers needed in Qatar's oil fields, factories, and infrastructural developments. The country's massive and rapid economic development since the mid-20th century has been made possible only with the skills and labor brought in from abroad. These foreign workers and their dependents now greatly outnumber Qatari citizens, who account for only about 20 percent of the country's population. Other Arab groups—mostly Palestinians, Lebanese, Omanis, Syrians, and Egyptians—account for another 20 percent, Pakistanis and Indians each represent 18 percent, Iranians 10 percent, and Europeans and others make up the balance. The country contains a small community of East Africans, who were brought to Qatar as slaves until slavery was abolished in Qatar in 1952.

UAE

Population:

4,444,011; around 89 % of the populations are non-nationals

Net migration rate: 26.04 migrant(s)/1,000 people

Urbanization: 86%; - urbanization growth: 15%

Age Structure:

0-14 years: 20.5% (male 484,102/female 462,405)

15-64 years: 78.6% (male 2,663,702/female 970,672)

65 years and over: 0.9% (male 26,244/female 14,274)

73.9% of the population in the 15-64 age group is non-national

Labor force:

3.119 million; around 74% of the total labor force is made up of foreign nationals, with foreigners accounting for 98% of the private labor force

Labor force - by occupation: agriculture: 7%, industry: 15%, services: 78%

Unemployment rate: 2.4%; there is a comparatively high unemployment rate amongst UAE nationals, and nationals make up only 9 % of employees in the public sector and 1 % of employees in the private sector

Yemen

Full name: Republic of Yemen

Area: 527,970 sq km

Location: Middle East, bordering the Arabian Sea, Gulf of Aden, and Red Sea, between Oman and Saudi Arabia

Land boundaries: 1,746 km

Coastline: 1,906 km

Population: 23,013,376

Age Structure: 0-14 years: 46.2% (male 5,415,385/female 5,218,237)

15-64 years: 51.2% (male 5,996,202/female 5,795,779)

65 years and over: 2.6% (male 284,195/female 303,578)

People: Arab Muslim majority, of whom some 34%-40%: Sunni and 60%-66%: Shia

Ethnic groups: predominantly Arab; but also Afro-Arab, South Asians, Europeans

Languages: Arabic

Religion(s): Muslim including Shaf'i (Sunni) and Zaydi (Shi'a), small numbers of Jewish, Christian, and Hindu

Capital City: Sanaa

Currency: Yemeni rial

GDP (purchasing power parity): $52.61 billion

Labor force: 6.316 million

Labor force - by occupation: most people are employed in agriculture and herding; services, construction, industry, and commerce account for less than one-fourth of the labor force

Major political parties: General People's Congress or GPC; Islamic Reform Grouping or Islah; Nasserite Unionist Party; National Arab Socialist Ba'th Party; Yemeni Socialist Party or YSP

Government: Republic

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Gulf Cooperation Council (GCC)

Nadia Tasleem

Weekly Report: from 13th May 2008 to 19th May 2008

Presentation: 20th May 2008

Articles' review:

"Come to Yemen," Al-Qaeda in Yemen appeals to "Saudi Brothers

By Nicole Stracke

Researcher: Security and Terrorism Department

Summary:

Nicole Stracke analyses an appeal by Nayef bin Mohamed Al-Khatany (Abu Humam), a Saudi member of Al-Qaeda who is wanted by Saudi security forces and is believed to be hiding in Yemen; in which he asks his Saudi counterparts to come to Yemen for security reasons. Al-Khatany considers Yemen to be safer to launch their move to liberate Saudi Holy places. Al-Khatany's appeal coincides with new name of 'Al-Qaeda in Yemen', i.e. 'Al-Qaeda in the Southern Arabian Peninsula'; that also evinces its possible link with the Saudi branch known as

‘al-Qaeda in the Arabian Peninsula.’ In the light of these two points writer discusses impact of a possible alliance, between the Saudi and Yemeni branches of Al-Qaeda on the security situation in the region, in the light of likely aims and strategies of ‘Al-Qaeda in Yemen’.

Writer starts by pointing out two likely aims of this group, first to turn Yemen into main battlefield and second, to provide safe haven to Saudi counterparts. Despite the fact that number of attacks against oil infrastructure and other key sites in Yemen has escalated yet writer consider those attacks to be an act of self-defence rather than an indication of renewed strength. Cooperation between both groups however can strengthen them as the Yemeni group would gain experience and financial support, while the Saudi one could be provided with a safe haven. Writer adds that cooperation between these two branches of Al-Qaeda poses severe threat to Saudi Kingdom. It therefore needs to enhance cooperation with Yemeni counterparts to cope with such an emerging security threat. On the other hand collaboration between Yemeni and Saudi Al-Qaeda groups can be seen as a major development for Al-Qaeda headquarters that intend to establish transnational organizations. Writer gives the example of Al-Qaeda networks operating in North Africa, Pakistan and Afghanistan in this regard. He ends by calling Jihad to be global; that has no state, no borders or nationalities.

Research Bulletin; GRC

Security & Terrorism

Issue No. 7, December 2007

“Nuclear Development in the Gulf: A Strategic or Economic Necessity?”

By: Nicole Stracke

Summary:

This paper is based on the announcement of Abdul Rahman Al-Attiyah, Secretary-General of the Gulf Cooperation Council (GCC), to establish a joint nuclear research program under the supervision of IAEA. This announcement has been considered as surprising because of past record of GCC in terms of its full commitment to non-nuclearisation of the region. While analyzing the statement of Secretary General of GCC, writer points out three major concerns of the Gulf States. All of the concerns being pointed out by Stracke in this regard are Iran based.

Firstly Gulf States seem to be highly concerned about Iranian nuclear program; secondly demise of anti-Iran regime in Iraq has brightened the chances of anti Gulf Iran-Iraq collaboration. Lastly aggressive foreign policy of Iran has also motivated Gulf States to change their policy of ‘zero nuclear option’. Besides that Gulf States also intend to lessen ‘nuclear technological gap’ that they have with Iran, Israel and many other states of the world. On the basis of these concerns, GCC aim to show that development of a peaceful nuclear program is possible with international cooperation and under the supervision of the IAEA without violating the international legal system. Besides that it also intends to demonstrate a united and coherent policy in the context

of the threat of nuclear proliferation in the region. All the while it has sent a clear message to world community to put more pressure on Iran otherwise they will follow the same route.

After discussing motivating factor behind changed policy of GCC, Stracke points out economic concerns of oil-rich countries in this regard. Many critics consider it to be a flawed point that GCC ambition to acquire nuclear energy has economic concerns as well. Writer however claims that being an alternative to oil; being the only source of energy for these states till now, nuclear technology appears to be a useful option. Besides that, growing price of oil has also motivated Gulf States to store it for export and to put effort to acquire other alternative for domestic use. While listing other benefits writer considers credibility and environmental concerns to be the most significant. Writer also discusses possible ways that these states would adopt to acquire nuclear technology. Positive response of states like US and France has also been mentioned. GCC previous efforts of diplomacy to engage Iran in their joint efforts have also been discussed briefly. But as nothing could work so GCC opted to bring change in its policy and to prepare itself against Iranian aggression.

"Nuclear Terrorism in the Gulf: Myth or Reality?"

By: Mustafa Alani: ***Director and Senior Advisor in the Security and Terrorism Department at the GRC***

Summary:

This article highlights the potential threat posed by terrorists to the planned Gulf nuclear program and examine whether this is, in fact, a credible threat. Writer discusses this point in the light of Westerns concerns about likely nuclearisation of GCC and terrorists' access to their nuclear program. Alani does not support Western concerns in this regard and considers their point to be invalid and baseless. He rather highlights the points that clearly negate vulnerability of GCC proposed nuclear energy program. Reasons include; first talk about GCC nuclear bomb is premature as these states have just expressed interest in having nuclear energy so there is no chance of nuclear bomb in near future; secondly, GCC nuclear projects (joint or individual state's programs) will be under the full and continuing supervision of the International Atomic Energy Agency (IAEA) hence would be secure; thirdly, security situation in GCC is also up to the mark (even in case of its important oil installation terrorists have never been able to succeed in damaging them, nuclear plants would surely be safer). In the light of these points writer considers the threat of terrorist groups developing a nuclear device, a nuclear bomb, or acquiring a ready-made nuclear bomb to be remote.

Apart from the above mentioned arguments writer further substantiate his point by claiming that complications involved in making of nuclear weapons and difficult ways to assemble them and to take them from one part to another, create further obstacle in the way of terrorists to acquire these weapons. This leaves only one scenario open for debate concerning the Gulf States' nuclear program: the hypothetical risk of terrorist groups obtaining nuclear material, such as spent nuclear fuels (nuclear waste) from power plants or low-level radioactive materials intended for medical and industrial use. Such materials can be converted into 'Dirty Bomb' by

different methods. That kind of bomb works on polluting and contaminating the environment in the targeted area with radioactive materials. Though it seems to be more practical yet terrorists haven't used it so far therefore intensity of damage that can be caused by 'Dirty bomb' is not known. However it is assumed damage caused by such a device will not be more than that delivered by a conventional device containing 3-5 kilograms of high explosives (HE) or even low explosives (LE). Writer concludes by saying that terrorists' abilities should not be under estimated, rather high security measures should be taken to cope with this threat not only in case of GCC (that is still in planning phase) but all across the globe.

"Civilian Nuclear Programs in Arab Countries"

By: Mohamed Abdel Salam: ***Head of the Regional Security and Arms Control Program, Al-Ahram Center for Political and Strategic Studies, Egypt***

Summary:

This article is inline with the previous two articles about nuclearisation of Arab Countries. Writer starts justifying Arab concerns about Iranian nuclear program and energy shortage and claims that these issues have led Arabs generally and GCC particularly to take practical initiatives to pursue peaceful nuclear program. He adds that despite having large number of problems in this way these Arab countries are on the right track. Egypt is leading in this regard. Libya and Algeria are also capable enough to move ahead. As far as GCC States are concerned having significant financial capabilities and justified political motives, they have started serious studies on the economic and technical dimensions of a nuclear program. In their case multilateral nature of the program seems to be major hurdle in the process as it is usually hard to develop consensus in such cases. All the while Jordan, North Africa, Yemen and Sudan are also on the way. Despite the fact that these Arab states have got approval of international community in this regard by exploiting Iranian threat; yet internal factors have to be taken into consideration. On the whole these countries seem to be quite optimistic about their planned nuclear program as it will reduce their vulnerability as well as dependence.

GULF-ASIA Research bulletin

February 2008

Issue No. 4

"Asia and the Middle East-A New Era of Cooperation"

By: H.E. Goh Chok Tong: ***Senior Minister, Government of Singapore***

Summary:

This article discusses growing link between Asia and Middle East at the moment of their transformation, key challenges being faced by these regions, mutual interests in stability and growth, economic and energy cooperation and collaboration beyond these areas. Writer starts by discussing transformation of both these regions. Middle East has got advanced technology hence on the basis of that technology it has converted its barren lands into green areas and its cities to mega-city states. It has started giving considerable importance to man power hence has invested a lot in education and other technical trainings to develop its population. On the other hand, Asian states have been focusing on economic growth; China and India can be considered as Asian economic giants today. Indeed, for the past decade, both Asia and the Middle East have been growing at a rate faster than the world average.

While discussing key challenges being faced by the two regions writer points out Korean nuclear issue and Taiwan issue to be the most striking ones; however in case of Middle East, Iraq, Palestine, Lebanon and Iran have been listed as the major issues causing instability. Writer considers major powers to be significant to resolve these issues. After discussing key challenges writer claims that having mutual interests both regions would be affected by instability in either one. Key areas of cooperation as being jotted down by the writer include oil sector as well as energy sector; more ways need to be sorted out to enhance cooperation in these areas as well as many others like 'sharing of experiences' as has been happening in case of ME and Singapore. Writer concludes by saying that both these regions are complicated to understand yet destinies and interests of the both regions are increasingly intertwined, economically, socially and politically, hence both seem to have close bond of relationship.

Bangladesh-GCC Economic Relations: An Assessment

By: Ishtiaque Selim, ***Research Officer, BIISS***

Summary:

This article focuses on Bangladeshi relationship with GCC. Their main areas of cooperation and key challenges being faced by Bangladesh today have been discussed. Writer considers GCC to be an important economic opportunity for Bangladesh since its independence. Oil import and job opportunities for skilled and semi-skilled workers had always remained the striking point in the relation of Bangladesh and GCC. Bengali work force, working in Gulf countries has been contributing a lot in growing economy of Bangladesh. Apart from oil and petroleum, Bangladeshi imports from the GCC nations include bituminous substances, mineral waxes, base metals, fertilizers, cotton, salt, sulphur, etc. On the other hand, major export items to the GCC markets consist of edible vegetables and certain roots and tubers, olive trees and other plants, bulbs, coffee, tea, spices, fruits, nuts, tobacco, pharmaceutical products, textile, etc.

Amidst such close collaboration Bangladesh faces certain challenges in its ties with GCC; first its trade relation is highly imbalanced; secondly growing competition in case of employment has devalued Bangladeshi labour. In order to counter these key challenges Bangladesh need to adopt aggressive marketing strategies to attract GCC States towards its market. Besides that

investors from GCC should be encouraged to invest more in Bangladesh, it will surely end trade imbalance between the two sides. All the while, various training and capacity building programs should be launched to enhance the skills of its workforce. To sum up, it is evident that despite the existing hurdles, the GCC countries have offered Bangladesh ample opportunities to accrue further economic dividends.

The GCC-EU; Research bulletin

December 2007

Issue No. 9

The EU and the GCC: A New Era in Interregional Relations?

By: Bezen Balamir Coskun, ***Ph.D. Candidate in the Department of Politics, International Relations and European Studies at Loughborough University, UK***

Summary:

Within the context of the EU's wider foreign policy and security strategy framework, the Middle East is considered as the most important area which can directly affect the EU's well-being from economic and security angles. Keeping in view the significance of GCC, EU has adopted various policy tools that include, EU-GCC Cooperation Agreement, the Barcelona Process, the European Neighborhood Policy, and bilateral agreements with Iran, Iraq and Yemen. Even though the GCC states are excluded from the general 'European Neighborhood Policy' framework, relations with the GCC have always constituted an important part of the EU's external relations. In this regard, energy needs of EU have played significant role in bringing it closer to GCC. In order to get continuous gas and oil supply large number of European investors have started investing in GCC hence have created a business class in GCC that has its own vested interest in stabilized EU.

Apart from the region's rich energy resources, its strategic importance has also enhanced its significance for the EU. In this regard, a close partnership with the GCC has provided EU with natural allies in the Middle East because of the fact that GCC states are highly interested in regional stability. In light of the recent developments regarding EU-GCC relations, and in spite of the EU's institutional superiority over the GCC, both sides have succeeded in moving beyond the continuing free trade agreement talks and found other common grounds on which to develop interregional relations based on their interdependencies.

"Russia in the Middle East: Friend or Foe?"

Author: Andrej Kreutz

Publisher: Praeger, 2007

Reviewed by Dr. Klejda Mulaj, ***Senior Researcher, Gulf Research Cent***

Summary:

This book describes Russian policy in the Middle East with particular focus on the post-Soviet period from 1991 to the present. Writer discusses current situation in the light of past when Soviet Union was much stronger and was following its own ideology. Things have changed since the end of the Cold War. Soviet Union does not exist anymore, Russia has become far weaker hence has adopted Western systems by leaving its own ideology. All these development have changed Russian relation with Arab world. In past Russia has been supporting Palestinian cause hence had a strong point of collaboration with the Arab World in this regard. But it now focuses more on enhancement of ties with Israel in order to stay close to the Western World. Though it supports Palestinian right of self-determination but does not condemn Israel any more.

In case of rest of the Arab world, variation can easily be observed in Russian relation with different states. That variation is based on Russian interests in different states. In this regard Russia enjoys most cordial ties with Egypt that is following Western lines. As far as Iraq is concerned, Russia has expressed its serious concerns regarding liberation of Iraq as it intends to lessen US influence in the region. In case of states like Jordan, Syria and Lebanon, despite having history of cordial ties Russia does not give significant place to any of these states anymore. In the light of these existing realities writer claims that though Russia does not have influential position within Arab world particularly in comparison with the US and the EU, yet it intends to remain active in this region in order to avoid Muslims' support for its own Muslim minority as well as to have access to warm waters.

In conclusion, Andrej Kreutz reiterates that Russia views Middle Eastern involvement as essential to its security because it has a substantial domestic Muslim minority, and because of the potential threat from the powerful Western (mainly American) military and political presence in the area. Overall, relations of neocapitalist Russia with the Middle East have been cautious and marked by self-interested pragmatism. Writer adds that Russia cannot play a heavyweight role in the Middle East and needs to be strategic in its approach since it cannot compete directly with the United States or leading Western European Union countries. Regardless, the Middle East will be a lasting feature of Moscow's foreign policy and the author makes a plea for greater involvement of Russia in finding lasting solutions to problems in this region.

SOURCES FOR GCC

- Gulf Researcher Centre
- Gulf News
- Gulf Times
- Kuwait Gulf Cooperation Council News
- Kuwait latest news
- Qatar News sources
- Saudi Arabia latest news
- Saudi Times

- Times of Oman
- Oman Daily Observer
- UAE news
- AbuDhabinews.com
- Bignewsnetwork.com
- Dar Al Hayat

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Gulf Cooperation Council (GCC)

Nadia Tasleem

Weekly Report: from 20th May 2008 to 26th May 2008

Presentation: 27th May 2008

This report includes few of the key information sources of Middle East and brief account of their method of working. Besides that few articles and commentaries have also been reviewed from three of these sources. All the while briefing of a seminar on the relevant area has been summarized as well.

Information sources:

Al-Ahram Centre for Political and Strategic Studies:

Al-Ahram Center for Political and Strategic Studies (ACPSS) was established in 1968 as an independent research unit functioning within the framework of Al-Ahram Foundation. The Center has evolved over the times, especially in 1972, where its research scope did not halt at studying Zionism and the Israeli society, but expanded to incorporate the inclusive studies of international and strategic Issues, with a special focus on developmental issues of the international system, interactive trends between Arab countries and the international system, the regional framework surrounding them, and amongst one another. The Center devotes a large part of its activities to studying the Egyptian society from its various political, economical, military and social viewpoints. The center maintains complete independence in directing its research activities, and is keen on pertaining to a philosophy of criticism; and is concerned in proposing an intellectual, investigative vision for the issues at hand. It also provides for the freedom of speech of its scholars and researchers in accordance to the guidelines of subjectivity and scientific research. Its major activities include;

- Commentaries
- Strategic Reports: (ACPSS has been issuing the Strategic Papers on monthly basis since January 1991. The series provides contemplative material about various challenges facing Egypt and the Arab world and proposes alternative visions, policies, and choices for facing those challenges)
- Books: (Publications of the Center for Political and Strategic Studies (ACPSS) published tens of books and booklets which covered a wide array of topics such as the international relations, Arab issues, the Arab-Israeli conflict, and the Palestinian issue, the contemporary history of Egypt and the Arab countries, and Egypt's political, economic, and social issues. Additional, the center published two series of books about the Israeli journalism and about socialism and democracy)
- Periodicals: (Al-Ahram Strategic File has been a monthly periodical since January 1995. It presents in-depth analyses for the most important current events on the Egyptian, Arab, and international arenas which are of particular interest to specialized experts, research centers, and Arab and foreign diplomats. Each issue comprises five analytical articles pertaining to significant political, economic, social, and military fields)
- Weekly Articles: (Group of articles written by ACPSS experts and researchers and published in Al-Ahram Weekly)
- Seminars
- Surveys: (Public Opinion Polls Studies Program intends to study public opinion stances of internal and external issues that come within Egyptian priorities. ACPSS has adopted this program to close the loophole on public opinion studies in Egypt, especially those related to economical and political issues)
- Studies

Dar Al Hayat:

Dar Al-Hayat's English web site based in Beirut is a primary source of information for all English-speaking readers seeking an alternative perspective and in-depth reporting on the Middle East and the Arab world. It includes opinion page, business and culture of the Arab countries.

Asharq Al-Awsat:

Asharq Al-Awsat is the world's premier pan-Arab daily newspaper, Printed simultaneously on four continents in 12 cities. Launched in London in 1978, Asharq Al-Awsat has established itself as the decisive publication on pan- Arab and international affairs, offering its reader's in-depth analysis and exclusive editorials, as well as the most comprehensive coverage of the entire Arab World.

Asharq Al-Awsat was the first Arabic daily newspaper to execute satellite transmission for simultaneous printing in a number of major cities worldwide, and is currently the only newspaper to own the Arabic copyright of renowned international syndicates; The Washington Post, USA Today and global viewpoint. Apart from daily news items related to political, economic and cultural aspects, it also has got segments of opinion page, book reviews and readers' feedback..

Al Urdun Al Jadid Research Center:

Al Urdun Al Jadid Research Center (i.e. the New Jordan Research Center), is one of the most innovative and dynamic research centers in Jordan. The Center is an independent non-governmental organization (NGO), working for sustainable development in Jordan and the Arab World, through developing scientific research, administering discussions and dialogues, organizing conferences and workshops, and exchanging expertise and experience with other regional and international organizations. The Center was established in 1990 as an extension to the quarterly Al-Urdun Al-Jadid magazine (1984-1990). UJRC began working in 1993, after getting license from Ministry of information.

The Center pursues its objectives through forums for dialogue and discussion, especially on issues of democratic development, and by developing general policies and legislations, through workshops, brainstorming sessions, conferences, and seminars. UJRC also publishes the proceedings of these activities, including research papers sponsored or prepared by the Center, in a wide-range series of publications.

Its publications from 1993-2006 include following themes:

- Civil Society
- Democratic Development
- Women Studies
- Electoral and Parliamentary Studies
- Human Rights
- Political Islam
- Environment

- Social History
- Arabic Issues
- Media and press
- Cities and Regional Development
- Memories
- Novels
- Arts and Culture
- Economic publications
- Information and Communication Technology

These publications are not accessible online.

American Institute for Yemeni Studies (AIYS):

AIYS, a member of the Council of American Overseas Research Centers, is the only American interdisciplinary academic organization active on the Arabian peninsula. It is the primary link between the American academic community and the Yemeni government as well as the Yemeni academic community. Its basic objectives include; conducting workshops and orientation sessions;

- maintaining a lecture series in Sana'a;
- organizing conferences in Yemen and elsewhere;
- publishing books on Yemen;
- representing Yemeni Studies to American academic, governmental, and general audiences

Publications of this institute are not accessible without paid registration.

Al Multaqa:

The Arab Thought Forum (ATF), known as Al Multaqa in Arabic, was established in Jerusalem in 1977 as an independent Palestinian organization. Based on democratic principles such as openness, transparency and freedom of expression it provides a forum for Palestinian decision makers, public opinion leaders and citizens to express their views and has no affiliation to any government, political party or other organization.

As a leading Palestinian organization specializing in socio-economic development, ATF has served for two decades as an important platform for the presentation of development strategies for Palestinian nation building. Initially focusing on scientific studies and research, ATF has expanded to actively identify critical issues for analysis and public debate and has selectively initiated important pilot and long term projects in order to influence and contribute to the development of the Palestinian people.

Its key areas of focus include:

- The Future of Jerusalem
- Democratic Process and Nation Building
- Promoting Development Awareness
- The Peace Process

Its publications include Democratic formation reports, Books and articles. DFR primarily focus on Palestine and are accessible online. However access to books is restricted. Though its articles are also available online yet focus mainly on Palestine and Israel, for instance; true Democracy justifies freedom and independence, the Role of the PLO in Making the Palestinian Political System etc.

Articles' review:

"Why a French military base in Abu Dhabi?"

Dr Ahmed Ibrahim Mahmoud: ***(expert of military affairs, head of the programme of studying terrorism, and editor in chief of 'Strategic Notebooks' at al-Ahram Centre for Political and Strategic Studies)***

Al-Ahram Egyptian Commentary

Issue 96

16 January 2008

Summary:

This article is based on the recently signed agreement between France and UAE to construct a permanent French naval base in Abu Dhabi; in return France will supply UAE with advanced weapons. As this agreement has been signed on the request of Emirates hence factors motivating UAE to take such step need to be taken into consideration. Writer first points out commonly perceived reasons behind this; then he moves on to deny all those reasons by evaluating current situation. He then figures out some under lying thoughts behind this agreement on the account of both France and UAE. He concludes his article by highlighting strategic consequences of this agreement.

Commonly assumed motives for UAE to ask France for the establishment of its base over there include regional consideration in terms of Iranian nuclear program. Besides that lessening of American influence being sole dominant power in the region has been regarded as another significant factor by many. While taking facts into account both these factors loose their significance. Infact the number of French personnel in the base is not large enough to deter Iran

or produce major changes in terms of the balance of forces in the Gulf area. Future however can bring a different picture in this regard. All the while US approval regarding this agreement indicates that it does not challenge US supremacy in the region. Writer therefore claims that the explanation that should be offered highest prominence in this regard is that the move comes in light of a pursuit on the side of Western countries to share the responsibility over the Gulf security, i.e. involve counties alongside the US in the process of protecting Gulf security.

While discussing strategic consequences of the base writer calls it to be a major achievement of Sarkozy as it has enhanced French influence in the world. Except the US, France has become the only state that is going to establish its permanent base in Gulf. As far as its impact on UAE is concerned the agreement could enhance national security in light of the escalating tension in the Gulf area.

"Arab Satellite transmission document: Efficiency and challenges"

Adel Abdel Sadek: ***(Researcher at al-Ahram Centre for Political and Strategic Studies)***

Al-Ahram Egyptian Commentary

Issue 98

26 Feb 2008

Summary:

This article is based on the Arab Satellite transmission document endorsed at a meeting of Arab information ministers on 13 February 2008. The document was signed by all Arab countries except for Qatar and Lebanon. The former voiced its reservation while the latter opposed the document altogether. Though the document emphasized on putting the media code of ethics into effect yet it raised a debate all across the region. Makers and signatories of the document repeatedly announced that the document is aimed at regulating satellite transmission rather than curtailing freedom of information. A host of parties including prominent figures in the media field and human rights organizations, however, displayed opposition to the document. In this article writer has discussed content of the document, opponents' view point, proponent's opinion and recommendations accordingly.

The document intends to activate a code of ethics that would attain a balance between freedom and responsibility. The objective of the whole process is to protect Arab societies from the programmes transmitting pornography, violence and superstition as well as other values inconsistent with the established norms and ethics. The document includes 12 articles. The main

objective of the document is to regulate satellite transmission in the Arab region in a way that does not contradict with the freedom of expression and the promotion of culture. Besides that it prohibits any video clip that comes in contradiction with Arab culture or is based on insulting or defaming any religious leaders.

Opponents condemn this document by considering it to be a source of curbing freedom of expression within Arab. They claim that governments would manipulate these articles according to their will and interest hence Arab media would stop enjoying level of freedom that it has been, this in turn would undermine Arab informal media. Proponents however claim that that the implementation of the principles proposed by the document would improve the Arab media. While defending their position they further said that the document intends to regulate media and not to control that. Besides that its content is not new rather comes in consistent with Arab and international conventions covering the area of media. It aims to encourage channels with constructive goals inspite of those manipulating situations in accordance with their own interest. Above all it aims to protect Arab identity from the negative impacts of globalization.

Writer, being appreciative of the document denies the points being made by the opponents. His views are based on few points. Firstly Arab public has got easy access to the whole world through different means including IT hence it is not that easy to curb their freedom. Secondly, government will loose a lot of financial resources by confiscating private channels hence it can't be their priority without having strong basis. Document just gives a mere code of ethics and is not obligatory. Lastly, in case of its activation different concerned parties have to join forces and exert sincere efforts to turn the Arab media code of ethics in to reality. Governments, individuals, the private media, and NGOs have to shoulder their responsibility for the sake of enhancing circulation of information.

"Democratic road to nowhere"

Sherine Bahaa

Al-Ahram Weekly Online

Issue No. 898

22 - 28 May 2008

Summary:

This is a news based article that describes Kuwaiti political system in the light of recently held elections in Kuwait. Elections were held on 17 May 2008, after the dissolution of the National

Assembly of Kuwait on 19 March 2008 over constant clashes between the government and the elected MPs. It was the third election to take place in the last five years after five government resignations since February 2006. Writer considers cabinet and parliament to be the major source of tension in the Gulf state. Parliament consists of 50 elected members however cabinet members including Prime Minister, (who should belong to Royal family) are appointed by the ruler. It seems to be the main reason of tension within legislative assembly. Election in the year 2006 got warm welcome by common public particularly young people, who remained enthusiastic and active during election campaign at that time. But fragile nature of democracy in Kuwait has adversely affected those youngsters hence their enthusiasm has died down now. Besides that reelection of same people time and again has also caused decline in public involvement in election this year. Women's inability to win even a single seat in elections has also been regarded as a blow to democracy in Kuwait, by the writer. The only positive attribute of current elections according to the writer appears to be the district system that has limited the influence of tribal politics, vote-buying and other political abuses.

After discussing recent elections in Kuwait writer gives pessimistic opinion about future of political life in the oil rich state. Writer claims that cabinet reshuffling or resignation as well as parliament dissolution has become the common refrain in Kuwait's political life that has often obstructed any element of reform in the fourth largest producer in the Organisation of Petroleum Exporting Countries. Besides that Islamist and tribal MPs (being major opposition in the parliament) have traditionally rejected government proposals for economic liberalization, preferring instead to a welfare system. Inflation has further stoked frustration among the country's 1.4 million citizens. All these factors have led to the growing dissatisfaction of Kuwaiti nationals with the country's economic affairs. Above all the fractious relation between the cabinet and parliament has to be blamed for the paralysis of the economic and political life of the sheikhdom. The country remains dominated by the head of state, Sheikh Sabah Al-Sabah, and his ruling family; its democratic representatives enjoy limited power and their institutions are still feeble. Kuwait therefore needs to bring new elements in its political life in order to compete with other regional competitors like Dubai, Bahrain and Qatar.

"Fixing ties"

Amr Elchoubaki: ***(The writer is an analyst at the Al-Ahram Centre for Political and Strategic Studies)***

Al-Ahram Weekly Online

Issue No. 827

11 - 17 January 2007

Summary:

Amr Elchoubaki emphasizes on the point that the Muslim Brotherhood must be incorporated within the political process. For this both the government and the organization have to take steps. The article begins with the point that absence of political solution to the problems between the Muslim Brotherhood and the regime exist because of a common perception that the former one goes against Democracy hence can not be incorporated in political process. Since the establishment of the Muslim Brotherhood at time of monarch in Egypt, it had never enjoyed cordial ties with any ruling regime. Although it is a fact that relationship between the two aforementioned institutes varied time and again from 'suspicious tolerance to confrontation' yet none of them has ever been able to end the other. As far as the ideology of the Muslim Brotherhood is concerned, it came into being on the basis of Islamic ideology and kept on promoting the idea of 'brotherhood' within Muslims; as has been taught by Islam, therefore it avoided any sort of political participation. Change could be seen during the reign of Jamal Abdul Nasser and Sadat when they entered into parliament. Camp David Accord however ceased their political activities as they started massive demonstrations against the ruling regime that led to the detention of many of its members by the government. Decade of 90s however witnessed great change in the Muslim Brotherhood as it openly renounced all forms of violence and became part of political forum. Since then it has been able to win seats and enter into parliament. Many people in Egypt still haven't accepted it as a political party yet its religious commitment has proved to be an asset for the organization hence has strengthened it a lot.

Writer concludes by saying that though both the government and the Muslim brotherhood will have to pay a considerable price in the event of developing acceptability for one another by bringing total change in their behavior and practice, yet it seems to be the only solution to avoid confrontation. For this a strong and legitimate government is required that enjoys esteemed position within common people and not the one that depends upon the support of the bureaucratic and security apparatuses, who can only compete with weak, fragmented and illusory parties but can never take strong measures to resolve problems like the one being discussed above.

"Second thoughts"

Abdel-Moneim Said: ***(The writer is director of Al-Ahram Centre for Political and Strategic Studies)***

Al-Ahram Weekly Online

Issue No. 846

24 - 30 May 2007

Summary:

This article critically analyses Al-Gamaa Al-Islamiya's renouncement of violence and revision of their political and religious views in accordance with the statement made in the year 2003. Writer claims that despite the fact that these Radical Egyptian Islamists claim to have rethought their position, but in reality little appears to have changed. His argument is based on three key points that have emerged as reformed political agenda of the Al-Gamaa Al-Islamiya. First is the idea of democracy as being accepted and discussed by these radical Islamists while explaining their political thought. They consider democracy to be a system in which public has to monitor ruling parties in terms of their commitment towards implementation of Sharia and nothing else. Second idea is that Al-Gamaa considers democracy to be a method of applying Sharia. In this way they totally ignore non Muslim minorities that constitute bulk of Egyptian population. Even moderate Islamists disagree with Al-Gamaa on this point. The third idea comes in the form of advice as these radicals ask secular and leftists to start the process of rethinking as has been done by Al-Gamaa. Writer though agrees with this point yet reminds Al-Gamaa of its atrocities and claims that no other group has got blood of innocent people on its hand as Al-Gamaa has. Writer concludes by saying that Al-Gamaa primarily focuses on theological matters like requisites of jihad, correct modes of corporal punishment, causes for insurgency, Islamic dress codes, putting the Copts in their place, and fighting the West. However they totally ignore country's basic problems like, education, health, administration, governing system etc. In the light of all this it seems difficult for Al-Gamma Al-Islamiya to change their practice.

"Arab economies: from false ascendancy to alarming decline"

Ahmed Al Sayed Al Naggar

Al-Ahram Strategic papers*, *No 84

Summary:

Arab economies are starting the new millennium with both the positive and negative experiences accumulated from their independence through the end of the twentieth century. These economies have faced local and international economic challenges arising from the stormy changes witnessed during the last decade of the twentieth century. This paper deals with the enormous changes wrought in Arab economic policies from independence until the end of the twentieth century, whether these changes were associated with local economic and social developments or were related to global international economic policies. Firstly, this paper tackles the major changes of the international economy during the 1990s. It then deals with the practical consequences of those policies, reflected on the development of the gross domestic product (GDP) of Arab countries in terms of structure and weight compared to the world GDP. This study also points to the huge quantitative development in the Arab GDP and its share in the world GDP, as well as the growth of Arab exports and their share of world exports during the

petroleum era, which reached its climax in 1980. This study argues, however, that the growth in GDP and exports was false as it was built on changes of the price of a primary product-namely; oil-under the exceptional circumstances of the October War, the Iranian Revolution, and the Iraq-Iran War. The proceeds from this oil boom were not properly invested to create stable foundations for diversified and modern economies capable of generating self-growth and standing against international competition, with diversified industrial exports rather than a single primary product. Hence, it was not unexpected when the GDP and exports of Arab countries declined as oil-importing countries managed to control the oil market and force its prices down.

This study also discusses the mismanagement of Arab surpluses during the oil boom, when Arabs failed to seize a great opportunity for progress and growth. It also tackles the shift in the relative classification of the Arab economic and trade structure from the post-independence era up to the oil boom. Egypt, with the most diversified economy in the region, came out on top of Arab economies. From the 1970s, oil countries advanced to the leading position; after the decline in oil prices, the more diversified economies-mainly Egypt, Morocco, Tunisia, and Syria-that were based on generating added value through effective economic activity made a comeback to the detriment of oil economies. This study concludes with a section on the challenges facing Arab economies, including the backwardness and stagnation of production and export structures, and poor technology. Other challenges include the liberalization of international economic relations; the dwarfish size of Arab economies and companies' vis-à-vis the hegemony of giant economic blocs among advanced industrial countries; and the scarcity of water resources as an obstacle to agricultural and industrial growth. This paper finally suggests mechanisms needed to face those challenges to achieve the best economic interests of Arab countries.

"Is There A Cold War Between Arabs And Iran?"

Dr. Mohammad Abdulsalam

Al-Ahram Strategic File

Summary:

This article focuses on the existing phase of cold war between Arabs and Iran. Writer starts his article by giving historical background of Arab-Iran relations. After highlighting main reasons of conflict between the two parties, writer talks about phase of cordial ties that existed between them because of converging interests. He further goes on to explain current situation and factors determining it in case of both Iran and the Arab states. Writer concludes his article by analyzing existing Arab policies vis-à-vis Iran and likely future scenario. Historically Iran's

ambition to be a regional power leading to its policy of intervention in peripheral Arab states' affairs, its ambition to export religious revolutions all around and its efforts to acquire nuclear capability have been pointed out as the main factors determining the nature of Arab-Iran relations. Despite all these issues time proved that Arab-Iran relations were not always meant to be of confrontational nature. Rather Iran enjoyed cordial ties with Egypt during the reign of Raza Shah Bahlawi. Besides that it attained level of strategic alliance with states including Syria, Oman and Sudan. But the entire picture changed after the US invasion of Iraq and Iranian policies of intervention in return. All the while its support for Hezbollah against ruling regime of Lebanon and for a group of Yemenis against their ruling regime has distorted its image with Arab countries. Adding more to this nuclear ambition of Iran further raised doubts within Arabs against Iran. Considering all these policy measures of Iran to be a threat, Arab countries are left with only three options, either to come in direct confrontation with Iran or to contain it by peaceful and indirect modes as were being used by the US and the USSR during Cold War and third one being peaceful settlement of the existing issues. Out of these three only the second one seems to be practical; as has already been adopted by Iran hence rest of the Arab countries should also follow the same mode to counter Iran.

"The Menace of George W Bush's Last Months in Office"

Patrick Seale

Al-Hayat

23 May 08

Summary:

His short article discusses adverse effects of Bush's policies in the world generally and Middle east particularly. Writer claims that though Bush regime is left with one year only yet by following the same route that it has been pursuing for long, he will bring more devastating consequences even in this short span. Writer accuses President Bush for not looking into his mistakes at the time of 9/11. He adds that inspite of launching war against Afghanistan first and Iraq later, US was supposed to sort out its wrong policy measures that have grown feeling of hatred with Muslims against her. Besides these two wars, writer also seems to be critical about US role in Palestine-Israel conflict as well as in Syrian-Lebanese issue and calls it to be another factor that has raised Anti-Americanism with the Arab world. All the while prevailing option of use of force against Iran by the US would further exacerbate tension between Gulf, rest of the Middle East and the US. In the light of aforementioned issues writer concludes his article by reiterating his fears regarding Bush's policies during the ongoing last year of his tenure.

Seminar by *Al-Ahram Centre*

"Closing the Gaps: from Protection to Durable Solutions for Palestinian Refugees"

Summary:

Another section of *Dar-Al Hayat* covers relevant seminars being held in a particular month. One of the Seminars that have been reviewed in this report is entitled as 'closing the Gaps: from Protection to Durable Solutions for Palestinian Refugees' was attended by a large number of legal experts and politicians from the Arab world, Europe and the US. Participants pointed to the missing role of international law in the negotiations between Israelis and Palestinians and the prevalence of political factors over legal ones. It was also noted that the performance of Arab countries when it comes to the question of refugees-including Palestinian refugees-has not lived up to international standards, or even to Arab and Islamic norms and traditions. Participants agreed that more needs to be done to address loopholes in international refugee laws and to unify strategies and mechanisms for protecting refugees in host countries. They also agreed that greater linkages have to be created between UNRWA and Palestinian NGOs on the one hand and NGOs in host countries on the other in order to identity the weakness of international refugee laws and to pressure policy makers and political parties to find better ways to protect Palestinian refugees. Participants also emphasized the need for special legislations in line with international treaties and agreements to regulate the status of Palestinian refugees in host countries especially in Lebanon.

"Kabbalah-Inspired Fashion Reaches Saudi Youth"

Iman al Khaddaf

Asharq Al-Awsat, Damman (Style & Culture)

22 May 2008

Summary:

This short article highlights cultural aspect of young boys and girls of Saudi Arabia. Article is based on the issue of Saudi boy's wearing red bands around their wrist as an inspiration from football players. This issue has been seriously raised by many professors and other high profile people as well as Saudi websites as they relate it with cultural invasion of Jews. Infact red band around the wrist is practiced by followers of the Kabbalah, a school of thought that focuses on

the mystical aspects of Judaism. Hence it has become a point of concern for many Saudis. Professors of different universities claim that such imported foreign trends will have adverse influence on the society. Students usually adopt things just as a symbol and do not heed to understand their meaning and this is the real danger being posed by foreign culture.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

SOUTH & EAST ASIA and GCC

Nadia Tasleem

Presentation: 3 June, 2008

Report based on news items from Institute for Research and Studies of Muslim Minorities

IRSMM reports news items and short articles with prime focus on Muslims minorities all across the globe. It takes these news items and articles from various sources like, *The Nation, Islam online, Hindustan Times, Express India, Bangkok Post, kaladan Press Network, Muslim Guardian* and *Tamil Net* etc. This report will cover only the items related to South and East Asia, from Weekly Media Watch # 3, May 15-21, 2008.

India:

- On 13 May, a series of nine blasts occurred at different sites of Jaipur. Official reports confirm 63 dead with 216 or more people injured. The bombings shocked most of India and resulted in widespread condemnation from leaders across the world with many countries showing solidarity with India in its fight against terrorism. As a result Indian police stepped up search for suspects. It made Muslims' insecure because of their faith. As a previously unknown group, the Indian Mujahideen, claimed responsibility for the attacks. Following the blasts, Indian police questioned dozens of Bangladeshis in the city, home to thousands of Bangladeshi migrant workers. Bangladeshi however denied any link with such activities. All the while they blamed India for suspecting them whenever such a situation emerges.
- An article published on 19 May 2008 in Hindustan Times by *Firoz Bakht Ahmed*, (a commentator on social, educational and religious issues) named as "Keeping the Muslim Down" blames Muslim leadership of India for making Muslims a minority on religious

basis. Writer emphasizes that Muslims should not ask for favors on the ground of being minority rather should put their efforts to acquire all the available facilities according to their capability. Being declared as religious minority they have been exploited by different political groups. In this way no substantive measures have been taken for their betterment rather some superficial grants are regularly being accorded to them. These grants have proved to be disadvantageous inspite of bringing some positive outcome. Writer concludes by claiming that Muslims should compete at different levels in order to get their due share in all developmental programs being pursued by Indian government.

- Imams in Uttar Pradesh have been asked to give special discourses after Friday prayers to apprise Muslims that Quran does not approve of any kind of terror activity, a step aimed at checking their exploitation by militant outfits in the name of Islam. Ulemas (Muslim scholars) under the banner of "Movement against Terrorism", which was formed after a meeting of Muslim scholars in February, have sent letters to imams throughout the state to issue appeals against all terror activities.

Myanmar:

- The constitutional referendum was held in Burma (also known as Myanmar) on 10 May 2008 (24 May 2008 in some townships) according to an announcement by the State Peace and Development Council in February 2008. The opposition National League for Democracy called for people to vote No to the constitution. [8] However, the NLD claimed their campaign against the constitution was violently suppressed, with activists arrested and material confiscated. In this regard a news item indicates that a Rohingya was arrested by Burma's border security force while six others went into hiding to evade arrest for casting the 'No' vote in the referendum.
- In another blatant instance of religious persecution, a villager was arrested by Burma's border security force located in Sector No.5 on May 13, for building a "Hafez Khana (Quran memorizing center)" adjoining his house, said a relative of the victim. The arrested villager has been identified as Abul Khair, son of Zobor Moluk, hailing from Hatbaga village in Nga Kura village tract, Maungdaw Township.
- American Muslims and mosques are joining hands with Catholics and churches in a fund-raising campaign for afflicted people in the cyclone-devastated Asian country of Myanmar.

Srilanka:

- Sri Lanka Muslim Congress (SLMC) Digamadulla district MP A.M.M. Naushad condemned government for its policies in Eastern part of Srilanka. He accused government for enhancing ethnicity within the region by dividing people into Tamils, Sinhalese and Muslims. This will bring a severe clash in the country.
- Sivanesathurai Chandrakanthan alias Pillayan, the de-facto leader of the paramilitary-cum-political party, the TMVP, was sworn in as the Chief Minister for Eastern Province on 15 May. All the while, 18 Muslim representatives (including the ruling UPFA and the opposition SLMC), 10 Tamils and 7 Sinhalese were elected to the EPC. 2 bonus-seats were allocated to the party that secures high number of votes. Meanwhile, the opposition in Sri Lanka has said that the EPC election was largely undemocratic as the

outcome was directly affected by the violence and the malpractices. Also, the Centre of Monitoring Election Violence (CMEV), an independent monitoring body, in its conclusion on the election in the East, stated that the outcome was affected by the violence and malpractice.

Thailand:

- One policeman was killed and five others were severely injured, in Pattani, when insurgents detonated a bomb right in front of a police station, on 17th May.
- A second blast in Narathiwat on the same day wounded eight people including one Malaysian.
- A suspected insurgent, Panya Pi, allegedly involved in at least eight bomb attacks in this southern border province was arrested on 31 May. He was suspected of taking part in a bomb attack in Rajabhat Yala University and seven other attacks.
- Security was stepped up in the three southernmost provinces especially at schools as the new academic semester began on 31 May.
- Blasts in Thailand have further deteriorated tourism industry over there. Raised level of insecurity has stopped tourists to visit Thailand.
- Pranai Suwannarat, director of the Southern Border Provinces Administration Centre (SBPAC), stressed that the contribution of women is crucial if the state wants to succeed in its efforts to restore peace to the restive far South.

Philippines:

- MILF members claimed that government Marines launched fire against MILF on 15 May prompting sudden clash and displacements of civilians causing truce violation by the government forces. Commander of Marines, however, disputed that it was the MILF forces which attacked the government soldiers who were securing a government road construction project.
- The Moro Islamic Liberation Front (MILF) has categorically stated that it disapproves of any attempt to localize the peace deal with the Philippine government, saying direct dealing is a thing of the past and should never be attempted at all. Khaled Musa, deputy chairman of the MILF committee on information, was reacting to published reports that the government is finding ways to bypass the Malaysian facilitator in favor of more direct contacts with the MILF through its peace negotiating team.
- The 13-point accord, called the "Tripoli Declaration", was forged on May 18 in Tripoli, Libya, which called for unity and reconciliation of the entire splintered MNLF.
- The Moro Islamic Liberation Front (MILF) welcomed the formation of a six-man transition leadership and unification committee (TLUC) leading to the unity of the Moro National Liberation Front (MNLF) into one single organization. Muhammad Ameen, chairperson of the MILF secretariat, described this meeting in Tripoli, as good news for everyone who wishes unity for the Bangsamoro people, even as he entertained doubt whether Misuari was really supportive of this initiative.

Articles Review

"US Must Reengage the Arab World"

Marwan M. Kraidy: ***(an expert on Arab media and an associate professor at the Annenberg School for Communication at the University of Pennsylvania)***

Courier *a quarterly publication by* 'The Stanley Foundation': *(The Stanley Foundation is a nonprofit, nonpartisan, private operating foundation. Foundation programming is focused on promoting and building support for principled multilateralism in addressing international issues. It aims to promote public understanding, constructive dialogue, and cooperative action on critical international issues)*

Spring 2008

Summary:

This article focuses on growing anti-Americanism in the Arab world and emphasizes on the need of reformulation of US policies in this regard. Writer starts by saying that the major task in front of US policy makers is to change existing world opinion generally and that of the Arab world particularly about the US. He substantiates his argument by quoting a recent poll by the Pew Charitable Trusts that shows growing anti-Americanism in the Arab world. Writer considers US unilateralism to be the main cause of its negative image as Arabs are getting closer to the states like France; who have been propagating the urge for multilateral approach in terms of foreign policy making, despite pursuing aggressive policy with Muslims at home. Writer also considers current regime's efforts to use media for restoring its image in the world, to be an invalid mean. His argument is based on the point that Arab media is quite active hence has made its public aware of the things happening around therefore it is not an easy task to ditch them through wrong propaganda.

Writer himself comes up with some policy options that can restore US image in Middle East. He claims that as anti-US feelings with people of this region are based on US policies and do not have any connection with history therefore reformulation of policy can be considered as the only available option to nullify their negative feelings. The first step that US need to take in this regard is to adopt multilateral approach. Therefore numerous state and non-state actors should be included in policy making. All the while an autonomous public diplomacy organism should be made; trainings for Arab League should be expanded; Arab journalists should be given an easy access to American sources and visa procedures should be facilitates. Besides all that US should take an initiative to establish a Global Endowment for Creativity (GEC) that should be funded by Japan, the European Union and China, to bring together public servants and civil society. Writer concludes that the low US reputation in the Arab world is not a communication problem but a policy problem. So a change in policies can also result in a change in perceptions.

CRS Report for Congress

"The Gulf Security Dialogue and Related Arms Sale Proposals"

Christopher M. Blanchard: ***(Analyst in Middle Eastern Affairs Foreign Affairs, Defense, and Trade Division)***

Richard F. Grimmett: ***(Specialist in International Security Foreign Affairs, Defense, and Trade Division)***

January 17, 2008

Summary:

This report describes the structure and objectives of the Gulf Security Dialogue; briefly assesses its regional implications; summarizes related proposed arms sales; provides an overview of congressional notification and review procedures; and analyzes recent related activity in the Administration and Congress. The report starts with the point that maintenance of security and availability of oil and gas resources of Gulf countries to the international market has always been an important objective of the US policy. Therefore in pursuit of these objectives, different US administrations have been launching various cooperation programs with the Gulf countries. In this regard significant arms sales, prolonged military training programs, material pre-positioning and basing arrangements, joint exercises, and direct military interventions have characterized U.S. policy toward the Gulf region. Meanwhile Gulf countries joined hands to meet security challenges and to avoid foreign interference and established Gulf Cooperation Council in 1981. They could easily achieve their objectives initially without any foreign support yet 90s brought a major change as US intervened to save them from Iraqi aggression. Since then, US-GCC cooperation kept on growing. Finally the Bush Administration established the Gulf Security Dialogue in May 2006 as a mechanism for reinvigorating established US-GCC defense cooperation, mitigating emerging terrorism and proliferation threats, and responding to changes in the regional strategic balance.

The Gulf Security Dialogue (GSD), being the principal security coordination mechanism between the United States and the GCC intends to promote intra-GCC and GCC-US cooperation to meet common perceived threats. In this regard it focus on the improvement of GCC defense capabilities; regional security issues such as the Israeli-Palestinian conflict and Lebanon; counter-proliferation; counter-terrorism and internal security; critical infrastructure protection; and Iraq. Though initially US administrations have been trying to promote intra-GCC cooperation in order to lessen its dependence upon the US and other foreign allies; however growing tension in Iraq and Iran's emergence as a threat has led US to opt for Gulf Security Dialogue that includes issues like terrorism, Iraq and nuclear proliferation. Congress might have concerns regarding arms sales to Gulf countries particularly in a situation where Israel's military supremacy is the real priority for Congress; yet policy makers' are keen in this regard.

After discussing basic objective of GSD, writer highlights some procedural matters that have been involved in arms sale to the GCC by the US. Administrations' proposals and Congress' response at different intervals has also been discussed. Report ends with a point that Congress

has always remained concerned about arms sale to GCC particularly Saudi Arabia. Hence has been asking the administration to be sure while selling arms to these countries that US military equipments would solely be used for self defense and not for aggressive purposes besides that Israel should remain at an edge in this regard. In the end detailed Appendices have been given based on some data about Arms deal between the US and the GCC.

"Al Qaeda's Third Front: Saudi Arabia"

Bruce Riedel ***(a senior fellow at the Saban Center for Middle East Policy at the Brookings institution)***
Bilal Y. Saab ***(a senior research assistant at the Saban Centre)***

The Washington Quarterly: ***(a journal of international affairs, analyzing global strategic changes and their public policy implications)***

Spring 2008

Summary:

This paper focuses on Osama bin Laden's aim to topple Saudi regime being US ally, steps being taken in this regard, Saudi counter policies and their effectiveness, strengths and weaknesses of both sides and change in Saudi policy towards US amidst Osama's threat. While discussing Osama's plans writers claim that US war against Afghanistan and then Iraq led Osama to challenge Saudi monarchs openly. He condemned Saudi regime for assisting US and for compromising on Palestinian issue. He claimed to liberate Holy place from the influence of the US and its allies. With this warning he launched war against US citizens living there. This war resulted in a number of casualties leaving many others injured. Saudi nationals as well as others like Yemenis participated in this war; however many others from Gulf countries provided financial support to Al Qaeda.

In response Saudi government did not remain silent rather launched anti-terrorism movement against Al Qaeda. As a result a large number of people got arrested. Simultaneously, cyber war had also been launched to break communication within Al Qaeda circles. Above all Wahabiism has been promoted and Osama has been projected as a threat to this form of religion. All these measures have brought considerable success to the Kingdom in lessening the influence of Bin Laden. All the while Al Qaeda's threat had brought some potent changes in Saudi policy. In this regard Kingdom's preference to delineate from the US (at least apparently) has been the most significant one. Writers end by saying that despite some successes on part of both Saudi Kingdom and Al Qaeda, none of them can be regarded as the victorious as war is on its way.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

Nadia Tasleem

Presentation: 10 June 2008

Fertile Crescent

Country Profile:

Iraq

Background:

Formerly part of the Ottoman Empire, Iraq was occupied by Britain during the course of World War I; in 1920, it was declared a League of Nations mandate under UK administration. In stages over the next dozen years, Iraq attained its independence as a kingdom in 1932. A "republic" was proclaimed in 1958, but in actuality a series of military strongmen ruled the country until 2003. The last was SADDAM Husayn. Territorial disputes with Iran led to an inconclusive and costly eight-year war (1980-88). In August 1990, Iraq seized Kuwait but was expelled by US-led, UN coalition forces during the Gulf War of January-February 1991. Following Kuwait's liberation, the UN Security Council (UNSC) required Iraq to scrap all weapons of mass destruction and long-range missiles and to allow UN verification inspections. Continued Iraqi noncompliance with UNSC resolutions over a period of 12 years led to the US-led invasion of Iraq in March 2003 and the ouster of the SADDAM Husayn regime. Coalition forces remain in Iraq under a UNSC mandate, helping to provide security and to support the freely elected government. The Coalition Provisional Authority, which temporarily administered Iraq after the invasion, transferred full governmental authority on 28 June 2004 to the Iraqi Interim Government, which governed under the Transitional Administrative Law for Iraq (TAL). Under the TAL, elections for a 275-member Transitional National Assembly (TNA) were held in Iraq on 30 January 2005. Following these elections, the Iraqi Transitional Government (ITG) assumed office. The TNA was charged with drafting Iraq's permanent constitution, which was approved in a 15 October 2005 constitutional referendum. An election under the constitution for a 275-member Council of

Representatives (CoR) was held on 15 December 2005. The CoR approval in the selection of most of the cabinet ministers on 20 May 2006 marked the transition from the ITG to Iraq's first constitutional government in nearly a half-century.

Geography:

Location:

Middle East, bordering the Persian Gulf, between Iran and Kuwait

Area:

Total: 437,072 sq km

Land*:* 432,162 sq km

Water: 4,910 sq km

Land boundaries:

Total: 3,650 km

border countries: Iran 1,458 km, Jordan 181 km, Kuwait 240 km, Saudi Arabia 814 km, Syria 605 km, Turkey 352 km

Coastline: 58 km

Demography:

Population: 28,221,181

Age structure:

0-14 years: 39.2% (male 5,613,420/female 5,438,770)

15-64 years: 57.9% (male 8,270,573/female 8,057,423)

65 years and over: 3% (male 396,751/female 444,244) (2008 est.)

Nationality: Iraqi

Ethnic groups: Arab 75%-80%, Kurdish 15%-20%, Turkoman, Assyrian, or other 5%

Religions: Muslim 97% (Shi'a 60%-65%, Sunni 32%-37%), Christian or other 3%

Languages: Arabic, Kurdish (official in Kurdish regions), Turkoman (a Turkish dialect), Assyrian (Neo-Aramaic), Armenian

Government:

Country name: Republic of Iraq

Government type: Parliamentary democracy

Capital: Baghdad

Constitution: Ratified on 15 October 2005 (subject to review by the Constitutional Review Committee and a possible public referendum)

Economy - overview:

Iraq's economy is dominated by the oil sector, which has traditionally provided about 95% of foreign exchange earnings. Although looting, insurgent attacks, and sabotage have undermined economy rebuilding efforts, economic activity is beginning to pick up in areas recently secured by the US military surge. Oil exports are around levels seen before Operation Iraqi Freedom, and total government revenues have benefited from high oil prices. Despite political uncertainty, Iraq is making some progress in building the institutions needed to implement economic policy and has negotiated a debt reduction agreement with the Paris Club and a new Stand-By Arrangement with the IMF. Iraq has received pledges for $13.5 billion in foreign aid for 2004-07 from outside of the US, more than $33 billion in total pledges. The International Compact with Iraq was established in May 2007 to integrate Iraq into the regional and global economy, and the Iraqi government is seeking to pass laws to strengthen its economy. This legislation includes a hydrocarbon law to establish a modern legal framework to allow Iraq to develop its resources and a revenue sharing law to equitably divide oil revenues within the nation, although both are still bogged down in discussions. The Central Bank has been successful in controlling inflation through appreciation of the dinar against the US dollar. Reducing corruption and implementing structural reforms, such as bank restructuring and developing the private sector, will be key to Iraq's economic success.

GDP (purchasing power parity): $100 billion

Israel

Background:

Following World War II, the British withdrew from their mandate of Palestine, and the UN partitioned the area into Arab and Jewish states, an arrangement rejected by the Arabs. Subsequently, the Israelis defeated the Arabs in a series of wars without ending the deep

tensions between the two sides. The territories Israel occupied since the 1967 war are not included in the Israel country profile, unless otherwise noted. On 25 April 1982, Israel withdrew from the Sinai pursuant to the 1979 Israel-Egypt Peace Treaty. In keeping with the framework established at the Madrid Conference in October 1991, bilateral negotiations were conducted between Israel and Palestinian representatives and Syria to achieve a permanent settlement. Israel and Palestinian officials signed on 13 September 1993 a Declaration of Principles (also known as the "Oslo Accords") guiding an interim period of Palestinian self-rule. Outstanding territorial and other disputes with Jordan were resolved in the 26 October 1994 Israel-Jordan Treaty of Peace. In addition, on 25 May 2000, Israel withdrew unilaterally from southern Lebanon, which it had occupied since 1982. In April 2003, US President BUSH, working in conjunction with the EU, UN, and Russia - the "Quartet" - took the lead in laying out a roadmap to a final settlement of the conflict by 2005, based on reciprocal steps by the two parties leading to two states, Israel and a democratic Palestine. However, progress toward a permanent status agreement was undermined by Israeli-Palestinian violence between September 2003 and February 2005. An Israeli-Palestinian agreement reached at Sharm al-Sheikh in February 2005, along with an internally-brokered Palestinian ceasefire, significantly reduced the violence. In the summer of 2005, Israel unilaterally disengaged from the Gaza Strip, evacuating settlers and its military while retaining control over most points of entry into the Gaza Strip. The election of HAMAS in January 2006 to head the Palestinian Legislative Council froze relations between Israel and the Palestinian Authority (PA). Ehud OLMERT became prime minister in March 2006; following an Israeli military operation in Gaza in June-July 2006 and a 34-day conflict with HezbAllah in Lebanon in June-August 2006, he shelved plans to unilaterally evacuate from most of the West Bank. OLMERT in June 2007 resumed talks with the PA after HAMAS seized control of the Gaza Strip and PA President Mahmoud ABBAS formed a new government without HAMAS.

Geography:

Location:

Middle East, bordering the Mediterranean Sea, between Egypt and Lebanon

Area:

Total: 20,770 sq km

Land: 20,330 sq km

Water: 440 sq km

Land boundaries:

Total: 1,017 km

border countries: Egypt 266 km, Gaza Strip 51 km, Jordan 238 km, Lebanon 79 km, Syria 76 km, West Bank 307 km

Coastline: 273 km

Demography:

Population: 7,112,359

Note: includes about 187,000 Israeli settlers in the West Bank, about 20,000 in the Israeli-occupied Golan Heights, and fewer than 177,000 in East Jerusalem

Age structure:

0-14 years: 28% (male 1,018,229/female 971,083)

15-64 years: 62.2% (male 2,242,928/female 2,183,688)

65 years and over: 9.8% (male 303,289/female 393,142)

Nationality: Israeli

Ethnic groups: Jewish 76.4% (of which Israel-born 67.1%, Europe/America-born 22.6%, Africa-born 5.9%, Asia-born 4.2%), non-Jewish 23.6% (mostly Arab)

Religions: Jewish 76.4%, Muslim 16%, Arab Christians 1.7%, other Christian 0.4%, Druze 1.6%, unspecified 3.9%

Languages: Hebrew (official), Arabic used officially for Arab minority, English most commonly used foreign language

Government:

Country name: State of Israel

Government type: Parliamentary democracy

Capital: Jerusalem

Constitution: no formal constitution; some of the functions of a constitution are filled by the Declaration of Establishment (1948), the Basic Laws of the parliament (Knesset), and the Israeli citizenship law; note - since May 2003 the Constitution, Law, and Justice Committee of the Knesset has been working on a draft constitution

Economy - overview:

Israel has a technologically advanced market economy with substantial, though diminishing, and government participation. It depends on imports of crude oil, grains, raw materials, and military equipment. Despite limited natural resources, Israel has intensively developed its agricultural and industrial sectors over the past 20 years. Israel imports substantial quantities of grain but is largely self-sufficient in other agricultural products. Cut diamonds, high-technology equipment, and agricultural products (fruits and vegetables) are the leading exports. Israel usually posts sizable trade deficits, which are covered by large transfer payments from abroad and by foreign loans. Roughly half of the government's external debt is owed to the US, its major source of economic and military aid. Israel's GDP, after contracting slightly in 2001 and 2002 due to the Palestinian conflict and troubles in the high-technology sector, has grown by about 5% per year since 2003. The economy grew an estimated 5.4% in 2007, the fastest pace since 2000. The government's prudent fiscal policy and structural reforms over the past few years have helped to induce strong foreign investment, tax revenues, and private consumption, setting the economy on a solid growth path.

GDP (purchasing power parity): $184.9 billion

Syria

Background:

Following the breakup of the Ottoman Empire during World War I, France administered Syria until its independence in 1946. The country lacked political stability, however, and experienced a series of military coups during its first decades. Syria united with Egypt in February 1958 to form the United Arab Republic. In September 1961, the two entities separated, and the Syrian Arab Republic was reestablished. In November 1970, Hafiz al-ASAD, a member of the Socialist Ba'th Party and the minority Alawite sect, seized power in a bloodless coup and brought political stability to the country. In the 1967 Arab-Israeli War, Syria lost the Golan Heights to Israel. During the 1990s, Syria and Israel held occasional peace talks over its return. Following the death of President al-ASAD, his son, Bashar al-ASAD, was approved as president by popular referendum in July 2000. Syrian troops - stationed in Lebanon since 1976 in an ostensible peacekeeping role - were withdrawn in April 2005. During the July-August 2006 conflict between Israel and HezbAllah, Syria placed its military forces on alert but did not intervene directly on behalf of its ally HezbAllah.

Geography:

Location:

Middle East, bordering the Mediterranean Sea, between Lebanon and Turkey

Area:

Total: 185,180 sq km

Land*:* 184,050 sq km

Water: 1,130 sq km

Note: includes 1,295 sq km of Israeli-occupied territory

Land boundaries:

Total: 2,253 km

border countries: Iraq 605 km, Israel 76 km, Jordan 375 km, Lebanon 375 km, Turkey 822 km

Coastline: 193 km

Demography:

Population: 19,747,586

Note: in addition, about 40,000 people live in the Israeli-occupied Golan Heights - 20,000 Arabs (18,000 Druze and 2,000 Alawites) and about 20,000 Israeli settlers

Age structure:

0-14 years: 36.2% (male 3,679,473/female 3,467,096)

15-64 years: 60.5% (male 6,119,459/female 5,822,376)

65 years and over: 3.3% (male 310,838/female 348,344)

Nationality: Syrian

Ethnic groups: Arab 90.3%, Kurds, Armenians, and other 9.7%

Religions: Sunni Muslim 74%, other Muslim (includes Alawite, Druze) 16%, Christian (various denominations) 10%, Jewish (tiny communities in Damascus, Al Qamishli, and Aleppo)

Languages: Arabic (official); Kurdish, Armenian, Aramaic, Circassian widely understood; French, English somewhat understood

Government:

Country name: Syrian Arab Republic

Government type: republic under an authoritarian military-dominated regime

Capital: Damascus

Constitution: 13 March 1973

Economy - overview:

The Syrian economy grew by an estimated 3.3% in real terms in 2007 led by the petroleum and agricultural sectors, which together account for about one-half of GDP. Higher crude oil prices countered declining oil production and led to higher budgetary and export receipts. Damascus has implemented modest economic reforms in the past few years, including cutting lending interest rates, opening private banks, consolidating all of the multiple exchange rates, raising prices on some subsidized items, most notably gasoline and cement, and establishing the Damascus Stock Exchange - which is set to begin operations in 2009. In October 2007, for example, Damascus raised the price of subsidized gasoline by 20%, and may institute a rationing system in 2008. In addition, President ASAD signed legislative decrees to encourage corporate ownership reform, and to allow the Central Bank to issue Treasury bills and bonds for government debt. Nevertheless, the economy remains highly controlled by the government. Long-run economic constraints include declining oil production, high unemployment and inflation, rising budget deficits, and increasing pressure on water supplies caused by heavy use in agriculture, rapid population growth, industrial expansion, and water pollution.

GDP (purchasing power parity): $83 billion

Jordan

Background:

Following World War I and the dissolution of the Ottoman Empire, the UK received a mandate to govern much of the Middle East. Britain separated out a semi-autonomous region of Transjordan from Palestine in the early 1920s, and the area gained its independence in 1946; it adopted the name of Jordan in 1950. The country's long-time ruler was King HUSSEIN (1953-99). A pragmatic leader, he successfully navigated competing pressures from the major powers (US, USSR, and UK), various Arab states, Israel, and a large internal Palestinian population, despite several wars and coup attempts. In 1989 he reinstituted parliamentary elections and gradual political liberalization; in 1994 he signed a peace treaty with Israel. King ABDALLAH II, the son of King HUSSEIN, assumed the throne following his father's death in February 1999. Since then, he has consolidated his power and undertaken an aggressive economic reform program. Jordan acceded to the World Trade Organization in 2000, and began to participate in the European Free Trade Association in 2001. Municipal elections were held in July 2007 under a system in which 20% of seats in all municipal councils were reserved by quota for women. Parliamentary elections were held in November 2007 and saw independent pro-government candidates win the vast majority of seats. In November 2007, King Abdullah instructed his new prime minister to focus on socioeconomic reform, developing a healthcare and housing network for civilians and military personnel, and improving the educational system.

Geography:

Location:

Middle East, northwest of Saudi Arabia

Area:

Total: 92,300 sq km

Land*:* 91,971 sq km

Water: 329 sq km

Land boundaries:

Total: 1,635 km

border countries: Iraq 181 km, Israel 238 km, Saudi Arabia 744 km, Syria 375 km, West Bank 97 km

Coastline: 26 km

Demography:

Population: 6,198,677

Age structure:

0-14 years: 32.2% (male 1,017,233/female 976,284)

15-64 years: 63.7% (male 2,110,293/female 1,840,531)

65 years and over: 4.1% (male 122,975/female 131,361)

Nationality: Jordanian

Ethnic groups: Arab 98%, Circassian 1%, Armenian 1%

Religions: Sunni Muslim 92%, Christian 6% (majority Greek Orthodox, but some Greek and Roman Catholics, Syrian Orthodox, Coptic Orthodox, Armenian Orthodox, and Protestant denominations), other 2% (several small Shi'a Muslim and Druze populations)

Languages: Arabic (official), English widely understood among upper and middle classes

Government:

Country name: Hashemite Kingdom of Jordan

Government type: constitutional monarchy

Capital: Amman

Constitution: 1 January 1952; amended many times

Economy - overview:

Jordan is a small Arab country with insufficient supplies of water, oil, and other natural resources. Poverty, unemployment, and inflation are fundamental problems, but King ABDALLAH II, since assuming the throne in 1999, has undertaken some broad economic reforms in a long-term effort to improve living standards. Since Jordan's graduation from its most recent IMF program in 2002, Amman has continued to follow IMF guidelines, practicing careful monetary policy, making substantial headway with privatization, and opening the trade regime. Jordan's exports have significantly increased under the free trade accord with the US and Jordanian Qualifying Industrial Zones (QIZ), which allow Jordan to export goods duty free to the US. In 2006, Jordan reduced its debt-to-GDP ratio significantly. These measures have helped improve productivity and have made Jordan more attractive for foreign investment. Before the US-led war in Iraq, Jordan imported most of its oil from Iraq. Since 2003, however, Jordan has been more dependent on oil from other Gulf nations. The government ended subsidies for petroleum and other consumer goods in 2008 in an effort to control the budget. The main challenges facing Jordan are reducing dependence on foreign grants, reducing the budget deficit, attracting investments, and creating jobs.

GDP (purchasing power parity): $28.18 billion

Lebanon

Background:

Following the capture of Syria from the Ottoman Empire by Anglo-French forces in 1918, France received a mandate over this territory and separated out the region of Lebanon in 1920. France granted this area independence in 1943. A lengthy civil war (1975-1990) devastated the country, but Lebanon has since made progress toward rebuilding its political institutions. Under the Ta'if Accord - the blueprint for national reconciliation - the Lebanese established a more equitable political system, particularly by giving Muslims a greater voice in the political process while institutionalizing sectarian divisions in the government. Since the end of the war, Lebanon has conducted several successful elections. Most militias have been disbanded, and the Lebanese Armed Forces (LAF) has extended authority over about two-thirds of the country. HezbAllah, a radical Shi'a organization listed by the US State Department as a Foreign Terrorist Organization, retains its weapons. During Lebanon's civil war, the Arab League legitimized in the Ta'if Accord Syria's troop deployment, numbering about 16,000 based mainly east of Beirut and in the Bekaa Valley. Israel's withdrawal from southern Lebanon in May 2000 and the passage in October 2004 of UNSCR 1559 - a resolution calling for Syria to withdraw from Lebanon and end its interference in Lebanese affairs - encouraged some Lebanese groups to demand that Syria withdraw its forces as well. The assassination of former Prime Minister Rafiq HARIRI and 20 others in February 2005 led to massive demonstrations in Beirut against the Syrian presence ("the Cedar Revolution"), and Syria withdrew the remainder of its military forces in April 2005. In May-June 2005, Lebanon held its first legislative elections since the end of the civil war free of foreign interference, handing a majority to the bloc led by Saad HARIRI, the slain prime minister's son. Lebanon continues to be plagued by violence - HezbAllah kidnapped two Israeli soldiers in July 2006 leading to a 34-day conflict with Israel. The LAF in May-September 2007 battled Sunni extremist group Fatah al-Islam in the Nahr al-Barid Palestinian refugee camp; and the country has witnessed a string of politically motivated assassinations since the death of Rafiq HARIRI. Lebanese politicians in November 2007 were unable to agree on a successor to Emile LAHUD when he stepped down as president, creating a political vacuum.

Geography:

Location:

Middle East, bordering the Mediterranean Sea, between Israel and Syria

Area:

Total: 10,400 sq km

Land: 10,230 sq km

Water: 170 sq km

Land boundaries:

Total: 454 km

Border countries: Israel 79 km, Syria 375 km

Coastline: 225km

Demography:

Population: 3,971,941

Age structure:

0-14 years: 26% (male 526,994/female 505,894)

15-64 years: 66.8% (male 1,275,021/female 1,380,131)

65 years and over: 7.1% (male 128,002/female 155,899)

Nationality: Lebanese

Ethnic groups: Arab 95%, Armenian 4%, other 1%

Note: many Christian Lebanese do not identify themselves as Arab but rather as descendents of the ancient Canaanites and prefer to be called Phoenicians

Religions: Muslim 59.7% (Shi'a, Sunni, Druze, Isma'ilite, Alawite or Nusayri), Christian 39% (Maronite Catholic, Greek Orthodox, Melkite Catholic, Armenian Orthodox, Syrian Catholic, Armenian Catholic, Syrian Orthodox, Roman Catholic, Chaldean, Assyrian, Copt, Protestant), other 1.3%

Note: 17 religious sects recognized

Languages: Arabic (official), French, English, Armenian

Government:

Country name: Lebanese Republic

Government type: republic

Capital: Beirut

Constitution: 23 May 1926; amended a number of times, most recently Charter of Lebanese National Reconciliation (Ta'if Accord) of October 1989

Economy - overview:

The 1975-90 civil war seriously damaged Lebanon's economic infrastructure, cut national output by half, and all but ended Lebanon's position as a Middle Eastern entrepot and banking hub. In the years since, Lebanon has rebuilt much of its war-torn physical and financial infrastructure by borrowing heavily - mostly from domestic banks. In an attempt to reduce the ballooning national debt, the Rafiq HARIRI government began an austerity program, reining in government expenditures, increasing revenue collection, and privatizing state enterprises, but economic and financial reform initiatives stalled and public debt continued to grow despite receipt of more than $2 billion in bilateral assistance at the Paris II Donors Conference. The Israeli-HezbAllah conflict in July-August 2006 caused an estimated $3.6 billion in infrastructure damage, and prompted international donors to pledge nearly $1 billion in recovery and reconstruction assistance. Donors met again in January 2007 and pledged over $7.5 billion to Lebanon for development projects and budget support, conditioned on progress on Beirut's fiscal reform and privatization program. Internal Lebanese political tension continues to hamper economic activity, particularly in the tourism and retail sectors.

GDP (purchasing power parity): $40.65 billion

General Sources:

Library of Congress: Country Studies

U.S. State Department: Background Notes

CIA: World Fact book

MidEastInfo

Arab Net

Economist: Country Briefings

BBC News: Country Profile

Country Watch

Arab Social Science Network: Country Index

Middle East Network Information Center

Country wise sources

Jordan

- **Ad Dustour ("The Constitution")** - Arabic-language, privately-owned daily
- **Al Ra'y -** Arabic-language, privately-owned daily

- **Al Ghadd -** Arabic-language, privately-owned daily
- **Al Arab al Yawm -** Arabic-language, privately-owned daily
- **The Jordan Times** - English-language daily, sister publication to Al Ra'y
- **The Star** - English-language weekly, sister publication to Ad Dustour

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

Nadia Tasleem

From 11 June to 16 June 2008

Presentation: 17 June

This report is based upon summary of five articles from various sources focusing primarily on Lebanon, Palestine and Israel. Last one however generally discusses key challenges in the Middle East. This exercise is an effort to develop understanding of the region and its key political issues.

Articles Review

"Lessons Derived From the Arab Role in Lebanon"

By: ***Shehata Mohammed Nasser***

ECSSR: (Emirates Center for Strategic Studies and Research- an academic institution established to promote scientific research methodology and encourage academic traditions in society, is committed to pursuing its mission with determination in formulating strategies and taking decisions.)

29 May 2008

Summary:

This article is based on Doha agreement that has been signed between Lebanese government and opposition parties in May 2008 in order to control growing instability and violence in Lebanon. Qatar played significant role as mediator in resolving their conflict. Writer appreciates role of Arab states in this regard and discusses reasons behind its success. In the end writer gives recommendations to Arab states to adopt same method to resolve rest of the prevailing issues being confronted by different Arab states.

After calling Doha agreement to be a success, writer points out main factors that made it a success. Arab states joined hands to put collective effort to resolve crises situation in Lebanon. Their collective effort needs to be applauded as such critical issues can not be resolved by a single country. Secondly Arab states avoided to follow any ready-made solution that has not been successful. Therefore dialogue has been hosted this time in order to give Lebanese a chance to come up with a solution. Writer also appreciates the location i.e. Doha for holding talks as Qatar enjoys cordial relations with all significant members with Lebanon and all across the Arab world. Besides that another important factor is that this issue hasn't been considered as a purely domestic issue. Rather, all possible impacts of the Lebanese crises have been taken into consideration. Lastly, writer considers Arab's determination to find a solution to be the most significant factor in this regard.

After discussing reasons behind success of Doha agreement, writer condemns those who regard it as a 'deal' between US & Iran or Syria & Israel and claims that Doha agreement can not be linked with any such deal as this will undermine the Arab and Qatari role in the agreement. While giving recommendations writer emphasizes that success of Doha agreement does not mean that the mission has ended rather Arab states need to supervise the execution of the accord since disagreements are usually embedded in the details. Besides that Arabs also need to discuss the Lebanese issue at two further levels: the inter-Arab level (since inter-Arab violence is one of the underlying aspects of the Lebanese crisis) and the Arab-Iranian level, since Iran is one of the major actors influencing the situation in Lebanon. Writer concludes by claiming that the Arab ministerial mediating committee should also play its role in settling other issues like Sudan, Palestine etc.

"How Lebanon was lost"

Caroline Glick **(Caroline Glick is an American-Israeli Journalist and is the deputy managing editor of The Jerusalem Post. She is also the Senior Fellow for Middle East Affairs of the Washington, DC-based Center for Security Policy)**

The Jerusalem Post: (English daily newspaper)

May 12, 2008

Summary:

This article is based on the point that success of Lebanese military to overthrow democratic regime is in fact a major success of HezbAllah. Writer considers military to be another militia that has been covertly supporting HezbAllah since Israeli-Lebanese war. Military's pro HezbAllah approach has always been visible however all influential actors effecting Lebanon have deliberately ignored this fact hence have ultimately lost Lebanon to the extremist HezbAllah. Writer blames US and Israel in this regard. Writer considers Israeli celebration of victory on deployment of Lebanese troops at Israel-Lebanon border to be a foolish act as these forces helped HezbAllah to escape and survive at that critical moment. Apart from that it also helped them to revive. While discussing US role in this regard writer discusses Annapolis conference and condemns Syrian presence in that after getting US invitation. According to her US concessions to Iran and Syria gave them more space to help HezbAllah. Lebanese government has equally been condemned by writer for ignoring military's activities.

After discussing Lebanese case writer also briefly mentions Israel-Palestine peace process and claims that this peace process will also strengthen Hamas against Israel just like HezbAllah in Lebanon. She accuses US and Israel in this regard for offering ceasefire and peaceful negotiations to an extremist group of Palestine. This group will gain power and use it against Israelis as HezbAllah has used against Lebanese elected regime. All the while Iranian and Syrian role will further exacerbate as they have got more open space to operate. Concerned parties therefore need to give considerable importance to all these developments and adopt appropriate strategies to counter extremist effect.

"Inside the Israeli-Palestinian Negotiations"

By: *Ibrahim Abdel Karim* (Ibrahim Abdel Karim has been a researcher in Israeli affairs, the Palestinian problem, and the Arab/Israeli conflict since 1979 and is currently the Chief Editor at the al-Ard Organization for Palestinian Studies in Damascus)

ECSSR: (Emirates Center for Strategic Studies and Research)

28 May 2008

Summary:

This article is based on Israeli-Palestinian negotiations that started soon after the Annapolis Conference. Negotiations are still going on hence no conclusion can be drawn right now yet writer has discussed key issues that have come up during the session. Main areas of focus during the negotiations have been application of the Road Map, studying the economic situation, and final settlement negotiations. Within this broad framework leaders of negotiation teams, Tzipi Livni and Ahmed Qurei, have agreed to give considerable importance to certain issues including; final borders, status of Jerusalem, and Palestinian refugees. It has also been decided that committees will be made to deal with all of these issues; meanwhile Ehud Olmert and Mahmoud Abbas will supervise the entire negotiating process and intervene to settle any possible conflicts. While sorting out ways to deal with these issues both parties have agreed to work at five different levels. At first stage leaders will arrange secretive meetings far away from media attention. At second stage advisors and consultants will meet to further settle those issues that have been raised by party leaders. Large teams of assistant negotiators will get involved at third level. The fourth deals with security issues, while the fifth level oversees civil matters, the economy, water, the environment, and other things.

After discussing procedural matters writer claims that negotiations are still far from any practical solution. Israeli representatives have been giving positive statements regarding negotiations and claim that talks are proceeding smoothly. Israeli gesture has been related with US pressure as well as Ehud Olmert's intention to deflect attention from the investigations into

bribery allegations in his business dealings. In this regard writer adds that amidst opposition from the Likud Party Israeli government can change its policies anytime; otherwise it will probably loose parliamentary support that will lead to early elections. To sum up writer does not have very positive hope from Israeli-Palestinian negotiations despite the fact that both have expressed their willingness to compromise at certain points. In fact writer does not consider these negotiations to be long lasting.

"A CEASE-FIRE WITH TERROR"

By: *Moshe Arens* (Professor Moshe Arens is an Israeli politician, belonging to Likud Party)

Ha'aretz: (A daily newspaper)

May 20, 2008

Summary:

Moshe Arens considers terrorism to be a major source of danger for Israel being posed by Palestinians particularly during the second Intifada. He analyses policy options that Israel has been pursuing to counter this endemic threat. In this regard many policy makers considered use of force to be obsolete to counter terrorism however many others claimed that this threat can not be coped with use of force only. All this led Israel to give concessions to Palestinian terrorists hence government opted for negotiations. Writer does not consider ceasefire to be a practical option as it will, according to him, give a chance of rearmament, training and preparation for next attack against Israel, to Palestinians. Writer gives an account of Israeli successes by using force and claims that terrorism in this region can only be brought to an end by coercive means. Compromise by Israeli regime is usually being perceived as its weakness by the other party therefore current move of ceasefire as well as negotiations will only lead to further chaos, instability and causalities of Israeli citizens.

Strategic challenges in the Middle East

By: ***Dr. Irving Kett*** **(Colonel, U.S. Army, Retired, and Professor of Civil Engineering**

California State University, L. A.)

The Maccabean: (Published Monthly by the Freeman center for strategic studies)

2001

Summary:

Irving Kett starts his article by giving a brief profile of the Middle East. Being the land bridge connecting Asia, Africa and Europe it has got significant strategic position. Besides that presence of some important Holy places also enhance its importance in the eyes of people belonging to different faiths particularly Muslims. Apart from all these attributes its oil and gas resources, critical waterways and various conflicts have further signified its position for many other states of the world. All of these have also been discussed as strategic challenges in the Middle East, by writer.

Today many powerful states of the world including the US, Europe and Japan can be regarded as 'energy hungry'. Despite the fact that they get most of the required energy by utilizing their own resources yet rapidly growing needs have led them to look towards other energy rich countries that mainly include the Middle East and the Caspian basin. Middle East is still far more significant than the later one hence all of these states largely depend upon this region to meet their energy needs. US has even invested huge amount of money in Middle Eastern petroleum industry. This has been critically viewed by many within the region having nationalist bent. US therefore need to evaluate situations carefully.

Another area of significance being pointed by the writer is potent waterways in the Middle East. These include Persian Gulf and strait of Harmuz. As these waterways pass the vast petroleum exports of the Middle East therefore the United States has kept a significant naval force on station in the Persian Gulf since the Gulf War and will probably maintain that presence for the foreseeable future. Writer claims that these waterways have got serious potential for conflict that could threaten Saudi Arabia and the rest of the Gulf oil supply. All the while Arab-Israel

conflict has made this region a battleground that is always at the verge of confrontation among them. Writer substantiates his argument by giving a detailed account of Arab-Israel wars.

Writer concludes by saying that the strategic importance of the vast petroleum reserves in the Middle East, along with its vital sea lanes, requires the United States to consider this region carefully in formulating its foreign policy decisions. These considerations must be coupled with an awareness of the continuous inclination for violence and fierce hatred of Western culture that is endemic among the people living in the Middle East. Writer considers Arab-Israel dispute to be the deadly one as it hasn't got resolved either by wars or through negotiations. Therefore cautious policies should be formulated to avoid tensions in this resource rich region.

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

Nadia Tasleem

Weekly Report: from 17 June 2008 to 23 June 2008

Presentation: 24 June 2008

This report is based on significant political, geo-strategic and social developments that took place in five countries being called as 'Fertile Crescent'.

Iraq

Political Front

- Violence exists
- Provincial elections
- Confrontation between government and Muqtada Al Sadr

Social front

- Internally displaced Iraqis launched protest

Lebanon

Political Front

- Violence erupts
- Demand for National unity government

Geo-strategic front

- Lebanon denies Israeli offer for bilateral talks
- French President expresses his support for new Lebanese President

Social front

- Issue of Palestinian refugees grabs attention

Syria

Political Front

- Syria allows IAEA to monitor its suspected nuclear sites on conditional basis

Geo-strategic front

- French President hailed Syrian efforts regarding Doha agreement
- Syrian President paid visit to India
- Indirect negotiations between Syria and Israel are going on

Jordan

Political Front

- Chances of split within 'Muslim Brotherhood' exist

Palestine-Israel

Political Front

- Incidents of violence, being observed
- Political confrontation between Ehud Olmert and Barak has erupted
- Truce between Hamas and Israel
- Poll regarding Hamas-Israel agreement

- Al Fatah offers to hold negotiations with Hamas leader
- Israeli announcement to form new settlement; US condemnation

Geo-strategic front

- US skeptical about Israel-Hamas truce
- Strain exists between Israel and Egypt

Monitoring Report

Political Front

Iraq

Violence exists:

Various incidents of violence increased death toll by 70 while number of wounded people has risen by 250 last week. Out of all these attacks, one has been called as the deadliest by different news agencies that took lives of 50 and wounded almost 200. It occurred in Shi'ite area in Baghdad on 17 June, when a car exploded with a bomb in a crowded market. This attack took place on the same when Parliament announced to hold coming sessions outside the US protected 'Green Zone' to rebuild public confidence in security situation of the country. Al-Qaeda has been pointed out as the prime suspect it however, has not accepted the responsibility.

Provincial elections

In accordance with Provincial elections law, Iraqi government has announced to hold elections in 18 provinces in October this year. In this regard deadline for the registration of political parties has been extended to 30 June from 31st May.

Confrontation between government and Muqtada Al Sadr

Muqtada Al Sadr has refused to participate in upcoming provincial elections in order to express its anti-US feelings and also in opposition to the 'Provincial elections law' that comes in contradiction with Iraqi constitution. It also claimed to form a new separate wing within the

party in order to achieve its anti-US goals by coercive means. Meanwhile it announced to concentrate more on socio, economic, political and cultural issues. In response to Al Sadr's decision to boycott elections government announced to launch a new crackdown against Shia militias in Southern city of Amara in order to reinforce government's authority over areas previously being controlled by Shia fighters.

Social front

Internally displaced Iraqis launched protest:

Nearly 500 internally displaced persons (IDPs) took to the streets of central Baghdad on 14 June demanding the government secure their return to their homes and pay compensation to those with damaged properties. The UN Refugee Agency (UNHCR) has also took notice of the issue hence claimed that more than 4.2 million Iraqis have fled their homes since 2003 due to military operations and sectarian violence. Of these, two million are living as refugees in neighboring countries - mostly Syria and Jordan - while the rest are IDPs.

Lebanon

Political Front

Violence erupts:

Sporadic clashes broke out in Lebanon on 22 June between pro and anti-government supporters leaving one person dead and 18 injured. Violence has increased since last month hence more than 55 people have been found dead while more than 200 wounded during this span. Tension has mainly risen as Fouad Siniora has refused to step down; being demanded by opposition, and vowed to continue his efforts to form a national unity government. Another point of difference between the parliamentary majority and opposition is over distribution of different portfolios in the new cabinet.

Demand for National unity government:

Deputy Chairman of Islamic Shi'ite Higher Council has asked the Lebanese politicians to reach a new agreement on National unity government in order to find solutions to social, health and living conditions of the Lebanese people.

Geo-strategic front

Lebanon denies Israeli offer for bilateral talks:

In response to Israeli offer to hold bilateral talks with Lebanon, Lebanese Prime Minister denied Olmert's invitation and claimed that Lebanon will be the last country to make peace with Israel. He further added that Lebanon will always abide by Arab peace initiatives inspite of having bilateral talks with Israel.

French President expresses his support for new Lebanese President:

French President has expressed full support and solidarity with President Michael Suleiman as well as Doha accord during his recent visit to Lebanon.

Social front

Issue of Palestinian refugees grabs attention:

Human Rights Watch has strongly condemned Lebanon for mal treatment of Palestinian refugees. It has asked other Human rights organizations to impartially investigate the situation of refugee camps over there as most of the refugees are passing through a state of severe turmoil. Lebanese PM however has expressed positive hopes about upcoming donor's conference that will focus on the construction of Nahr-al-Bared Palestinian refugee camp. It will help Lebanon to overcome Palestinian refugee issue-who are almost 4 lakh.

Syria

Political Front

Syria allows IAEA to monitor its suspected nuclear sites on conditional basis:

IAEA has started its monitoring mission in Syria on 20 June; in order to look into secret atomic activities over there. Syrian President claimed that he has allowed UN team to visit the bombed Al-Kabir however has not allowed them visit three other locations being suspected of harboring secret nuclear activities. It is still unknown how much success would IAEA gain during its monitoring.

Geo-strategic front

French President hailed Syrian efforts regarding Doha agreement:

French President has appreciated Syrian President Bashar-al-Asad for making Doha agreement a success. Meanwhile he expressed strong desire to give momentum to relations between Syria and France.

Syrian President paid visit to India:

Syria President has recently paid visit to India and asked Man Mohan Singh to resolve contentious issues in the Middle East; having harmonious relations with the Arab world.

Indirect negotiations between Syria and Israel are going on:

Israelis' indirect negotiations with Syria have been criticized by UN as it considers Israeli offer to be a grand gift for Syria-who hasn't agreed to give anything in return.

Jordan

Political Front

Chances of split within 'Muslim Brotherhood' exist:

Muslim Brotherhood in Jordan is assumed to be at the risk of splintering in a deep way. Infact one of its factions has developed strong ties with 'Hamas'. It has emerged as key issue of confrontation within party.

Palestine-Israel

Political Front

Incidents of violence, being observed:

Violence increased when three Israeli civilians were shot and wounded on 20 June in Judea and Samarian region.

Political confrontation between Ehud Olmert and Barak has erupted:

Political confrontation has erupted between Ehud Olmert and Defence Minister Barak who has expressed his intention to break the Knesset by launching no-confidence move. Olmert however claims that he will oust all those ministers who intend to break the Knesset. Meanwhile he seems to be quite hopeful about reaching an agreement with opposition and save the Knesset.

Truce between Hamas and Israel:

Ceasefire agreement has successfully been concluded and implemented by Israel and Hamas on 19 June 2008. Leaders of Palestinian authority are critical about this truce as it has led Israel to give formal recognition to Hamas. They claim that they have been trying to end Hamas' influence from the territory of Palestine however Ehud Olmert has given them further space to operate, by recognizing them as a separate political entity in Gaza. Jew analysts consider it to be a great failure of Olmert. They assume that Hamas can gain a lot from this truce and can break it at any moment, being unpredictable. Many claim that it will help Hamas to win Presidential elections in December this year. Besides that Hamas will be able to change World's opinion about them after getting formal recognition by Israel. Despite truce security situation is still fragile. On the day of implementation of truce, Israeli intelligence got reports two major terrorist attacks. Intelligence agencies have therefore identified increase in terrorist activities in Gaza strip.

Poll regarding Hamas-Israel agreement:

A poll has been carried out to judge public opinion regarding Israel-Hamas truce. According to that poll 40.6% supported calm in Gaza; 32.9% opposed it however 26.5% did not have any positions. Meanwhile responding to another question, 74.8% considered this truce to be for short span; 17.1% are hopeful that it will stay long however 8.1% did not know.

Al Fatah offers to hold negotiations with Hamas leader:

Al-Fatah leader Mahmoud Abbas has expressed his willingness to hold unconditional talks with Hamas' leader Khaled Mashel somewhere next month, in order to bring new PA unity government. He has also announced to visit Gaza very soon. In this regard he already sent his delegation to Gaza to meet Hamas leader Ismail Haniyeh, they however did not meet him as he agreed to meet only in his office. Mahmoud Abbas on his part has been trying to put efforts to win Arab support for bringing unity within Hamas and Al-Fatah. He has paid several visits t to different Arab countries in this regard.

Israeli announcement to form new settlement; US condemnation:

Israeli government has recently announced to build 1900 new housing units in East Jerusalem. Many consider it to bean obstacle in the way of peace process. Condoleezza Rice has also strongly condemned Israelis for such plans that can hurt peace talks. Mahmoud Abbas has thanked US for its supporting comment however condemned Israeli settlement plan.

<u>Geo-strategic front</u>

US skeptical about Israel-Hamas truce:

US seem to be skeptical about Israeli-Hamas truce as it still considers Hamas to be a terrorist organization. Meanwhile US has also condemned Israeli-Syrian talks.

Strain exists between Israel and Egypt:

Strain between Israel and Egypt has been observed as Israeli foreign Minister Livini accused Egypt security men for smuggling arms to Hamas. Egypt in return declared her to be *persona non grata.* Egypt also warned Israel that it will diplomatically damage Israel's repute particularly in Africa.