

# Friday on the facebook

From: **Project BPM at International Islamic University, Islamabad**

Published with the collaboration of Gilani Research Foundation, September 2010, Week # **135**

Compiled on a weekly basis since January 2007



**Business and Politics in the Muslim World (BPM) refers to a study funded by the Higher Education Commission (HEC) of Pakistan, and is conducted at the International Islamic University (IIU), Islamabad.**



## Who are we?

Friday on the Facebook is the weekly e-letter of the project: Globalized Business and Politics: A View from the Muslim World". The e-letter is a snapshot of the detailed data gathering and analysis which our research team does each week.

Why should one add another e-letter to many similar exercises already underway? We have pondered this question and here is what we believe to be our possible contribution or *Competitive Advantage*.

- ◆ We make the e-letter a multi-layered presentation: in other words Friday on the Face-book provides clicks to deeper levels of information; for comprehension (Maps and Data) as well as for elaboration and analysis (complete weekly Events data, supplementary commentaries and related links).
- ◆ Our weekly e-letter is grounded in a thorough Analytical framework of Relocation of Power in the 21<sup>st</sup> Century.
- ◆ Our weekly e-letter is targeted to produce an annual synthesis of Global Trends. Each issue will serve as an input for the annual analysis.
- ◆ Our weekly e-letter is designed to become a teaching tool for class-room instruction in courses dealing with global political sociology or related fields.
- ◆ Our weekly e-letter is designed to build a theoretically inclined community of political sociologists.

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## INSIDE THIS ISSUE

Pg 2 Global **Opinions** of the Week  
**Events of the Week**

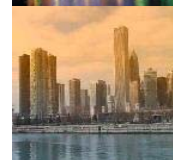
Pg 8 Asia Zone  
▶ MIDDLE EAST & NORTH AFRICA; WEST ASIA; SOUTH ASIA; NORTH ASIA ; EAST ASIA

Pg 16 Africa Zone  
▶ WEST AFRICA; EAST AFRICA & HORN OF AFRICA; CENTRAL AFRICA; SOUTH AFRICA

Pg 20 Euro Americas Zone  
▶ WEST EUROPE; EAST EUROPE; NORTH AMERICA; LATIN AMERICA

Pg Global Islamic Finance  
(Under Preparation)

Pg Global Elections  
(Under Preparation)



# Global Opinions

For the week

This week's report consists of 20 surveys. 2 of these are multi-country surveys, 2 are cyber surveys, & the rest are national surveys. 8 polling organizations have been represented.



## Topic of the week:

### Religiosity Highest in World's Poorest Nations

► This page is devoted to opinions of countries whose polling activity is generally not known very widely or where a recent topical issue requires special attention .

**Commentary: United States is among the rich countries that buck the trend**

by Steve Crabtree

WASHINGTON, D.C. -- Gallup surveys in 114 countries in 2009 show that religion continues to play an important role in many people's lives worldwide. The global median proportion of adults who say religion is an important part of their daily lives is 84%, unchanged from what Gallup has found in other years. In 10 countries and areas, at least 98% say religion is important in their daily lives.

Each of the most religious countries is relatively poor, with

*Is religion an important part of your daily life?*

Median responses among countries at each per-capita income level

Per-capita income	Yes	No
\$0-\$2,000	95%	5%
\$2,001-\$5,000	92%	7%
\$5,001-\$12,500	82%	17%
\$12,501-\$25,000	70%	28%
\$25,001+	47%	52%

GALLUP®

a per-capita GDP below \$5,000. This reflects the strong relationship between a country's

socioeconomic status and the religiosity of its residents. In the world's poorest countries -- those with average per-capita incomes of \$2,000 or lower -- the median proportion who say religion is important in their daily lives is 95%. In contrast, the median for the richest countries -- those with average per-capita incomes higher than \$25,000 -- is 47%.

*Is religion an important part of your daily life?*

	Yes
Bangladesh	99%+
Niger	99%+
Yemen	99%
Indonesia	99%
Malawi	99%
Sri Lanka	99%
Somaliland region	98%
Djibouti	98%
Mauritania	98%
Burundi	98%

2009

GALLUP®

The United States is one of the rich countries that bucks the trend. About two-thirds of Americans -- 65% -- say religion is important in their daily lives. Among high-income countries, only Italians, Greeks, Singaporeans, and residents of the oil-rich Persian Gulf states are more likely to say religion is important.

Most high-income countries are further down the religiosity spectrum. In 10 countries, no more than 34% of residents say religion is an important part of their daily lives. Six of those are developed countries in Europe and Asia with per-capita incomes greater than \$25,000.

In three of the four lower income countries on the list -- Estonia, Russia, and Belarus -- the Soviet government restricted religious expression for decades until the U.S.S.R.'s collapse in 1991. The final country is Vietnam, where the government also has a history of limiting religious practice.

**Implications**

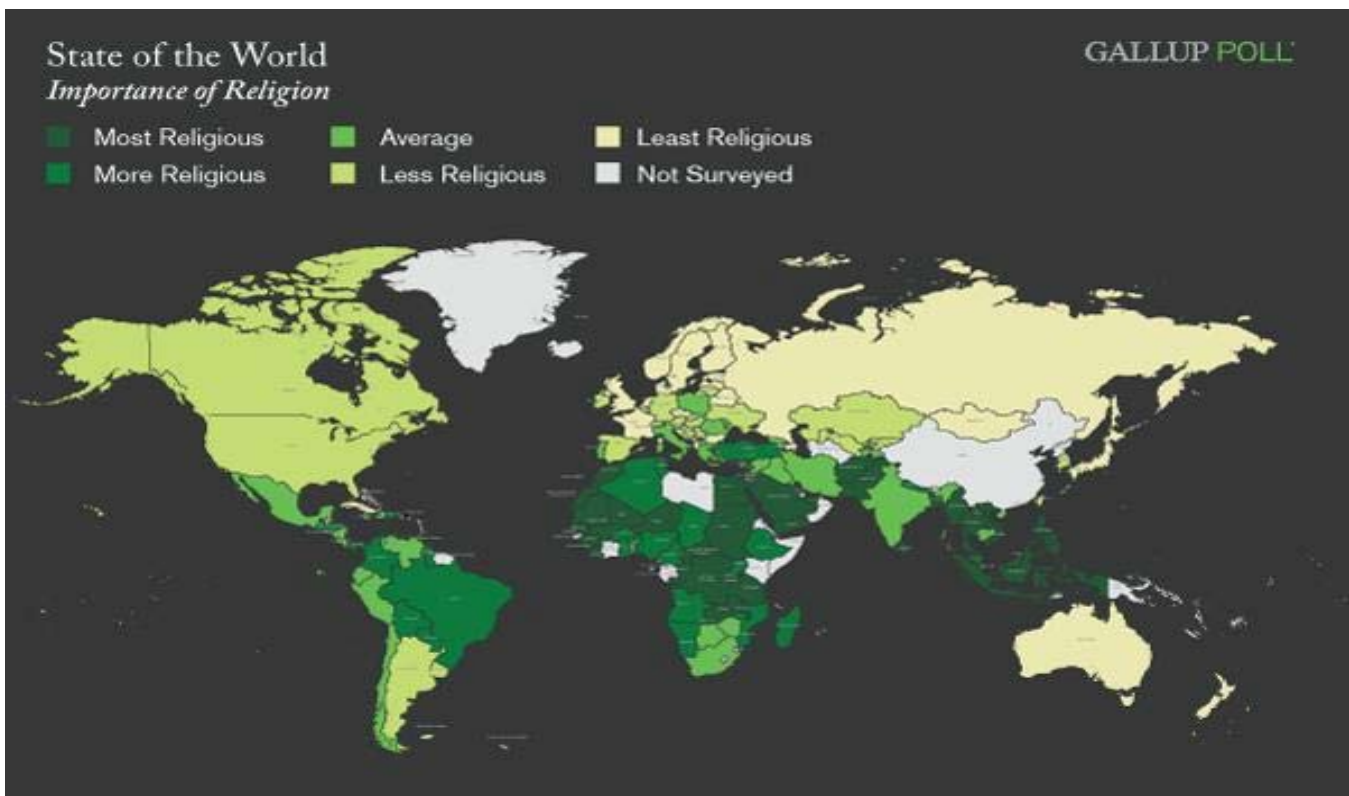
Social scientists have put forth numerous possible explanations for the relationship between the religiosity of a population and its average income level. One theory is that religion plays a more functional role in the world's poorest countries, helping many residents cope with a daily struggle to provide for themselves and their families. A previous Gallup analysis supports this idea, revealing that the relationship between religiosity and emotional wellbeing is stronger among poor countries than among those in the developed world. ***State of the world's religiosity courtesy of Gallup USA***

*Is religion an important part of your daily life?*

	<b>Yes</b>
Estonia	16%
Sweden	17%
Denmark	19%
Japan	24%
Hong Kong	24%
United Kingdom	27%
Vietnam	30%
France	30%
Russia	34%
Belarus	34%

2009

GALLUP



**SOURCE:** <http://www.gallup.com/poll/142727/religiosity-highest-world-poorest-nations.aspx>

## SUMMARY OF POLLS



### Asia zone

- ▶ MIDDLE EAST & NORTH AFRICA; WEST ASIA; SOUTH ASIA; NORTH ASIA; EAST ASIA

#### ▶ MIDDLE EAST

**Two Third Of Palestinians Support Direct Negotiations But Conditional** (Click for Details)

A recent survey of [Palestinians](#) carried out by [AWARD \(Arab World for Research & Development\)](#) shows that a 2/3 majority of Palestinians support conditional direct negotiations with Israel while less than one in ten support unconditional direct negotiations.

28 August 2010

[Foreign Affairs & Security](#) » [Palestine/ Israel Conflict](#)

(Multi-country survey) **Religiosity Highest in World's Poorest Nations** (Click for Details)

[Society](#) » [Religion](#)



### Africa zone

- ▶ WEST AFRICA; EAST AFRICA; CENTRAL AFRICA; SOUTHERN AFRICA

#### ▶ SUB SAHARAN AFRICA

(Multi-country survey) **Religiosity Highest in World's Poorest Nations** (Click for Details)

[Society](#) » [Religion](#)



### Euro Americas zone

- ▶ EAST EUROPE; WEST EUROPE; NORTH AMERICA; LATIN AMERICA & AUSTRALASIA



#### EUROPE

#### ▶ EAST EUROPE



**Russia: Abnormal Heat Or People? Who Is To Blame For Wildfires?** (Click for Details)

[Russians](#) are divided over the reasons for wildfires this summer. A small majority of 43% say the main reason behind wildfires is natural disasters. While other 38% blame people who damage forests and only 11% put the blame on the authorities. [Russian Public Opinion Research Center \(VCIOM\)](#)

August 30, 2010

[Society](#) » [Environment/ Disasters](#)



## ▶ WEST EUROPE

***Shift from New Labour 'backed by poll findings'*** ([Click for Details](#))

A [YouGov](#) poll commissioned by Mr Miliband's campaign team in the [UK](#) found 72% of those considering voting Labour would be less likely to do so if the new leader adopted this position. But "moving on" from New Labour made 47% more likely to support the party.

September 04, 2010

[Domestic Politics](#) » [Political Parties](#)

***United Kingdom: MediaCT Light Bites: More Good News For Digital Print*** ([Click for Details](#))

The latest set of National Readership Survey (NRS) results in the [UK](#) published on 27 August shows that the nation is increasingly embracing technology and the digital world. [Ipsos Mori](#)

August 31, 2010

[Society](#) » [Media/ New Media](#)

***Unemployment is Biggest Economic Concern for Britons*** ([Click for Details](#))

The vast majority of people in [Britain](#) think the national economy is in poor shape and few expect a swift recovery, a new [Angus Reid Public Opinion](#) poll has found. In the online survey of a representative sample of 2,006 British adults, 86 per cent of respondents say the economy is in poor or very poor shape. Almost two thirds of respondents (63%) feel the same way about their own financial situation.

August 29, 2010

[Economy](#) » [Employment Issues](#)



## AMERICAS

## ▶ NORTH AMERICA

***Public Divided Over Tone of Mosque Fight*** ([Click for Details](#))

No one story dominated the [US](#) public's news interest last week; about two-in-ten (19%) say they followed the debate over plans for an Islamic cultural center and mosque in downtown Manhattan more closely than other major stories. A comparable number (16%) say they followed the recall of more than half a billion eggs after an outbreak of salmonella most closely. [Pew Research Center](#)

September 1, 2010

[Society](#) » [Religion](#)

***Americans Most Likely to Favor GOP Newcomers for Congress*** ([Click for Details](#))

It appears that the best type of candidate to be this fall is a Republican challenger. Given a choice of four hypothetical candidates of differing party affiliations and experience, [Americans](#) are most likely to prefer "a Republican who has not served in Congress." Those who would prefer a Democratic candidate opt for an incumbent over a newcomer. [Gallup USA](#)

September 03, 2010

[Domestic Politics](#) » [Elections](#)

***Blacks, Young Voters Not Poised for High Turnout on Nov. 2*** ([Click for Details](#))

In the US in contrast to 2008, when whites and blacks were about equally likely to say they were giving "quite a lot of" or "some" thought to the presidential election, whites are much more likely than blacks to be thinking about the 2010 elections: 42% vs. 25%, a gap exceeding those from recent midterm elections.

[Gallup USA](#)

September 3, 2010

[Domestic Politics](#) » [Elections](#)

***Anti-Democratic Sentiment Aids GOP Lead in 2010 Vote*** ([Click for Details](#))

The Republicans' lead in the congressional generic ballot over the past month may be due as much to voters' rejecting the Democrats as embracing the Republicans. Among voters backing Republican candidates, 44% say their preference is "more a vote against the Democratic candidate," while 48% say it is "more a vote for the Republican candidate." [Gallup USA](#)

September 3, 2010

[Domestic Politics](#) » [Political Parties](#)

***U.S. Unauthorized Immigration Flows Are Down Sharply Since Mid-Decade*** ([Click for Details](#))

The annual inflow of unauthorized immigrants to the [United States](#) was nearly two-thirds smaller in the March 2007 to March 2009 period than it had been from March 2000 to March 2005, according to new estimates by the Pew Hispanic Center, a project of the [Pew Research Center](#).

September 1, 2010

[Society](#) » [Immigration/Refugees](#)

***Most 'Re-employed' Workers Say They're Overqualified for Their New Job*** ([Click for Details](#))

[US](#) Workers who suffered a spell of unemployment during Great Recession are, on average, less satisfied with their new jobs than workers who didn't. They are more likely to consider themselves over-qualified for their current position. Six-in-ten say they changed careers or seriously thought about it while they were unemployed, according to a recent survey from the [Pew Research Center's](#) Social & Demographic Trends project.

September 02, 2010

[Economy](#) » [Employment Issues](#)

***Republicans Hold Wide Lead in Key Voter Turnout Measure*** ([Click for Details](#))

Two months before this year's midterm congressional elections, [Gallup](#) finds 54% of Republicans, compared with 30% of Democrats, already saying they have given "quite a lot of" or "some" thought to the contests.

September 2, 2010

[Domestic Politics](#) » [Political Parties](#)

***Republicans Remain Disproportionately White and Religious*** ([Click for Details](#))

About 9 out of 10 Republicans are non-Hispanic whites, and more than half of these are highly religious. That compares with 62% of the Democratic rank-and-file that is white and largely less religious, with blacks and Hispanics making up a much more substantial part of that party's base. [Gallup USA](#)

September 1, 2010

[Domestic Politics](#) » [Political Parties](#)

***Americans Give GOP Edge on Most Election Issues*** ([Click for Details](#))

A new [USA Today/Gallup poll](#) finds [Americans](#) saying the Republicans in Congress would do a better job than the Democrats in Congress of handling seven of nine key election issues. The parties are essentially tied on healthcare, with the environment being the lone Democratic strength.

September 1, 2010

[Domestic Politics](#) » [Elections](#)

***British Columbians Troubled by Competing Pipeline Projects*** ([Click for Details](#))

People in [British Columbia](#) are not currently embracing either of the two proposals to transport crude from Alberta to facilitate its export to China and other Asian destinations, a new [Angus Reid Public Opinion](#) poll has found.

August 30, 2010

Economy » Energy/Nuclear Issues



## ▶ AUSTRALASIA

### **Unemployment on Decline in Australia** (Click for Details)

**Roy Morgan** survey shows that Unemployment in **Australia** declined in the month of August. However there has been decrease in full time employment and increase in part time employment.

September 02, 2010

Economy » Employment Issues

## GLOBAL/MULTI-COUNTRY POLLS



### **Religiosity Highest in World's Poorest Nations** (Click for Details)

**Gallup** surveys in 114 countries in 2009 show that religion continues to play an important role in many people's lives worldwide. The global median proportion of adults who say religion is an important part of their daily lives is 84%, unchanged from what Gallup has found in other years. The data shows a strong relationship between socio-economic conditions and religiosity in a country.

August 31, 2010

Society » Religion

### **Kosovo: Mixed views on the long-term impact of independence** (Click for Details)

When, shortly after the declaration of independence, the **Gallup** Balkan Monitor asked people in **Kosovo** for their assessment of the territory's secession from **Serbia**, the verdict of Kosovo's ethnic Albanians was clear: 93% said that independence had turned out to be a good thing. Not surprisingly, Kosovo Serbs did not agree: hardly any of them shared that view and three-quarters (74%) took a totally opposite view, seeing Kosovo's independence as a bad thing. A year later, in 2009, the percentage of Kosovo Serbs giving such a negative assessment had risen by six percentage points to 80%. In parallel, fewer Kosovo Albanians now thought that independence had turned out well: down 18 percentage points to 75%.

July 2010

Foreign Affairs &amp; Security » Regional Conflicts/ Issues

## CYBER WORLD



### **Blogs Continue Islamic Center Debate** (Click for Details)

To a degree not seen in the mainstream press, the controversy over the lower Manhattan Islamic center has touched a raw nerve in the social media. Indeed, Aug. 23-27 marked the third straight week that the intersection of politics, religion, terrorism and 9/11 memories has made the issue one of the top subjects in the blogosphere. **Pew Research Center**

September 2, 2010

Society » Media/ New Media

### **Adults, Cell Phones and Texting** (Click for Details)

Texting by adults has increased over the past nine months from 65% of adults sending and receiving texts in September 2009 to 72% texting in May 2010. Still, adults do not send nearly the same number of texts per day as teens ages 12-17, who send and receive, on average, five times more texts per day than adult texters.

**Pew Research Center**

September 2, 2010

Society » Media/ New Media §

## Events of the week in

## Asia zone

► MIDDLE EAST & NORTH AFRICA; WEST ASIA; SOUTH ASIA;  
NORTH ASIA; EAST ASIA

**TURKEY****Political Front:**

Most **Turkish** people in a survey have expressed satisfaction with the idea of the police having stricter authority when there is suspicion of a terror link.

**Geo-strategic Front:**

In addition to efforts by the government of **Turkey** to help *Pakistani* flood victims; a group of **Turkish** Businesswomen (TİKAD) has raised TL3.5 million for the sufferers, at a fund-raising dinner coordinated by the Prime Minister's spouse.

**Turkish** foreign Minister has denied the possibility to temporarily open border gate with **Armenia** during an upcoming exercise of NATO. Meanwhile **Armenia** has dismissed remarks by President Abdullah Gül that the **Turkish-Armenian** reconciliation process has entered a phase of "silent diplomacy" and ridiculed the president by saying that "**Turks** must be talking to themselves, quietly." After countless complaints and petitions from the **Turkish** government over a number of years, *Denmark's* public prosecution opened a court case against Roj TV charges of helping to promote the outlawed Kurdistan Workers' Party (PKK). Meanwhile **Turkey** has welcomed the resumption of direct talks between *Israel* and *Palestine* after the efforts of the *US*.

**Economic Front:**

**Turkey's** inflation rate rose to 8.3 % in August, reversing a three-month drop as food prices increased.

**GCC****Political Front:**

**Qatar's** Prime Minister and Foreign Minister Sheikh Hamad bin Jassim bin Jabor al-Thani has witnessed the signing of the explanatory appendix of the executive program schedule for the implementation of the 22 points which were signed between the **Yemeni** government and the Houthis Group on 21/ 6 / 2010, under the six points. The program and the explanatory appendix were signed for the **Yemeni** government by Brig. Ali bin Ali al Gaisi, member of the Shura Council and Chairman of the National Committee, while they were signed for the Houthis Group by



**The Houthi fighters**

Yousuf Abdullah Hussein al Feishi. **Bahrain's** Interior Minister has pledged a tough new clamp on street violence.

**Geo-strategic Front:**

**GCC** Secretary General has said that *Israel* has no serious desire to start real negotiations with the *Palestinians* because of the relentless Israeli statements that they would resume settlements' building on occupied Palestinian territories.

**Iranian** President Mahmoud Ahmedinejad has announced to pay visit to **Qatar** to discuss various issues. Meanwhile the **United Arab Emirates** has further enhanced its relief and rehabilitation activities to help *Pakistan* successfully facing the major natural calamity. A nationwide fundraising campaign in the **UAE** has so far raised more than \$ 20 million of aid for *Pakistan* flood victims. Meanwhile **Qatari** air service has sent a consignment carrying 48-member task force which includes rescuers and military medics to *Pakistan*. **Kuwait** Red Crescent Society (KRCS) has also been providing extensive aid to the victims of the devastating floods. The second shipment of **Bahrain** aid to flood-hit *Pakistan* has also been dispatched. In the meantime Government has also announced a third shipment to be sent next week as part of a total of BD2.6 million worth of aid from **Bahrain** to *Pakistan*.

**Kuwait** plans to buy *Patriot* missiles from the *United States* but would not allow its territory to be a launch-pad for attacks.

**Economic Front:**

**Dubai** shares increased the most in the last week. Similarly **Qatar's** benchmark index climbed for a sixth day as faster- than-estimated. Dubai Islamic Bank PJSC also increased the most since June. **Saudi Arabia's** benchmark stock index rose to the highest in more than two weeks, leading gains in Gulf markets. **Saudi Arabia's** economic outlook remained "broadly positive" and the banking system seems "fundamentally sound", although vulnerabilities remain there especially from the volatility of oil prices. **Saudi Arabia** topped the **GCC** as a country with the list of the six safest banks in the Middle East out of ten in the region. Real GDP growth estimates of **UAE** for 2010 have ranged from a low of 0.6 % to a high of 3.2 %, with an average GDP growth estimate of 2.25 % for 2010.



**Kuwaiti** Ambassador in *Japan* has urged Japanese companies to seek to seize mega trade and investment opportunities in **Kuwait**, which plans to inject fresh investments worth KD 30 billion (USD 103 billion). The **Qatar** Exchange, which is expected to switch over to a new trade engine UTP from September 5, intends to feature more order types to attract the global investing community in a big way.

**Social Front:**

**Saudi** King has issued an urgent order for the payment of SR1.2 billion to all families covered by social insurance in the Kingdom. The money is meant to help needy families meet their needs for Eid Al-Fitr. Meanwhile the **Saudi** Commission for Health Specialties has planned to reform health education institutions. A worldwide health campaign launched by the **UAE** to offer health care services to needy children has provided treatment to 400 poor Egyptian children.

**Bahrain** has imposed a ban on press from publishing anything about a terror network discovered early this month. Those violating the law could be fined or jailed for up to one year.

**FERTILE CRESCENT**

**Political Front:**

In **Egypt** Human rights activist and sociologist Saadeddin Ibrahim announced that he had no objection to Gamal Mubarak standing as a presidential candidate in 2011. Ibrahim's announcement followed a meeting

with the coordinator of the so-called Popular Coalition for the Support of Gamal Mubarak (PCSGM) which is collecting signatures in support of a presidential bid by Gamal Mubarak. Almost 4,000 members of the ruling National Democratic Party (NDP) have registered as possible candidates in the upcoming parliamentary elections when the nomination period closed on 28 August. **Egypt's** ruling party has backed veteran President Hosni Mubarak, for another term if he seeks one next year while adding that his son Gamal could also be among possible future candidates.

**Egypt's** most prominent democracy advocate El Beradi has strongly accused **Egyptian** government of posting Face book photos of his daughter in swimsuits and at events where alcohol was served in an attempt to discredit him. **Egypt's** influential-yet-banned opposition group, the *Muslim Brotherhood*, still seems to be confused about whether it would take part in the next parliamentary elections.

**Lebanon's** economy has repeatedly proved its resilience to external shocks and its ability to rebound quickly from crisis if political stability exists. Meanwhile despite the fact that some of the US troops are still present in **Iraq** the United States has formally ended its combat operations in **Iraq**, more than seven years after the U.S.-led invasion that toppled Saddam Hussein's regime. **Iraqi** Prime Minister Nuri al-Maliki said that **Iraq** has gained its independence as a result. As far as the activity of US troops that are left behind in **Iraq** is concerned, the State Department claimed that U.S. assistance would shift away from helping **Iraq** rebuild its infrastructure to focus on providing technical advice in fields such as health and agriculture.

#### **Geo-strategic Front:**

**Egypt** has announced to build its planned nuclear power plant on the Mediterranean coast of el-Dabaa which it hopes will start production in 2019. Meanwhile **Middle East** peace talks have resumed under the supervision of the US President Obama in **Egypt**.

#### **Economic Front:**

The state-run **Egyptian** Natural Gas Holding Company (EGAS) has denied reports that the government intended to buy back quantities of natural gas earlier exported to **Israel** in a bid to offset the country's current electricity shortfall. The denial came in the wake of reports in the local opposition press that the government planned to buy back some 1.5 billion cubic meters of natural gas from **Israel**.

## **CENTRAL ASIA**

#### **Political Front:**

**Kazakhstan's** Algha (Forward) and Communist parties have discussed their joint efforts to hold a national referendum on impeaching President Nursultan Nazarbaev.

A man suspected of involvement in the killing of a **Kyrgyz** police colonel in southern **Kyrgyzstan** in June has been arrested in **Kazakhstan**. Meanwhile two suicide bombers in an explosives-packed car slammed into a police station in the northern city of Khujand, killing two police officers and wounding some 25 others.

Four political parties have submitted documents for registration in parliament elections in **Kyrgyzstan**.

#### **Geo-strategic Front:**



**Egyptian President Hosni Mubarak & Son  
Gamal Mubarak**

*Russia* has claimed that it would not support **Armenia** over *Nagorno-Karabakh* issue. Meanwhile **Azerbaijan's** Defense Ministry has announced that three **Armenian** and two **Azerbaijani** soldiers have been killed in clashes near the disputed territory of Nagorno-Karabakh.

NATO has expressed keenness regarding participation of **Kazakh** peace keepers in *Afghan* operations. Meanwhile *Russia* has urged all OSCE countries to refrain from any pressure on **Kyrgyzstan**, in particular in the promotion of the Organization for Security and Cooperation in Europe. Talks between **Kyrgyz** and **Uzbek** border officials on the possible release of two **Kyrgyz** border guard officers have ended without success. Some protests against the OSCE mission have been based on fears of internationally enforced separatism. The U.S. congressman and member of the foreign affairs committee has discussed issues of further strengthening the Turkmen-American inter-parliamentary relations with the Majilis members.

**Kyrgyz** and **Uzbek** officials have started talks on the possible release of two senior **Kyrgyz** border guards being held in **Uzbekistan**.

#### **Economic Front:**

**Kazakhstan** has announced plan to double its crude oil export duty to \$40 per tone. **Kyrgyzstan** has launched a \$200 million hydroelectric power plant, its first since the collapse of the Soviet Union. The rate of economic development of **Kyrgyzstan** is higher than the average among CIS. This was reported by the Interstate Statistic Committee of the Commonwealth of Independent States for the first six months of 2010.

Representatives of the Governments of **Turkmenistan** and the Islamic Republic of *Afghanistan* have signed a framework agreement on the construction of the *Turkmenistan - Afghanistan - Pakistan - India (TAPI)* gas pipeline.

#### **Social Front:**

A prominent human rights defender who has drawn attention to problems in **Kazakhstan's** prisons has been found guilty of hooliganism and sentenced to 10 days in jail.

Meanwhile a social net-working site has been banned in **Turkmenistan**.

## **SOUTH ASIA**

#### **Political Front:**

A court in two separate cases sentenced nine militants of outlawed Jama'atul Mujahideen **Bangladesh (JMB)** to life term and 20 years' rigorous imprisonment under Arms Act and Explosive Substances Act.

Prime Minister Madhav Kumar **Nepal** has started diplomatic consultations on the current row over the mandate and the tenure of the United Nations Mission in **Nepal** (UNMIN). Meanwhile the **Nepali** Congress has decided to adopt a tough policy against the Unified CPN (Maoist), alleging the latter of using the ongoing peace process for "strategic purpose" in order to capture state-power. The former revolutionary communist, Mr. C.P. Mainali who is leading the splinter **Nepal** Communist Party-Marxist Leninists Party has revealed that the Unified Maoists had offered him an amount worth 5 Crore rupees if his nine parliamentary members voted in favor of Chairman Pushpa Kamal Dahal, as the country's next prime minister.



**Sri Lanka's** main opposition United National Party (UNP) legislators have expressed their support for the 18th amendment to the Constitution that is to be debated in the parliament next week. The left parties in the ruling coalition of **Sri Lankan** government are still undecided regarding the proposed 18th amendment to the constitution. **Sri Lanka's** cabinet has backed changing the constitution to allow President Mahinda Rajapakse to run for office for a third term, opening the way for a vote in parliament.

**Geo-strategic Front:**

According to reports terrorist outfits of northeast **India** have been trying to shift their base camps from **Bangladesh** to **Myanmar** following a crackdown by the **Bangladeshi** Army and para-military.

The **Sri Lankan** Foreign Employment Bureau has decided to establish close relations with embassies of relevant countries to obtain information on migrant **Sri Lankan** workers.

**Economic Front:**

**Bangladesh** has registered a ten % rise in its exports to India. The Asian Development Bank has announced to provide USD 100 million loan for a cross border electricity initiative between **India** and **Bangladesh**.

Meanwhile the **Nepalese** government has placed ban on import of gold. The move came into effect in order to protect the foreign currency reserves under pressure due to steep rise in import of the yellow metal.

**Social Front:**

The number of coetaneous anthrax patients has increased in **Bangladesh**, with 21 more people found to have contracted the infectious disease. Minister for Labor and Transport Management (MoLTM) has expressed serious concern over migrant workers' problems and readiness to help solve the problems between **Nepali** workers and their employers. A clutch of media groups in **Nepal** have mounted a vicious campaign against premium Indian companies based in that country — allegedly because they are not getting advertisements.

**INDIA****Political Front:**

Amid reports of *China's* deployment of troops in the *Pakistan-controlled Kashmir*, Prime Minister Dr. Man Mohan Singh chaired a meeting of the Cabinet Committee on Security to review *China's* recent posturing and **India's** options of dealing with it.

Sonia Gandhi has been elected as Congress president unopposed for a record fourth term.

At least 10 policemen were killed and several injured in a fierce firefight with Maoists. The state government has refused to agree to the demands of the Maoists who served an ultimatum to the state government asking them to release eight of their jailed comrades by evening of first September.

Hard line separatist leader Syed Ali Shah Gillani has issued another protest calendar against the killing of 65 people in security forces firing on protesters since mid-June. *Gillani* asked people to observe complete strike and stage peaceful sit-ins. Gujarat Chief Minister Narendra Modi has again sought an apology from Prime Minister Man Mohan Singh for use of the term 'Saffron Terrorism' by the Home Minister. Meanwhile Railway Minister and Trinamool Congress Chief Mamta Banerjee has assured the youth of *West Bengal* that they would get sufficient job opportunities if her party came to power in the State.

**Geo-strategic Front:**

**India** has decided to suspend defence exchanges with *China* following Beijing's refusal to allow the Army's Northern Command chief, Lt. Gen. B.S. Jaswal to join a military delegation for a high-level visit. In retaliation, **India** has refused to allow two *Chinese* Army captains to attend a defence course and a colonel to speak at a higher defence course. **India** has also expressed serious concern regarding deployment of *Chinese* troopa in *Pakistani* administered **Jammu & Kashmir**. **India** has signed arms contract with the US under a direct government-to-government deal.

**Economic Front:**

**Indian** exports in July grew by 13.2 %, the lowest expansion so far this fiscal, to \$16.24 billion as major markets like the USA and Europe are facing fragile economic recovery. During the first three months of 2010-11, the shipments grew by about 30 %. Imports in July grew by 34.3 % to \$29.17 billion from \$21.72

billion in the corresponding period last year, indicating a rapid pace of domestic economic activity. As a result, trade deficit widened to \$12.93 billion from \$7.38 billion a year ago.

**Social Front:**

Commonwealth Games organizers have been facing negative publicity not only at home but also in the foreign media over the dengue fever outbreak in the capital and the slow pace of work on projects.

**IRAN**

**Political Front:**

**Iranians** held rallies on the Last Friday of Ramadan i.e. Quds Day, in solidarity with the Palestinians. Meanwhile members of **Iran's** Basij militia detained opposition supporters during Quds Day. **Iran's** Judiciary chief said that the US-brokered peace talks between the *Palestinian Authority* and *Israel* are aimed at preserving the Israeli regime.

**Geo-strategic Front:**

*Japan* has announced to suspend new oil and gas investments in **Iran** and freeze the assets of 88 organizations and 24 individuals in its latest round of sanctions for the Middle Eastern country's nuclear program.

The **Iranian** Interior Minister has recently paid a visit to *Pakistan* to assess the extent of damage caused by floods. *Pakistani* PM hailed **Iranian** assistance for flood victims.

The *Russian* foreign minister has dismissed sanctions against **Iran** as ineffective, saying Tehran's isolation would have regional consequences. Meanwhile the *Bolivian* President has called for concerted efforts of **Iran**, **Venezuela** and **Bolivia** to put an end to the unilateralism dominant in the world. As the US expressed optimism about future talks on **Iran's** nuclear program, **Iranian** Parliament Speaker Ali Larijani said Tehran has never refused nuclear talks.

**Economic Front:**

**Iran** has launched more than 4,000 telecommunication and postal projects worth up to 1,900 billion rials (around 200 million dollars) in four provinces.

*Turkey* has reiterated its position regarding **Iran** and stressed that commercial and economic ties between the two countries would remain in force. Meanwhile **Iranian** and *Chinese* officials have stressed the need for the establishment of a joint investment committee in an effort to expand relations. The amount of trade between the two countries has been valued at around 8.5 billion dollars in the first four months of 2010.

**Iran** has discovered 13 new oil and gas fields with in-place reserves of 14 billion barrels of oil and 45 trillion cubic feet of natural gas within the past 12 months. Meanwhile **Iran** has extended a credit line of more than 200 million euros to *Bolivia* to help the industrial development of the South American country.

**Social Front:**

At least 10 **Iranian** pilgrims have lost their lives and 33 others suffered injuries after their bus overturned and caught fire in central *Iraq*.

**CHINA**

**Political Front:**

**Chinese** legislators have passed the People's Mediation Law on the final day of the bimonthly meeting of the Standing Committee of the National People's Congress. Top **Chinese** political advisor has called for the



nation's united front departments and socialist academies to strengthen education of non-communist party members and non-party personages, to cultivate talented people for the nation. **Chinese** Vice President has also asked Party and government officials to carefully use the power in their hands and to take responsibility to serve the people.

**Geo-strategic Front:**

**Chinese** officials have stressed the need to build cooperation among local governments in **China** and the *United States*.

Meanwhile **China** has welcomed direct peace negotiations between *Israel* and *Palestine*.

Trade and economic ties between **China** and *Japan* have endured the global financial crisis. Meanwhile *Russia* has officially launched the *Russian* section of an oil pipeline that delivers east *Siberian* oil to **China**. **China** has out rightly rejected *Indian* reports regarding deployment of **Chinese** troops in *Pakistan* controlled Jammu & Kashmir. **China** and *India* have agreed that stability in economic policy seems to be significant for global economic recovery. **China** has also stressed that its assistance to flood-hit *Pakistan* is sincere, timely and unconditional.

Meanwhile **China** has expressed willingness to boost ties with *Nigeria*, *Spain*, *EU*, *Ukraine*, *Korea* and *Kenya*.

**Economic Front:**

**China's** central bank has put its online payment inter-bank clearing system, or "super online banking system," into service. Most of **China's** listed companies posted strong growth in profits amid market fluctuations in the first half. Of the 1,947 companies listed on the Shanghai and Shenzhen stock exchanges, 1,700 made profits while 247 firms posted losses.

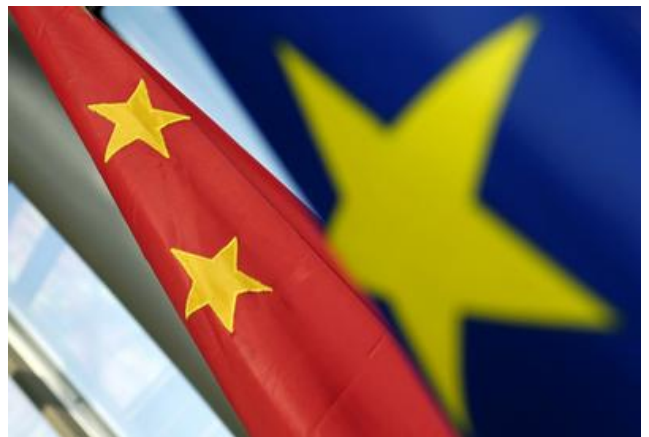
**China's** continuing transformation of its mode of economic development has opened up new opportunities for *Sino-Japanese* trade. The Purchasing Managers Index (PMI) of **China's** manufacturing sector has risen to 51.7 % in August, up 0.5 %age points from July. Meanwhile revenues in **China's** software industry rose by 29 % year on year to reach 723.1 billion Yuan (106 billion U.S. dollars) in the first seven months of 2010. **China's** Ministry of Commerce (MOC) has expressed "serious concern" about the United States' proposed strengthening of its trade remedy practices as this move would undermine order in international trade.

A European business group has urged the **Chinese** government to allow foreign businesses better access to its vast domestic market, arguing that regulatory barriers could threaten investment despite the economy's rapid growth. Meanwhile **China's** Vice Premier has called upon Chinese industrial firms to improve the quality of their products as part of the efforts to transform **China's** economic growth pattern. The European Union has pressed **China** to back up its words with action and do more to stem the flow of **Chinese**-made counterfeit goods into Europe and around the world.

**Social Front:**

A guide book has been published to help **Chinese** officials fully grasp a speech by **Chinese** President Hu Jintao that lists the key tasks to reform **China's** cultural sector. **Chinese** PM has reiterated the need of better education. **Chinese** courts have been sentencing those convicted of trafficking women and children severe sentences. Meanwhile floods and landslides have left 3,185 people dead and more than 1,060 missing in **China** this year.

In recent weeks there have been three notable attacks against "whistleblowers" or people who expose wrongdoing by businesses, government agencies and other organizations, in **China**.



The impoverished population in rural areas of China's ethnic autonomous areas fell to around 19.55 million in 2009, down 1.48 million from a year earlier. **China's** top political advisor has called for more efforts to build "ecological screens," to contribute to the nation's endeavor to combat floods and landslides.

## **HONGKONG & MACAU:**

Overseas *Filipino* workers have not been despised or treated unfairly in **Hong Kong** after the tragic bus hijack in Manila left eight Hong Kong tourists dead. **Hong Kong's** Department of Health has announced that 105 cases of Human Immunodeficiency Virus (HIV) infection were recorded in the second quarter of 2010 in the city. **Taiwan** and **Hong Kong** Special Administrative Region (HKSAR) cultural and economic councilors have agreed to further strengthen bilateral cooperation. An 815 million HK dollars surplus was recorded in the **Hong Kong** government's financial results for July, but a 9.5 billion HK dollars deficit was still recorded for the financial year's first four months.

## **KOREA**

### **Political Front:**

Lawmakers of the ruling Grand National Party (GNP) has voted to expel Rep. Kang Yong-seok who was accused of making inappropriate sexual remarks at a gathering with university students. Meanwhile **South Korean** President Lee Myung Bak suffered the latest blow to his administration after his choice for prime minister withdrew amid allegations of corruption less than three weeks after being nominated.

### **Geo-strategic Front:**

The chief nuclear envoys of *China* and **South Korea** have decided to meet separately this week with senior U.S. officials in Washington, D.C. to discuss the resumption of the six-party talks on **North Korea's** denuclearization, amid a flurry of diplomacy among involved parties. Obama has widened U.S. financial sanctions on **North Korea** in an effort to cut off sources of income that fund the nuclear weapons program of the regime's leader, Kim Jong II. Meanwhile **South Korea** and the *United States* started a joint anti-submarine exercise on 5 September in the West Sea where the **South Korean** Navy's ship the Cheonan was allegedly sunk by a **North Korean** torpedo attack in March.

### **Economic Front:**

**South Korea's** GS Engineering & Construction Co. Ltd won a \$620 million oil pipeline contract from the *United Arab Emirates*. **South Korea** has decided to take steps to limit consumer price growth and curb inflation expectations.

**South Korea's** industrial production grew faster than estimated in July, logging the 13th straight monthly gain as the nation's exports withstood global risks.

### **Social Front:**

Three people were killed after Tropical Storm Kompasu caused landfall in **South Korea**. Meanwhile a foreign radio DJ in Gwangju was able to receive emergency blood donation from a number of citizens via social networking websites. Leaders of opposition parties raised a collective voice calling for the government to send surplus rice to Pyongyang as part of its relief package. **South Korea's** Red Cross day



**China's** chief nuclear envoy Wu Dawei (L) shakes hands with **South Korea's** chief nuclear envoy Wi Sung-Lac (R) before their meeting at the foreign ministry on August 26, 2010 in **Seoul, South Korea**

offered to send 10 billion won (\$8.3 million) worth of flood aid to **North Korea**. The government has planned to legalize mandatory education about **Korea** for foreigners who want to marry Koreans, especially women from other countries in Asia coming here through international matchmaking services.

## **JAPAN**

### **Political Front:**

A majority of people polled claimed that Prime Minister Naoto Kan should stay as leader of the ruling Democratic Party of **Japan**. Democratic Party of **Japan** lawmakers intensified efforts to whip up support for the two contenders in the ruling party's presidential election, Prime Minister Naoto Kan and longtime kingpin Ichiro Ozawa.

### **Geo-strategic Front:**

The **Japanese** and U.S. governments have ironed out their report on construction options for replacing a contentious U.S. Marine Corps air base in Okinawa Prefecture. Meanwhile Tokyo announced additional sanctions against *Iran* over its nuclear programs.

### **Economic Front:**

The government has decided to include a ¥16.4 billion project for the Hayabusa-2 probe in its space program, following the successful seven-year round trip to an asteroid by the probe's predecessor.

The jobless rate in July fell to 5.2 % from 5.3 % the previous month, dropping for the first time in six months. Meanwhile *Toyota* Motor Corp. has decided to recall about 1.13 million Corolla and Matrix vehicles because of an engine defect that federal regulators said could cause cars to stall "at any speed without warning." Vehicle production in July rose 16.8 % from a year earlier to 866,762 units, increasing for the ninth consecutive month.

### **Social Front:**

A survey has indicated that only 4 % of about 200 school nurses think it's appropriate to inoculate girls against cervical cancer at school.

Meanwhile **Japanese** Police responded to a record 2,444 Internet crime cases nationwide in the first half of this year. §

*Events of the week in*

## **Africa** zone

▶ WEST AFRICA; EAST AFRICA; CENTRAL AFRICA; SOUTHERN AFRICA

## **POLITICS OF SECURITY AND CONFLICT ISSUES**

**West Africa: Equatorial Guinea** has debunked allegations by the *United Nations* Working Group on the use of mercenaries that two of the seven **Nigerians** arrested in connection with last year's attack on the West African country presidential palace, died in detention.

A sense of unease is now pervading the North-west zone of the *Peoples Democratic Party (PDP)* following pressure by some party leaders in the zone to endorse President Goodluck Jonathan's yet-to-be declared presidential ambition.

*United States* has described **Nigeria** as one of the "strategic priority countries" it has been holding high-level dialogue with in the last one year. The other strategic priority countries include *Brazil, India, Indonesia, Norway and Pakistan*.

Meanwhile **Cameroon's** president has replaced the heads of the national police force and the intelligence service in a security shakeup that follows local media reports of a coup plot.

**Elections:** In **Liberia** the National Elections Commission (NEC) has disclosed that it is targeting 2.1 million people to register in the forth coming general and presidential Elections.

**Ivory Coast's** electoral commission said it had produced a final voter list for the first time, raising the chance that an election which has been delayed six times in five years might go ahead, now scheduled for Oct. 31.

**Nigeria** is due to hold elections in four months but uncertainty remains over whether President Goodluck Jonathan will stand, who his challengers might be and whether electoral reforms can be enacted in time.

**Guinea:** Doubts grow over arrangements for the decisive second round of Guinea's Sept. 19 presidential election is raising concern that the outcome of the landmark poll will be challenged and could trigger unrest.

The two rivals in **Guinea's** Sept. 19 presidential run-off agreed in writing last week to respect the final result of the landmark election intended to bring civilian rule to West African state.

**Central Africa: Congo-Kinshasa:** UN Peacekeeping Official who Visited Congo (DRC) following the recent mass rape of civilians by members of illegal armed groups, has now traveled to the eastern region of the country where the crimes were committed.

The **African Union (AU)** defended **Kenya** and **Chad** on the presence of controversial **Sudanese** President, Omar Al-Bashir, in those countries and for not cooperating with the International Criminal Court (ICC) in getting him arrested. Meanwhile **Rwanda** has joined the **African Union (AU)** in defence of **Kenya's** decision not to comply with the International Criminal Court's (ICC) warrant of arrest issued against **Sudanese** President *Omar al Bashir* while he was invited to Nairobi for the new constitution's promulgation ceremony.



The **Rwandan** Government has put contingents of the **Rwanda Defence Force (RDF)** serving under UN-backed peacekeeping operations on standby for pull out, if the UN publishes a report alleging that **Rwandan** troops were involved in mass killings in the DRC between 1994 and 2003.

## HUMAN RIGHTS AND SOCIAL ISSUES IN DOMESTIC POLITICS

**West Africa: Niger** will avoid the "worst" in its most severe food crisis since 2005 with aid reaching millions left hungry by last year's failed harvest; it is feared that the crisis could become catastrophic without quick distribution of food to the nearly 8 million in need, according to the United Nations.

**Nigeria:** The killing of a powerful former Nigerian gang leader in the restive Niger Delta has laid bare the fragility of an amnesty programme for ex-militant fighters in Africa's biggest oil and gas industry.

Meanwhile four policemen were shot dead over the past month in the northern **Nigerian** town of Maiduguri, raising fears that a radical Islamic sect, which was behind an uprising which killed hundreds a year ago, is making a return.

**Central Africa: Congo-Kinshasa:** According to reports more than two dozen children were among the hundreds of civilians recently raped by members of armed groups active in the Far East of the Democratic Republic of the **Congo** (DRC). The report documenting the most serious human rights violations committed in the (DRC) between 1993 and 2003 will be made public on 1 October, according to the **United Nations**.

**Rwanda:** The Rwandan Government has described the latest report regarding the nation from the human rights watchdog, Amnesty International as very sensational, which portrays the dishonesty of some human rights organizations.

**Southern Africa: South Africa:** Striking South African state workers staged a protest last week after rejecting a revised wage offer aimed at ending their three-week strike that has the government and the labor movement at loggerheads. Meanwhile **South Africa** will resume the deportation of undocumented **Zimbabweans** on 1 January 2011, ending its 17-month moratorium, the Cabinet announced on 1 September.

**Mozambique:** A volley of price increases in basic commodities and services sparked rioting and looting in the **Mozambican** capital, Maputo, but the government refused to rescind them. Later in the week according to police reports calm was restored to the southeast African nation after three days of riots and demonstrations.

**Malawi:** According to reports surplus production of maize, **Malawi's** staple food, will not prevent at least one million people from being food insecure, a forecast that has not pleased President Bingu wa Mutharika who has threatened to close down the local newspapers that, he claims "lie and tarnish his government's image".



## HEALTH, ENVIRONMENT AND DOMESTIC POLITICS

**West Africa:** In **Nigeria** the Minister of Environment, Mr. John Odey, has expressed fears over possible threats of climate induced disasters to the country if nothing is done to check the trend, adding that **Nigerians** have an unfriendly attitude towards climatic issues.

**Nigeria's** 'booming' young population may become a major source of worry in the next three decades unless there are urgent steps to develop a comprehensive action plan for its next generation of youth, a report has warned.

Meanwhile Biofuel demand is driving a new "land grab" in **Africa**, with at least 5 million hectares (19,300 sq miles) acquired by foreign firms to grow crops in 11 countries, a study by an environmental group said.

Increasingly erratic rainfall patterns related to climate change pose a major threat to food security and economic growth **in Africa**, water experts said, arguing for greater investment in water storage.

**Central Africa:** For more than a year now, **Rwanda** has been immunizing its children against pneumonia. Its goal is to save the lives of 6,000 kids every year.

**Southern Africa:** **Zambia:** Mining prospectors in Luapula Province, northern Zambia, have forced small-scale farmers from their land at gun point, according to villagers in the region.

## POLITICAL ECONOMY

**West Africa:** **Senegal's** sole oil refinery, Societe Africaine de Raffinage (SAR), said it had secured 194 billion CFA (\$378.5 million) in loans to cover the cost of a year's worth of feedstock. Saudi Bin laden Group has a 34 percent stake in SAR, while French oil company Total (TOTF.) has 20 percent. The remaining stake is controlled by the Senegalese state, which has said it does not expect a long-term role in the business.

**Nigeria** is building a multi-billion dollar free trade zone with **Chinese** investors on the edge of its commercial capital Lagos to try to develop a local manufacturing base and help reduce its import dependence.

Meanwhile Royal Dutch Shell (RDS) has said its **Nigerian** SPDC joint venture is close to completing a new \$1.1 billion pipeline to the Bonny export terminal which will have a capacity of 600,000 barrels per day (bpd).

The **Nigerian** naira NGN=D1 firmed to 151.30 to the U.S. dollar last week from 151.60 at Tuesday's close after the central bank met all demand at its foreign exchange auction, traders said.

**Nigeria's** stock exchange will have new management by the beginning of next year at the latest and listing the bourse will be among their priorities, the Securities and Exchange Commission (SEC) said on Friday.

**Ghana** will join the club of oil-producing nations this year, offering it the chance to transform the fortunes of its aid-dependent economy. Meanwhile the nation as the world's second-largest cocoa grower, could reach its target of producing 1 million tonnes of the main ingredient in chocolate next season -- a year ahead of schedule -- a senior official said.

The World Bank's investment arm said its investments in **sub Saharan Africa** rose by a third to \$2.4 billion in its 2010 fiscal year and forecast further growth this year.

**China National Nuclear Corporation** (CNNC) announced last week that it has signed a contract with the China-Africa Development Fund (CADF) on uranium exploration **in Africa**.

Meanwhile **Chinese** vice Premier Li Keqiang met with THE **Nigerian** Minister of Foreign Affairs Odien Ajumogobia in Beijing last week, with the two sides pledging to boost bilateral ties.

The Economic Community of West African States (ECOWAS) Commission has cautioned the recipients of the 1.2m Euros regional development grants against diverting the funds into purposes other than that which they are intended for. §



Events of the week in

# Euro Americas zone

► WEST EUROPE; EAST EUROPE; NORTH AMERICA; LATIN AMERICA & AUSTRALASIA

## WESTERN EUROPE

### Political Issues

**European** Commission chief Jose Manuel Barroso has thrown the blame of low confidence in EU on member states, he alleged that member states are yet to personalize **EU** projects as theirs and are simply trailing for the benefit of their own state. He further holds that Euro is a success story and member states would not be able to manage global financial crisis independently.

The consensus by **EU** members to have a pan-European financial supervisor was referred to as a crucial political landmark. The European Commission, the European Parliament and the EU member states reached a political deal to set up a European Systemic Risk Board and three separate agencies to monitor securities, banks and insurance companies as measures to guard against the repetition of another financial crisis.

The **European** External Action Service (EEAS) is expected to nominate competent diplomats for its missions abroad, but Catherine Ashton is still vetting diplomats to be chosen and also waiting for parliament approval.

**EU-Russia** visa regime is now shouldered on the proposal of **Poland**, although *Warsaw* agreed to **Russia** being incorporated into the visa-free travel scheme but only if the EU at the same time promises in future to lift visas for *Armenia, Azerbaijan, Belarus, Georgia, Moldova* and *Ukraine* as well.

The European Union has dropped plans to offer *Israel* data sharing access after pressure from the Irish government. The reservation by the latter owes to the complicity of the *Israeli* government in eight forged Irish passports alongside a number of falsified passports of other **EU** states.

In a new book by former **UK** PM Tony Blair, he refuses to regret his *Iraq* policy but is remorseful for the death count the war produced. The book shows Blair also insinuated military action on *Iran* over its nuclear issue. He also accuses ex-PM Brown of terminating Labour rule because of zero 'emotional intelligence'. Meanwhile in **Dublin** thousands staged protest against Blair, accusing him of war crime.

The new leadership of the **British** Labour party is yet to be determined, but the *Miliband brothers* along with other candidates are struggling to hold the seat left by former PM Gordon Brown. There has been much speculation that David Miliband is more likely to be chosen.

### Economic Issues



Production level in **Eurozone** during the month of August went down in comparison to the industries in *China, India* and *Russia*. Although there was little push in retail sales in the **Eurozone**, nonetheless, retail sales fell by 3.0 % in **Spain** and 0.3 % in **Germany**.

Meanwhile the **EU** is venting its concern over *China's* protectionist policy and the inability of China to keep to open market promises as EU companies are denied access to the airline reservation, automotive, construction, insurance, oil refinery, research and innovation and telecommunications sectors in China.

**British** oil giant BP revealed that the devastating Gulf of Mexico oil spill disaster has cost it eight billion dollars so far. Meanwhile, BP is complaining against the intended suspension on offshore drilling, a move that will further affect BP's finance.

The **French** government is either recruiting enemies or shutting door on friends, the streets of **France** is expected to see another wave of protest against government plan to increase the retirement age from 60 to 62. This will add to the already present frenzy over Roma expulsion.

### **Social/Humanitarian Issue**

Immigration remains a debatable issue in *Europe*, the Council of Europe recently slammed **Greece** for its immigration practices. Asylum seekers in **Greece** face enormous difficulties trying to gain access to the asylum procedure and not being granted basic safeguards.

The **European** Commission is investigating the legality of forceful expulsion of Roma by the **French** government. The EU is concern about the implication of such development which could add to the increasing trend of xenophobia and racism in **Europe**.

Amid the huge criticism surrounding the Roma expulsion, **French** far-right politicians as well as their counterpart across Europe believed the expulsion was right in order to create social order.

### **Geostrategic Issues**

**EU's** trade chief has apologized for his comment about the Jewish lobby stating he believed them to be very powerful and road blocking the Middle East peace process. The comment irked Jewish organizations in **Europe** terming it is another form of anti-Semitism.

The **European Union** is expected to examine the proposal of *Libya* and the whole of *North African* seeking handsome EU funds in order to help reduce the tendency of using North Africa as transit route into **Europe**.

The arrest of two *Yemenis* accused of conspiring to commit terrorist acts has further raised security concern between *Washington* and *Amsterdam*.

The **British** government has debunked the press rumor that London and Paris are about to end their centuries rivalry and pool together resources in the area of military vessels. The authenticity of the rumor remains unclear till both parties meet in an October summit.

International Atomic Energy Agency has repeated request to *Israel* to join the nuclear regime (NPT) but *Israel* believes the new plea is tailing the desire of Arab states and particularly *Iran* and *Syria* to distract attention from their nuclear issue.

## **EAST EUROPE**

### **Political Issues**

**Albania** will have to prove to the rest of the region and to EU in particular that it is politically mature. The ruling and opposition



parties have been in a year old deadlocked over election irregularities and the move to reform electoral rules is yet accomplished. Despite its political problem, **Albania** is still struggling to fulfill certain EU requirements before it could be incorporated into EU visa liberalization scheme.

If the political and economic uncertainty in **Bosnia and Herzegovina** (BiH) remains same, the ethnically divided country might continue to lose its human resources in the form of its youth's exodus from the country. **BiH** like **Albania** is still waiting for EU approval on its request to join the visa liberalization scheme.

**Romanian** government has received the appreciation of the EU for its judicial reform geared at combating organized crime and structural corruption in the country. Meanwhile, ethnic Roma in **Romania** are prepared to boycott *French* products in response to the expulsion of Roma from *France*.

**Poland** and the league of ex-communist EU members **Hungary**, **Slovakia** and the **Czech Republic** called on the EU not to slash European Union funds for poorer member states.

Meanwhile **Ukraine's** parliament has approved amendments to the Law on Local Elections proposed by President Viktor Yanukovich to allow all political parties to participate in local elections set for Oct. 31.

### ***Economic Issues***

*Robert Zoellick*, president of the *World Bank*, has praised the **Bulgarian** government's efforts to fight corruption and organized crime, and to fully integrate the country into the EU. Such praise will also be true for **Serbia** from IMF that has appreciated the pace of Serbian economic reform.

Although **Poland's** gross domestic product rose at an annual rate of 3.5% in the second quarter, yet the government is proposing levying banks in order to reduce the burden of deficit on state. Indo-Polish economic ties have grown beyond \$1 billion, since the opening up of *Indian* economy in 2001. Both countries further cemented bilateral ties during **Polish-Indian** Investment Forum jointly organized in Bangalore by Confederation of Indian Industry.

It is a political action but with economic undertone. The **Czech** government has decided to close its embassies in *Congo*, *Venezuela*, *Kenya*, *Yemen* and *Costa Rica* and consulate in Mumbai will also be affected as part of the Foreign Ministry's budget saving plan. Meanwhile, the government is pursuing a plan to attract **Czech** researchers living abroad back to their home country and to stop migration of **Czech** labour forces.

The prime minister of **Slovakia** said overly indebted countries should be forced into bankruptcy, not bailed out, in a sign of the tensions roiling the European currency bloc in the wake of the **Greek** crisis. He said the so-called stability fund set up this year in case other European countries need financial rescue, is likely to cause more problems than it will solve. Meanwhile, **Slovakia's** economy expanded by 4.7 % year-on-year in the second quarter of 2010 and the government is working towards extinguishing the menace of unemployment.

Recent **Ukrainian** President Viktor Yanukovich's visit to Berlin depicts that Ukraine is not solely dependent on **Russia** but equally open to the west. Yanukovich urged **Germany** to increase investments in his country, although Germany is currently a leading investor to **Ukraine**. Meanwhile if the national parliament approves the new tax code, it is likely that **Ukrainians** will have the lowest taxes in **Europe**.

**Hungary's** Prime Minister Viktor Orban believes it was in the country's interest to sign loan agreements with the IMF if necessary but it was not in the country's interest to have economic policy agreements with the Fund. Unemployment in **Hungary** is a concern and the government has pledged to create one million jobs over the next ten years, an ambitious plan that would help bring the country's employment rate up to 70% by the year 2020.

Investments in **Belarusian** food and drink sectors are showing sign of growth as the economy shows signs of recovery.

**Estonia** hosted the world through its *Estonia's* Friends International Meeting. The initiative was an avenue for world dignitaries in all fields of life to discuss how **Estonia** could survive in the increasingly expanding global economy and to improve its chances for success in the global marketplace.

**Lithuanian** central bank said in a recent report that rising food prices and a recovery in consumption is likely to push-up **Lithuanian** inflation rate this year and the figure would surpass the previously estimated mark.

**Latvian** economy has received a new rating from the financial rating agency Fitch, according to the latter, **Latvian** economy now stand at stable away from its previous negative status. This is a boost for Prime Minister Valdis Dombrovskis ahead of October 2 general election. Yet, data from **Latvia's** State Employment Agency (SEA) last week showed that registered unemployment rate in the country stood at 15%.

Recent remark by **Ukrainian** Prime Minister Mykola Azarov that **Russia's** gas prices to *Ukraine* are too high and unfair has been met with astonishment.

### **Social/Humanitarian Issue**

In the *Balkans* cases of ethnic cleansing continue to be revisited and last week prosecutors at The Hague **Yugoslav** war crimes tribunal concluded that **Croatian** forces intentionally killed and expelled Serb civilians during the 1995 campaign.

The **Serbian** government is assuring **Austria** for an investigation over the activities of Austrian Hypo Alpe Adria Bank which is suspected of laundering money for an alleged drug boss.

The small Baltic state of **Estonia** is not holding back from participating in humanitarian effort in the flood affected areas of *Pakistan*; two **Estonian** experts have been sent by the foreign ministry on a rescue mission to this effect.

### **Geostrategic Issues**

Already 69 countries have recognized **Kosovo's** independence but that is not enough for Pristina waiting for the CARICOM, an organization of 15 Caribbean nations. **Kosovo's** independence remains a matter of contest with **Serbia**.

**Serbia** is expected to open NATO's mission in *Brussels*, however **Serbia's** membership of NATO is still in the pipeline

The new **Polish** leadership is geared at reviving the Weimar Triangle (*Poland, Germany* and *France*), where **Polish** President Bronislaw Komorowski has made it one of his top foreign policy goals. The **Czech** Foreign Affairs Minister Karel Schwarzenberg was among those whose attention was captured by the repatriation of Roma from *France*. As a member of EU, the foreign minister has voiced his concern against Paris's tough policy

## **RUSSIA**

### **Political Issues**

According to reports public harassment of political demonstrators in **Russia** indicates that **Russian** authority is not ready to accept the freedom of expression of political opposition. Prime Minister Putin holds a clear view, no permission no demonstration

### **Economic Issues**

It was a good week for the **Russian** stock market seeing a gain in the oil sector. Oil, **Russia's** main export earner advanced as much as 1.7 % to \$73.76 a barrel in New York. Same good news will be true for



Gazprom with a net income reaching 325 billion rubles (\$10.6 billion) from 103.7 billion rubles a year earlier. Gazprom also plans to continue lowering its debt burden.

Comparably, the gap between the rich and poor is said to be closing up in **Russia** when measures with other BRIC countries. The trend is associated with the growth in **Russian** economy in the last decade which is more pronounced by **Russia** energy predominance.

### ***Food, Environment and Energy Issue***

The aftermath of wildfire in **Russia** forced the government to propose a ban on wheat export, but according to PM Putin that could be changed and lifted if the 2011 harvest is forthcoming. President Medvedev is worried that current hike in food price could affect public participation in 2012 presidential election.

It is a fulfillment of promise and a contract accomplished as **Russian** engineers have started fueling *Iran's* Bushehr nuclear plant for the next 10 years.

The expansion of crude oil pipeline from *Siberia* to *China* by **Russia** greases the relations between the two BRIC members. **Russia** is the world's biggest energy producer and *China* is the world's largest energy consumer, both statues show they have to be energy responsible countries. Similarly *Azerbaijani* has agreed to increase its gas supply to **Russia** for the next two years after a meeting in Baku of the leaders of both countries.

### ***Social/Humanitarian Issue***

Giving the social implications of alcohol on the society, **Russian** authority has been on a debate whether to ban the sales of alcohol beverages, including beer, at night time. If such ban becomes a reality, **Russia** will be reversing to Gorbachev's Dry Law. However, **Russia's** Finance Minister Alexei Kudrin has offered rather unconventional advice saying citizens should smoke and drink a greater deal, as higher consumption would help lift tax revenues for spending on social services.

Unabated violence in *Chechnya* and other Caucasus regions of **Russia** and redhead hooliganism are terrorizing moments for the people.

### ***Geostrategic Issues***

*Armenian* government has approved the elongation of **Russian** military base in the country till 2044. It is also good news for **Russia** as *Turkey's* new foreign policy of "zero problems with neighbors" drops Moscow from **Turkey's** threat list.



## **US/CANADA**

### ***Political Issues***

Once again poll conducted by Associated Press-GfK shows the strong disapproval for the way President Obama is handling issues that matter most to Americans. The state of the economy is the heart of the issues, even though nine of 15 issues examined show that the November election will be difficult for Democrats. Among potential issues for the November midterm elections is income tax, the president intends not to extend tax cut but to increase it for wealthy Americans, while at the same time reducing tax for the middle class.

The commanding tune of the tea party amid midterm election is driving the view that the tea party is the new Grand Old Party. They are simply against the establishment, wanting a change, unhappy with huge federal spending and above all against tax on the rich. The rhythm of the tea party is forcing the republican establishment to change their policy in order to suit the mantra of the moment. .

Despite the usual fluctuation in rating, none of the **Canadian** political party leaders are ready for parliamentary elections. The minority conservative government has frequently seen agitations from the liberal opposition and had a popularity drop over vital issues.

### ***Economic Issues***

Preceding the midterm elections Obama recently announced that his administration will bolster the economy with new initiatives. Meanwhile the general economic statistics could be troubling but New York is proving to be different with substantive sign of recovery. Joblessness, housing and business as usual are picking up, though the scar of the recession is not totally out of the picture.

Full **Canadian** economy recovery is still underway if the latest report of the country's GDP is true. **Canada** recorded a gross domestic product grew 2.0 % at annual rates, sharply down from 5.8 %, coupled by weaker consumer spending and trade performance and a fear of interest rate hikes by the Bank of **Canada**.

Meanwhile the take over of a **Canadian** company by a **Chinese** company is foaming a great concern in **Canada** even though the deal is favorable. The concern evolves around customers' jobs and government revenue.

### ***Social/Humanitarian Issue***

Tolerance, independence and leniency are the traits that strike the difference among **Canadian**, **Italian** and **French** parents. The assertiveness of the two latter makes them distinctive from the tolerant and individualistic oriented **Canadian** parents as suggested by a receive study.

According to an analysis of 2009 census data by the Pew Hispanic Center, illegal immigration into the **United States** has dropped in two decades. The report indicated that illegal immigration from *Caribbean*, *Central America* and *South America* declined due to the souring American economy, violence across the border and tougher enforcement of immigration rules.

### ***Food, Environment and Energy Issue***

BP is warning Congress that if lawmakers pass legislation that bars the company from getting new offshore drilling permits, it may not have the money to pay for all the damages caused by its oil spill in the *Gulf of Mexico*.



### ***Geostrategic Issues***

As the White House restarts peace talks between *Israeli* and *Palestinian*, President Obama believes the atmosphere should be filled with cautious hope, owing to the sensitivity of the protracted conflict. But more importantly Washington will be a participant than just a facilitator in the talks so as to ensure constructive talks.

## **LATIN AMERICA**

### ***Political Issues***

In Brazil it is increasingly evident that Ms. Dilma could replace President Lula when he leaves office in January. Available polls suggest that Lula's candidate has outmatched other aspirants in popularity for the forthcoming **Brazilian** election.

The importance of **Brazil** in regional politics was highlighted by the visit of the **Colombian** President Santos, his first after having been sworn in as president, to **Brazil**.

Political unrest in **Mexico** is increasingly turning out of balance. The cycle of violence is severely hampering socio-economic and political life of the country.

**Venezuelans** are preparing for parliamentary election and the election results will determine if Chavez's socialism still carries weight among the people.

### ***Economic Issues***

Planning ministry of **Brazil** has displayed figures which further points to the bubbling trend in the **Brazilian** economy. 2011 is expected to witness greater economic growth around 5.5%.

### **Food, Environment and Energy Issue**

**Argentine's** JBS, one of the largest beef exporters in the country is concerned about the new government policy to increase tax on cattle and beef export. JBS believes the new tax could affect the beef export if the government is bent on pursuing the policy.

President Lula has finally approved the controversial \$11 billion Belo Monte Mega Dam at Xingu River in Amazonian state of Para. This is probably the largest project of Lula's administration and has raised the eye brow of Amazon's environmental, religious and Indian peoples' organizations over the environmental implication of the dam.

The reconstruction of **Chile** after the devastating earthquake remains a worry for the government; the latter is struggling to rebuild houses and other social infrastructures.

### **Geostrategic Issues**

The **Argentine** government is strengthening ties with *Armenia*, as the new Latin America country opens it embassy in *Armenia*.

**Brazil** and *New Zealand* have inked agreement on visa free regimes that permits citizens of both countries to travel, do business and stay for duration of one year.

**BRIC** members are beginning to vet the possibility of *South Africa's* membership after President Zuma requested to join the group. Johannesburg is believed to be a potential candidate as well as **Mexico** and *South Korea*.

**Cuban** leadership while lauding President Chavez's effort of repairing ties with **Colombia** and *Havana* has voiced its hope that Chavez will continue to rule the country owing to the benefit his socialism has brought about.

## **AUSTRALASIA**

### **Political Issues**

Latest **Australian** survey suggests that most **Australians** want the country to be a republic but that number has slumped to a record low in 16 years. The survey suggests that **Australians** will want their country free from the *British* monarch after the reign of Queen Elizabeth II



Meanwhile the **Australian** political deadlock moved into another week, without the two bigger parties forming the government. However, now the labour party has gained the support of two smaller parties, giving **Australia** a coalition government.

### **Economic Issues**

Despite the cloudy political weather, **Australian** economy clocked a remarkable growth as consumer spending and mining exports soared. The latest economic status gives room for a better forecast in months to come.

### **Social/Humanitarian Issue**

The **Australian** government will have to take cautious and quick decisions in resolving its present immigration processes for asylum seekers due to the frequent outbreak of disturbance at **Australian's** refugee camp on Christmas Island. §